

● PSFICF: State Dept. 1938

January 7, 1938.

L. F. State

My dear Mr. Neville:

I have read with interest your letter of December 17, 1937, in regard to Japanese activities and influence in Siam, and thank you for your kindness in sending to me the information contained therein.

x197-A

x339-A

With warm personal regards, I am

Sincerely yours,

The Honorable

Edwin L. Neville, x2705

American Minister,

Bangkok.

x L. F. State

x20

x197

DEPARTMENT OF STATE
WASHINGTON

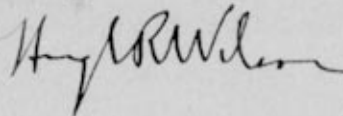
January 6, 1938

My dear Mr. McIntyre:

In accordance with the President's memorandum of January 4, 1938, I send you herewith a suggested reply to the American Minister at Bangkok, thanking him for the information contained in his letter of December 17, 1937, in regard to Japanese activities and influence in Siam. I believe that a simple acknowledgment and expression of appreciation are sufficient in the circumstances.

I am returning the letter under reference from the American Minister at Bangkok.

Sincerely yours,



Enclosures:

1. Letter to American Minister at Bangkok (draft).
2. Letter from American Minister at Bangkok.

The Honorable
Marvin H. McIntyre,
Secretary to the President,
The White House.

THE WHITE HOUSE
WASHINGTON

January 4, 1938.

MEMORANDUM FOR THE STATE DEPARTMENT:

To prepare reply.

F.D.R.

Letter from Edwin L. Neville, Legation of the USA,
Bangkok, 12/17/37 to the President. Submits
information in re Japanese activities in Siam.



LEGATION OF THE
UNITED STATES OF AMERICA

BY AIR MAIL

Bangkok, December 17, 1937.

The Honorable

Franklin D. Roosevelt,

President of the United States,

Washington.

Mr. President:

When you told me you were sending me to Siam, you said that you wished information in regard to Japanese activities in these regions. I reached Bangkok at the end of September, treaty negotiations took up most of October and November, and it is only now that I feel sufficiently familiar with conditions here to justify an estimate.

The Japanese trade with Siam amounted to over \$16,000,000 last year, of which over \$14,000,000 represented Siamese purchases of Japanese products, mostly textiles--cotton, silk or fabric--but also a wide range of cheap manufactures. The Japanese have two lines of ships running direct to Bangkok from Japan (Mitsui & Co. and Osaka Shosen Kaisha), and there is a branch of the Yokohama Specie Bank in Bangkok. Two of the large Japanese mercantile houses, Mitsui and Mitsubishi, have
offices

offices here and engage in a wide range of import, export and insurance business. There are a number of smaller Japanese business concerns but they do not amount to much, so far as I know. I have been unable to find evidence of Japanese establishments of any importance at all outside the city of Bangkok. The Japanese in Siam number about six hundred.

The Siamese have considerable admiration and sympathy for Japan, principally for two reasons: (1) the successful manner in which Japan dealt with the problem of extraterritoriality and that country's political and economic achievements since, and (2) because Japan is the only independent nation other than Siam in which the Buddhist religion is a potent factor in the life of the people. The Japanese are well aware of these considerations and make what capital they can of them. I have been unable to discover, however, that the Japanese have anything in view here other than commercial objectives at the present time.

So far as the Sino-Japanese conflict is concerned, I believe that the Siamese are determined to pursue a completely neutral course. They are afraid of both the Japanese and the Chinese: of the former because they
fear

fear exploitation, either economic or political; and of the latter because they fear Chinese immigration and the commercial and social absorptive powers of the Chinese race. They are determined to preserve their independence and will do so to the extent of their ability; they will not willingly come into any Power's sphere of influence.

I am reporting somewhat more in detail to the Department of State and shall continue to do so; I venture to write thus briefly to you to assure you that I have not forgotten your oral instructions.

The Legation staff join me in thanking you for the Christmas message, which we heartily reciprocate, wishing you every success in the coming year, with health and strength to meet the heavy responsibilities that devolve upon you.

Very respectfully yours,

Edwin L. Neville

PSF: *Irish*

C. F. State

February 9, 1938.

Dear John:

I have given a good deal of thought to your letter of January 22nd and have talked it over with the Secretary of State, who has also had the background of your excellent despatches describing your talks with De Valera. I quite agree with you that a final solution of Anglo-Irish relations, and of the Irish internal problem, would be an immeasurable gain from every point of view, but I am not convinced that any intervention, - no matter how indirect, - on our part would be wise or for that matter accomplish the effect we had in mind. In the long run considerations of national defense may well lead England voluntarily to take the action you now urge us to advocate. She is not blind to such considerations, but I feel it would be a healthier solution, even if a slower one, if her decision were reached voluntarily, and on the basis of her own self-interest, than as a result of representations from a third power.

I hope you will continue to write me fully for the situation is one in which I am very much interested.

Sincerely yours,

The Honorable

John Cudahy,

Dublin.

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5-48*

Sent to State to send through pouch

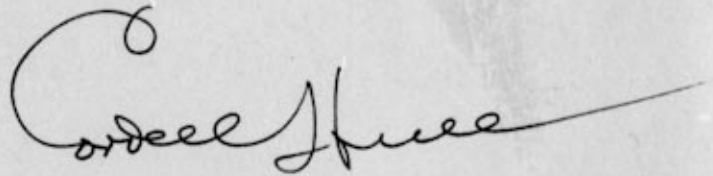
DEPARTMENT OF STATE
WASHINGTON

February 10, 1938

My dear Mr. President:

I return herewith the letter you sent me from John Cudahy suggesting that you intervene in the present Anglo-Irish negotiations, and in compliance with your request for suggestions as to a reply submit a draft letter for your consideration.

Faithfully yours,

A handwritten signature in cursive script, reading "Cordell Hull". The signature is written in dark ink and is positioned to the right of the typed name "Cordell Hull".

Enclosure:

1. Letter from Mr. Cudahy,
January 22, 1938.
2. Letter to Mr. Cudahy.

The President,

The White House.

Strictly Confidential.

January 22. 1938.

Dear Mr President -
The London

meeting between British and Irish
representatives has been suspended and
I believe it will fail unless you can
intervene. From a purely American
viewpoint I think it important that
you do this, for if this opportunity of
settling the Anglo-Irish hostility of
seven centuries, is lost, no other
such opportunity will be presented
during this generation.

An Ireland friendly to Great Britain
means the approval by a great
share of American public opinion
of close American-British relations,
and the significance of Ireland
as an enemy was borne home
emphatically to the British during
the last war. No British defense

people would never tolerate any maintenance of British military forces on Irish territory unless the British take the initiative on the Ulster question and he is certain such action would be approved by the great bulk of British public opinion. Only a small element in the Conservative Party would be opposed to liquidation of the Ulster issue.

I believe if you saw Sir Ronald Lindsay at the White House and told him you were interested in the settlement of Anglo-Irish differences, and hoped the present negotiations might succeed, the effect would be conclusive for success. You are the only one who can do this, and if you do not do so I think the opportunity for cooperation between these two neighboring islands, which means so much for the peace of the world, will be lost for a generation, at least.

The British Ambassador will tell you he can do nothing, that the question of Ulster and Irish unity must be decided by Ulster itself. London can have nothing to do with it. But if Mr. Chamberlain sends for Lord Craigavon, the leader of the Ulster Party, and appealing to him as a patriot, tells him that the defense of England is at stake, the result will be surprising. Further the Prime Minister can bring about the withdrawal of the military garrison in Ulster and the suspension of the financial subsidies which support that government.

I look at the whole matter of course, Mr. President, from an objective American angle and am sure you see the far reaching significance of Irish-English friendship and cooperation for the peace of the world. I shall take the Irish ship home to discuss the matter with you if you send me a cable after reading this letter. But negotiations will be

received in London on February 14th
so the time is very limited.

Respectfully yours

John Lindsay

scheme can ignore the Irish
Coast, and it was this consideration
of defense which has induced
Mr Chamberlain to discuss the
whole subject of Anglo Irish relations
with De Valera.

The discussions are dead locked
because of the Ulster question.
De Valera says he can make no
settlement until this matter of the
northern counties is settled. He
says that Irish sentiment would
be overwhelmingly against any
cooperation with England while Ireland
is divided by partition of the
north counties. He talks reasonably
enough and says he does not want
to coerce anyone, that he is perfectly
content that the north retain its
own parliament at Belfast
if it sends representatives
to a general Irish parliament
at Dublin. De Valera says his

PSF
C. F. Tate

THE WHITE HOUSE
WASHINGTON

Hyde Park, N. Y.,
February 21, 1938.

Confidential:

Memorandum for Admiral Leahy:

x18-7e

I suppose you have been in touch
with this matter. If not, I will tell
you about it when I get back.

REGRADED
UNCLASSIFIED

F.D.R.

Copy of letter (confidential) from Ernest
Gruening, Director, Division of Territories
and Island Possessions, Dept. of the Interior,
2/16/38 addressed to Mr. Richard B. Black,
Field Representative, Dept. of the Interior,
Honolulu, Hawaii. Penciled notation: "FDR -
for your info. Gruening left it". In re
instructions to Mr. Black to settle Canton
and Enderbury Islands projects.

x6-2

x w.c.

x w.c.

x18
x20
x L. F. Navy

THE WHITE HOUSE
WASHINGTON

*Co. F
State*

2/15/38

MEMO FOR MAC

The President says he has got to see
tomorrow morning for 20 minutes, Judge Moore
of the State Department and Mr. Gruening and
anybody that Moore wants to bring with him.
(Re Islands in the Pacific)

x20

6-8

G. G. T.

It is believed that the publication of a summary of your telegram to President Quezon and his reply would have the effect of clarifying the situation and tend to expedite the conclusion of the Committee's work. I am, therefore, enclosing the draft of a press release to be issued by the Department of State if it meets with your approval and that of President Quezon. If you approve this draft and the course of procedure indicated, may I ask you to initial and return to me the original of this letter as my authorization to seek President Quezon's approval and to issue the press release when such approval has been obtained.

Faithfully yours,

Gordell Hull

Enclosures:

1. To The President,
March 19, 1938.
2. Proposed Release.

(PROPOSED RELEASE)

OK
OK
7-20-38
4-1-38

DEPARTMENT OF STATE

FOR THE PRESS

(DATE)

(Confidential Release for publication in Washington in the morning papers of _____ and in Manila in the afternoon papers of _____. Not to be previously published, quoted from or used in any way.)

The President of the United States and the President of the Commonwealth of the Philippines have approved the publication of the following summary of a recent exchange of telegrams between them in regard to the work of the Joint Preparatory Committee on Philippine Affairs, which is engaged in an effort to find a mutually satisfactory solution of the problems of the future economic relationships between the United States and the Philippines.

On March 22, President Roosevelt telegraphed to President Quezon an expression of his feeling that the work of the Committee should be pressed to an early and mutually satisfactory conclusion. The President recalled that he had already made publicly known his own readiness, with a view to affording the Philippines ample opportunity to adjust their economy to the non-preferential status of political independence, to approve of a general plan by which the elimination of trade preferences would proceed by uniform annual accretions of 5 percent, from 25 percent
at

at the date of independence; but he indicated that, except for certain alleviations which he understood the Committee would be prepared to recommend, the export tax provisions of the Independence Act should remain substantially intact as constituting a necessary part of the program of Philippine economic adjustment. The President furthermore suggested that President Quezon join with him in making public their common desire to have the Committee proceed along these lines with a view to reaching an early agreement upon recommendations which would have the wholehearted support of both sides.

In a telegram dated March 25, President Quezon replied that he was sending to the Filipino members of the Joint Preparatory Committee a radiogram to the effect that he had, after considering all the attending circumstances, come to the definite conclusion that the best interests of the Philippines would be promoted by their concurring with the American members of the Committee in the plan outlined in the President's telegram.

DEPARTMENT OF STATE

Washington

March 19, 1938.

My dear Mr. President:

Mr. MacMurray, Chairman of the Joint Preparatory Committee on Philippine Affairs, advises me that in consequence of the doubts and speculations aroused by recent public discussions of the question of a possible reconsideration of the future political status of the Philippines, the Filipino members of the Committee appear hesitant about proceeding towards the formulation of definite recommendations, and even more than ever unwilling to take upon themselves the responsibility of accepting proposals from the American side, as to which President Quezon refuses to indicate to them either unequivocal approval or dissent.

If, as is understood, you wish that the work of the Committee should proceed, I would suggest that in these circumstances it would be greatly facilitated and expedited if you were to see fit to send to President Quezon a personal and confidential message proposing that he associate himself with you in making public your position on this question. I accordingly venture to submit the following text of a telegram which you might wish to authorize my sending in your name to President Quezon, through the customary channels:--

"Personal and strictly confidential for President Quezon.

"In view of recent public discussions of the question of a possible reconsideration of the future political status of the Philippines, and of the tendency in some quarters to interpret this as rendering unnecessary a continuance of the work of the Joint Preparatory Committee now in session here, I venture to make known to you my own feeling that the work of that Committee represents a phase of our joint effort to find a satisfactory solution of the problem of the future economic relations between the United States and the Philippines which

should

The President,
The White House.

should nevertheless be pressed to an early and mutually satisfactory conclusion. I have already publicly made known my own readiness to approve of a general plan by which the elimination of trade preferences would proceed (from 25 percent at the date of independence) by uniform annual accretions of 5 percent, while leaving substantially intact, as a necessary part of the Philippine adjustment program the export tax provisions of the Independence Act except for certain alleviations which I understand the Committee is prepared to recommend. This program represents the maximum of concessions that I feel warranted in asking Congress to accept. I am in hopes that you will concur with me that this plan, in view of all the conflicting interests and circumstances involved, would be liberal in affording the Philippines ample opportunity to adjust their economy to the non-preferential status of political independence; and that you would be willing to join with me in making public our common desire to have the Committee proceed along those lines with a view to an early agreement upon recommendations which would have your wholehearted support, as well as my own. Should you concur, I should be happy to concert with you as to the publication of our telegrams on this subject."

If you approve this suggestion, may I ask you to initial and return to me the original of this letter as my authorization to proceed as indicated therein.

Faithfully yours,

CORDELL HULL

JAMES V. ALLRED
GOVERNOR



EXECUTIVE DEPARTMENT
AUSTIN, TEXAS
April 14, 1938

DERO D. COWLEY
SECRETARY TO GOVERNOR
GEORGE CLARKE
ALMA ALBERT
ASSISTANT SECRETARIES

THE WHITE HOUSE
APR 18 9 13 AM '38
RECEIVED

His Excellency, Franklin D. Roosevelt
President of the United States
Washington, D. C.

My dear Mr. President:

I deeply appreciate your letter of April 11th with reference to the Mexican situation. It was good of you to write me so much in detail when you have so many other great responsibilities and concerns.

Your letter evidences that you are unusually well informed, of course, on the Mexican situation. I felt sure you had the facts in hand, but I think in the final analysis my idea of writing you was to better acquaint you, if possible, with the nature of these people. Although I have enjoyed their outward professions of friendship, I do not put any stock by their promises or assurances. In the final analysis I think perhaps the biggest difficulty is that they are trying to put a socialistic form of government into operation among a people who are incapable even of democracy.

I have just received a very interesting letter from a sister of Congressman Maury Maverick bearing on the general situation and the nature of these people. X I am taking the liberty of passing a copy of this letter on to you in the hope it may prove of value to you.

If I can serve you further at any time, call on me.

With highest personal regards, I am

Sincerely yours,

James V. Allred
Governor of Texas

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x seen
x PP73170

Mary Mawrick's sister

COPY

CIA. MINERA SANTA MARIA DEL ORO, S.A.
Santa Maria Del Oro, Dgo.,
Mexico

Apr. 4, 1938

Governor James V. Allred

My dear Sir:

I am addressing you upon the subject of confiscation of oil wells, mining properties and ranch lands in Mexico. Having lived in this country for a number of years, I feel that I am privileged to say what I know is true and what I have heard here. We, of Texas, should know what is going on across the border under our very eyes. We do not. But it seems we have become so indifferent, we are unable to stand up and fight for our rights.

Foreigners are coming into our State, where they receive complete protection, as they bring their Communism along with them to spread through Texas and into the United States. Turn about used to be fair play, but it has surely ceased where the two "neighborly" nations are concerned. We are asked to get foreign trade. We do at a risk to life, health and happiness (at times) and then we are forced to understand we have not a place under the sun. Non protection of nationals is a most terrible thing to endure and we who feel it, know.

The radio tells us Mexico is considering paying the confiscation of United States stolen properties with the stolen product itself. We hear from Mexico Govt. Radio and Press Representatives that bonds, not bearing interest, for ten years, will be sold to pay our country. Who will buy these bonds? The poor have no money and the wealthy also have brains enough to know the bonds will be like all the others that have gone before, worthless and unredeemable. These orators can "out smart" our country every time and it is too bad that we weakly "fall for it." We are sincere and honest and expect everyone else to be the same, but after learning a promise here is not binding, we should profit by it.

This situation has dragged on so many years, always getting a little worse. Mexicans of the better class have wanted intervention, but it would not be needed if we could only believe in retaliation just once. A lifting of the embargo on arms and ammunition, a definite refusal to buy silver, or a declaring of a corresponding one hundred kilometer border zone prohibiting owner ship of property by foreigners, would be reciprocal remedies.

Our country has been made the laughing stock of Mexico and of other nations. The natives often say that they are going to take back Texas. This is a laugh -- but one that may eventually result in something more than this. Why should this confiscation be tolerated unless every cent of the indemnity is guaranteed with something besides intentional deceit and continued discrimination against Americans of all the foreigners? Why should we not be afforded the same treatment and protection extended to the millions of Mexicans in the U.S.?

You may be sure, our forefathers are turning in their graves at present and what is going on in our fair State. Between the doings of the Labor Agitators and Agressors and our waste of time on so-called reformers, who laugh up their sleeves at us they have every reason to have their peaceful sleep disturbed. Texas is looked up to. We are considered fighters and the nation takes an interest in us. Now they are watching a State of namby pamby spiritless people. Thank Heaven, we hear over the radio in this little out-of-the way town of magistral, some good men who believe in State's rights and Nation's rights.

There is nothing personal in my expressions. Having been told many times that letters are a help to men in high positions, I want to send mine to you, the Supreme Authority in Texas. This is meant in the kindest way possible as from one loyal Texan to another.

Sincerely yours,

(Mrs. M.F.) Virginia M. Crossette
333 E. Summit Ave.
San Antonio, Texas

P. S. I am a sister of Hon. Maury Maverick.

COPY

PERSONAL AND STRICTLY CONFIDENTIAL

April 11, 1938

My dear Governor Allred:

I am sincerely indebted to you for your letter of March 31, 1938, and for your kindness in giving me the benefit of your views on various phases of our relations with Mexico. I appreciate that you are in a position to know intimately the nature of the problems that present themselves between the two countries, and I have read your letter with special interest and attention.

With much of what you say I find myself in agreement; I realize that in some instances the distribution of land under the agrarian program has resulted in the breaking up of large, efficiently operated units, and that reduced production has ensued; I realize that perhaps the program has been pushed too fast for the national economy which has accordingly been put to a heavy strain; I realize also that many complex and difficult social problems of readjustment have arisen. Finally, I am in entire agreement with you when you imply, with respect to the attitude which this Government should adopt, that it requires a cooperating group of "good neighbors" to create and maintain a good neighborhood.

I believe that students of Mexican history are unanimous in the view that the settlement of Mexican farmers on arable lands of the Republic is a very urgent need, the accomplishment of which - promised by successive executives ever since the days of Porfirio Diaz - has been too long delayed. Mexico is predominantly an agricultural country and probably will be for many years to come. Unless the people can find places for themselves on the soil, with their own fields to till and with the growing sense of responsibility which comes from individual and family application to the daily problems of the farm, I am convinced that progress will be further postponed. As a sincere

friend

The Honorable
James V. Allred,
Governor of Texas,
Austin.

friend of Mexico I have therefore a profound sympathy with the basic objectives of the agrarian program.

However, I am fully aware of the serious difficulties which the advancement of the agrarian program during the past few years has entailed for a large number of American citizens who went to Mexico in good faith, invested their savings in agricultural land, and devoted their energies and their resources in the successful development of their holdings. The situation of many of these people who have been dispossessed as a result of agrarian expropriations is little short of tragic, and I share your opinion that in the majority of instances our nationals appear to have received thus far little in return for the taking of their properties by the Mexican Government.

The position which this Government has maintained with respect to the agrarian program has been not to contest the right of the Mexican Government to expropriate private property, since that right is inherent in national sovereignty. This Government has maintained and does maintain however that in exchange for property so taken the owner should receive a fair, assured and effective compensation. We have accordingly pointed out to the Mexican Government on repeated occasions and in the most friendly manner that we must anticipate that the agrarian program will not be carried out otherwise than on a basis of equitable compensation to those of our nationals whose lands have been taken pursuant to that program.

The situation created by the recent decree affecting the oil companies thus raises no new question of policy and we have already informed the Mexican Government that our position with respect to the agrarian expropriations applies with equal validity with respect to the Mexican Government's action in taking over American petroleum interests. At the same time we inquired what specific action with respect to payment was contemplated by the Mexican Government, what assurances would be given that payment will be made, and when it might be expected.

As you know, President Cardenas has replied to our representations with a commitment conveyed to Ambassador Daniels in formal terms fully recognizing

the

the obligation to compensate and reiterating previous assurances that payment would be forthcoming. Our Government is now in active preliminary discussion with officials of the Mexican Government examining various proposals which have been put forward to this end.

I need not assure you that I shall continue to follow the situation with the most careful attention and that I am sincerely hopeful that a friendly and equitable solution, responsive alike to the just interests of the citizens of both countries can be found at an early date.

Faithfully yours,

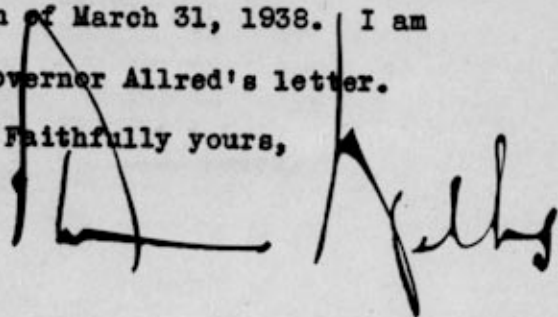
DEPARTMENT OF STATE
WASHINGTON

April 11, 1938.

My dear Mr. President:

I am enclosing, in accordance with your request, a draft letter which you may care to send to Governor Allred of Texas, in reply to his communication of March 31, 1938. I am also returning Governor Allred's letter.

Faithfully yours,

A handwritten signature in dark ink, appearing to be "C. Hull", written over the typed name "Cordell Hull".

Enclosures:

From Governor Allred,
March 31, 1938;
Draft letter to
Governor Allred.

The President,

The White House.

THE WHITE HOUSE
WASHINGTON

April 4, 1938. *R*

MEMORANDUM FOR
THE UNDER SECRETARY OF STATE

x 20

FOR PREPARATION OF REPLY
FOR MY SIGNATURE.

F. D. R.

Letter from Hon. James V. Allred, Governor
of Texas, Austin, 3/31/38 to the President
at Warm Springs. In re Mexican situation.
Refers to change in our silver buying policy
in connection with above.

x
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x 910

x 146
x 146-A
x DP 359

JAMES V. ALLRED
GOVERNOR



EXECUTIVE DEPARTMENT
AUSTIN, TEXAS
March 31, 1938

DERO D. COWLEY
SECRETARY TO GOVERNOR
GEORGE CLARKE
ALMA ALBERT
ASSISTANT SECRETARIES

His Excellency, Franklin D. Roosevelt
President of the United States
Warm Springs, Georgia

My dear Mr. President:

I trust I will not appear presumptuous in writing to you with reference to the Mexican situation; but, being Governor of this great border State, with its more than 700,000 Mexican citizens and with our natural interest in that country and knowledge of the nature of its people, I feel perhaps I can offer a bit of information not otherwise available.

I made two visits to Mexico last year; one, a two weeks visit to Mexico City and the capitals of various states; the other, ten days in the State of Tamaulipas, which immediately adjoins Texas on the south. I had the opportunity, therefore, to meet and know practically all of the government officials with the exception of the President, who was in Yucatan, the southernmost state, at the time. I was entertained by the various cabinet officers, and naturally made inquiry on every hand to get such information as I could with reference to the general situation. Since then I have kept in touch with the situation through numerous contacts in Mexico. I have enjoyed the friendship of these various Mexican officials, and have been particularly popular with their consular force in this State in view of many prompt favors I have accorded them.

Mr. President, after observing the manner in which these Mexican officials have failed to respond to your many actions in their behalf and to your "good neighbor" policy, and having had a series of similar unsatisfactory experiences with them, I am of the firm opinion that it is not in their nature to appreciate considerate action.

It is a known fact that the present government in Mexico has been sustained up until the present time largely through two factors: first, your silver buying policy; and, secondly, the tourist trade. Despite our big brother and protective attitude toward them, despite your administration's silver buying policy, despite a fair tariff, deep in their hearts they do not like us. In my judgment they

have done little, if anything, to reciprocate. Witness the recent anti-American demonstrations in many of their cities. Unquestionably this will jeopardize the tourist trade.

My experience as Governor of Texas during the past three years has been that of my predecessors: Mexican public officials have been long on declarations of friendship and short on delivery. For instance, while I have commuted several death penalties on Mexican subjects for them and have promptly turned over to them all fugitives from justice, they have consistently refused to deliver fugitives from justice back to us. The most recent instance was that of a Texas negro who committed a brutal murder here, crossed the line and was arrested and held in Piedras Negras, just across the border. I have in my files telegrams from the Mexican officials stating that he would be turned over to us and that everything would be handled according to our wishes. At the very time these telegrams were being sent, the negro was released from custody by the Mexican authorities; and although they have promised us to again apprehend and return him to us, they have not done so. This is just one of several similar instances of murderers escaping over the international boundary.

The present Mexican government is founded on fundamentally unsound principles. First, there is a complete lack of religious tolerance. Secondly, the expropriation of lands and properties, while it may be legal, is not justifiable and has resulted, and will continue to result, in greater harm than good to the Mexican people.

Conceding the legality of expropriation of agricultural lands -- and only a pretense of payment has been made by the issuance of worthless bonds -- this is the situation which has resulted:

All tillable lands have been confiscated and turned over to the peons for working. This might be all right if the peons would work the lands. The exact reverse has been true, however. They have not been working the lands, they will not work them without someone to direct or drive them. Corn is the principal food commodity in Mexico, and the Mexican people have not produced corn. They are in serious need.

Of course the old hacienda system had its abuses, but under it the peons did work the land and got enough to eat. This is not done under the present system. It would have been much better if the Mexican government had said to the hacienda owners that, "We are going to supervise your contracts and require them to be fair. You must establish a school on each hacienda and keep a resident doctor there, and provide for vaccination and other health measures."

EXECUTIVE DEPARTMENT -- 3/31/38
His Excellency, Franklin D. Roosevelt
Page Three

I visited one hacienda last fall which was rapidly falling into decay. Practically all the tillable lands had been absolutely confiscated and turned over to the workers; BUT THE LAND WAS NOT BEING WORKED AS IT SHOULD BE. An American had built up this estate and even built his own irrigation system. Now that the lands have been confiscated his widow cannot secure enough water to care for the plants and trees in a small yard around the house.

My point about it all is that the system is predicated upon a false base, especially with people who to a large extent occupy the same status as liberated slaves immediately after the Civil War.

Your change in governmental policy with reference to purchasing silver has, in my opinion, already done more to make the Mexican government realize their dependence on our good will than anything that could have been done. Any concessions to them are not only not appreciated, but to their minds shows a weakness on our part. It is my judgment that this government should go even farther with peaceful measures affecting the economic situation. Thereby wrongs would be righted sooner, in my opinion, than otherwise.

For instance, during my visit to Mexico I was waited upon by a committee of Monterrey business men who objected to a high tax placed upon Monterrey beer imported into Texas. I called their attention to the fact that our business men were complaining because Americans can cross the line into Mexico and return with a hundred dollars worth of goods each trip duty free, while purchases in Texas carried across the line into Mexico have a prohibitive, high tariff. If our government would adopt the same position as the Mexican government, I think it would result in their changing their policy in this regard.

According to information I have secured from Mexico, the authorities there were highly jubilant over the recent seizures of oil properties. It is the practically unanimous opinion there that the Mexican government must have had foreign commitments or pledges of support, else they would not have taken this drastic action. They have some brilliant men in the Mexican cabinet -- for instance, Mr. Suarez, the minister of finance; Gen. Eduardo Hay, minister of foreign relations; Mr. Villalobos, the Attorney General; and others. These men must have known that this drastic action on their part would precipitate complications and impair their credit; yet the action was taken notwithstanding.

On the question of wages, which are probably indefensible so far as our American standards are concerned: I know of one concern in Monterrey operating a small textile manufacturing establishment there.

The workers struck for higher wages. The employers insisted they could not pay more, the courts were resorted to and the workers were upheld. The employers then turned the establishment over to the workers -- just gave it to them. After a few weeks of attempted operation, the workers asked the owners to take it back again on the old basis.

Among others I came to know in Mexico was General S. Cedillo, who was at that time minister of agriculture. He resigned a few days after I was there and returned to his native state of San Luis Potosi, where he is, I understand, supreme. He has not permitted persecution of the church. He has not permitted expropriation of lands. He is not in sympathy with these policies; yet he has the most prosperous state in the Mexican union.

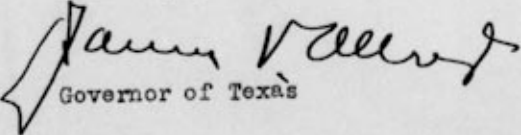
From what I saw and from what I learned (among others, from our own consular and embassy corps in Mexico), I am of the opinion that General Cedillo is the most honest, sincere and practical minded man there -- probably the strongest character in Mexico. There are many interesting things with reference to his possible future course in Mexico which I am sure would be of tremendous interest to you, but I would prefer to give them to you in person if you should be interested.

Summarizing, I want you to know that I am of the opinion that this government has pursued exactly the right course in recent days, especially with reference to the change in our silver buying policy. I think our protests should be strong and vigorous and that perhaps more stringent policies should be followed in many respects. I believe it will secure better and quicker results. The Mexican people understand and respect firmness more than kindness.

If I can serve you further, or if there is any point which I can assist in clearing up in your mind, I place myself at your disposal.

With highest personal regards, I am

Sincerely yours,


Governor of Texas

C.F.
April 18, 1938

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State

MEMORANDUM FOR THE SECRETARY OF STATE^{x20}

x48

I have just read Halifax's communication to Kennedy--and I suppose the last paragraph needs some answer. Will you talk to me about this at your convenience.

3060

F. D. R.

fdr/tmb

Enclosure

Telegram No. 319 - April 15, 5 p.m., London - transmitted by the Sec. of State 4/16/38.

Published in

Foreign Relations of the United States
1938 Vol. V The American Republics
Pages 667-672

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Lil

JUN 29 1938

My dear Mr. Ambassador:

I wish to thank you for your letter of May 26, 1938, setting forth the views of your Government with reference to the payment of compensation for the properties of American citizens which have been expropriated by the Mexican Government. I am deeply appreciative of your having taken the pains of going to Mexico City, in order personally to present to the President and explain to him my letter to you of May 9, 1938, to which your present letter is in reply.

In so far as concerns compensation for American-owned agrarian properties which have been expropriated, I have observed that your Government has in substance reiterated the proposal set forth in the memorandum handed to Ambassador Daniels on April 19 of this year.

I

His Excellency

Señor Dr. Don Francisco Castillo Nájera,
Ambassador of Mexico,

I had hoped that your Government would have progressed in its studies to the point where it could present for the consideration of my Government a definite, practical and complete proposal for making compensation representing fair, assured and effective value to the American citizens whose agrarian properties have been expropriated.

The presentation of such a proposal would have been reassuring and welcome to my Government as tangible proof of the validity of the policy of the "good neighbor", which has guided the conduct of this Government since 1933. That policy implies a community of neighbors, in which all are conducting themselves on a common plane of mutual confidence and fair dealing. My Government has endeavored to hew strictly to the line of that policy, to respect its own obligations and to be neighborly in rendering assistance where it could do so. It is entitled to expect in return respect for the obligations due it under international law, which, of course, include respect for obligations due its citizens. Other Governments have recognized the inherently reciprocal character of the good neighbor policy and
have

have formulated their policies accordingly. The Government of Mexico has for a long period of time, under its agrarian laws, taken over lands of American nationals and though provision was made in the General Claims Convention of 1923 and subsequent agreements, for the adjustment of agrarian claims up to August 30, 1927, no such adjustment has actually taken place. The valuations of the American properties expropriated since that date, principally those of small holders, with the exceptions hereinafter noted, amount already to \$10,132,388.39 in value according to the valuations of American owners, and no provision either for adjustment or for payment has yet been made. The well settled and universally recognized law of nations, while recognizing the right to expropriate, requires payment in cash or its equivalent at the time of taking. The right to take is thus dependent upon the willingness and the ability at that time to pay the appropriate compensation.

This Government believes it appropriate again to call attention to the inherent reciprocal character of the good neighbor policy. In making this observation, this Government believes that it has exhibited patience and forbearance, and has shown to the Mexican Government

all

all possible indulgence, as well as many practical evidences of its continuing desire to cooperate on the most friendly basis. Yet it cannot adopt a policy of acquiescing in the expropriation by another Government of properties of American nationals in disregard of the principle that expropriation and satisfaction of the obligation to pay go hand in hand. To adopt such a course would not forward the good neighbor policy, which is universal in its application. On the contrary, it would inevitably destroy that policy, by impairing the integrity of the principles upon which it rests. I cannot help but believe that the Republic of Mexico fully shares these views, and so desires to cooperate in the maintenance of the good neighbor policy.

These considerations lead to the conclusion that no further expropriations of American-owned property may lawfully be made unless effective compensation is paid at the time of taking the property.

With respect to the expropriations which have already taken place, subsequent to August 30, 1927, and which, therefore, are not covered by the General Claims Convention, and supplementary agreements, I beg to make the following observations:

During

During the time that you have represented your Government as Ambassador in Washington, I have described to you on numerous occasions the very serious circumstances in which many American citizens find themselves as a result of the expropriation of their properties by the Mexican Government. The present plight of many of these American citizens arises from their failure to receive the effective compensation due them. It therefore has been heartening recently to have the renewed assurances of your Government's determination to honor its obligations, past and present, and likewise of your Government's willingness to negotiate through you an arrangement providing compensation for the expropriated American properties. In this spirit of mutual desire to find a solution for this long-standing problem, I am taking the liberty of laying before you certain suggestions which appear to offer the broad outlines of a settlement, and which I would appreciate your communicating to your Government.

First of all, the plan proposed hereinafter is concerned solely with property affectations of all kinds that have arisen subsequent to August 30, 1927. With respect to the claims that arose prior to that time,

time, it is my Government's intention to proceed with respect to their settlement in accordance with the provisions of the General Claims Convention, as discussed below.

As a result of careful study of the data which have been compiled recently, including certain information kindly furnished by the Agrarian Department of your Government, it is estimated that since August 30, 1927 there has been expropriated by the Mexican Government, not including the petroleum properties and certain other exceptions hereinafter noted, \$10,132,388.39 of American-owned property. This estimate is exclusive of certain American properties regarding which it is understood settlements either have been made or are in process of negotiation. Should these negotiations fail to reach a satisfactory outcome, it would be necessary, of course, to include the value of the properties concerned in the above estimate. This estimate includes, however, the value of the Yaqui Valley properties which have not yet definitely been dotated.

There is attached hereto an itemized list of
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the American properties that are comprised in the foregoing estimate. This list gives the name of the owner of the property, the name, if any, and location of the property, the number of hectares expropriated, and the value as estimated in each case by the owner. Although an effort has been made to include in this list all of the American properties expropriated since August 30, 1927 (with the exceptions before noted), the absence of certain data makes the list incomplete, and consequently the monthly payment hereinafter mentioned is subject to adjustment. From time to time, as these data become available, they will be furnished to the Mexican Government.

It is suggested that these data be examined and checked for accuracy and completeness by the appropriate agencies of the Mexican Government and supplemented with such additional data as the Mexican Government may consider necessary in order to arrive at an understanding regarding the amount of compensation due in each case. In as much as your Government is already far advanced in compiling data similar to that now submitted, it should be possible to arrive in the very near future at determinations of compensation due. As you know from our conversations my Government believes that both from the standpoint
of

of justice and because of the great need of the majority of the owners, it is imperative that these determinations be made and that payments be started without further delay.

It is further suggested that the amount of compensation together with any subsidiary questions, such as the extent of the area expropriated, be determined by agreement between two commissioners, one appointed by the Government of Mexico, the other by the Government of the United States. In the unhoped for event of disagreement between the two commissioners regarding the amount of compensation due in any case, or of any other question necessary for a determination of value, my Government suggests that these questions be decided by a sole arbitrator selected by the Permanent Commission at Washington provided for by the so-called Gendra Treaty, signed at Santiago May 3, 1923, to which both our Governments are parties. In view of our common desire to advance a settlement of this matter, it is suggested that our Governments name at this time their respective Commissioners, and request the Permanent Commission to name concurrently the sole arbitrator.

I have noted that your Government has taken a first step towards providing compensation at least in part for the American-owned lands in the Yaqui Valley, by deciding to lay aside every month, beginning with the month of June 1938, the sum of 120,000 pesos. However, in as much as our two Governments are now engaged in an endeavor to arrive at some satisfactory solution of the problems arising from the expropriation of all American properties, my Government earnestly hopes that the Yaqui Valley lands will not be definitely dotated pending the outcome of the present discussions.

I have also noted that with regard to the other cases of expropriation distinct from those under consideration with respect to the Yaqui Valley, your Government is continuing to compile the data necessary to determine the amounts of compensation and consequently the amounts to be set aside for such payments. Following the lines of our conversations, my Government assumes that these latter amounts will be adequate to effect compensation for all American properties expropriated since 1927 prior to the expiration of the term of office of General Cárdenas. As I have already stated to you orally, my
Government

Government cannot admit of the application of any discriminatory principle in this matter, and therefore is unable to accept the differentiation suggested in your letter which was likewise contained in the memorandum of April 18 with reference to large properties or of any differentiation which gives one group of American citizens less satisfactory treatment than another group. Compensation on a basis of fair equality is required for all expropriated American property.

During the process previously outlined, which I am confident you agree should be expedited in every way, and as an indisputable part of the transaction of expropriation and compensation, my Government considers that your Government should set aside monthly for the next thirty months, subject to adjustment as hereafter indicated, the sum of \$337,746.27 to be deposited in escrow in some agreed upon depository, for the exclusive purpose of making compensation for expropriated property as and when definite determinations of value have been arrived at in each case. Should the determinations of compensation show a reduction from the amounts now claimed, the monthly deposits would be scaled down accordingly. By setting aside these monthly amounts it would be possible to achieve what I understand to

to be the objective of President Gádenas, namely, the payment of compensation to American citizens for their expropriated lands prior to the conclusion of his term of office.

With respect to the views presented by your Government in connection with the petroleum properties, I may state in advance of formal communication, that the general standards regarding compensation expressed earlier in this letter are equally applicable in that case.

With regard to the group of American claims under the General Claims Convention, the position of my Government is that it cannot properly abandon rights conferred on the United States Government, on behalf of its nationals, by the provisions of the General Claims Protocol of 1934. However, since your Government is disposed to discuss the matter of the settlement of the claims, the Department is willing to explore with you the possibilities of such a settlement, it being understood of course that by entering into such discussions this Government does not in any way compromise its position or attitude with respect to its rights under the Protocol of 1934 and that the sole purpose of such discussions would be to determine whether the general ideas of our two Governments are sufficiently

close

close together to warrant any further steps.

At the same time the Department would be glad to be advised what minimum time the Mexican Government would feel it necessary to insist upon for the further discussion of the claims preparatory to the en bloc settlement contemplated by the Protocol of 1934.

I am pleased that Your Excellency agrees with me that by an equitable solution of the problems above mentioned, the bonds of friendship between our two countries will be strengthened, and it is hoped that such solutions may be found in the immediate future.

Believe me, my dear Mr. Ambassador, with the expression of my cordial regard,

Yours most sincerely,

Sumner Welles

Enclosure



U SW:IJ

C.F.

State

REB

TELEGRAM SENT

NAVY CIPHER--RESTRICTED

July 15, 1938.

THE PRESIDENT

U.S.S. HOUSTON (AT SEA) Via N.R.

1

The Canadian Foreign Office has today informed the American Legation at Ottawa that the plans of the Governor General have been changed and that he will not repeat not return to Canada until September and that to his very great regret he will not be able to take part in the border ceremonies scheduled for the month of August nor have the opportunity of meeting you.

xPP73089 The Prime Minister has stated to the press that he intends to replace the Governor General at the dedication of the Thousand Islands bridge on August 18 and the Port Huron-Sarnia bridge on August 19.

The authorities of Queens University at Kingston and the authorities of the Canadian Government have already been informed that you will accept the honorary degree from Queens and that this should take place either just before or just after the formal opening of the Thousand Islands bridge, which is scheduled for

August

REB

2-#1, To The President

August 18, at three p. m.

The dedication of the Port Huron-Sarnia bridge is set for August 19, no hour announced to the Department's knowledge.

In view of the Governor General's change in plans, I should like to know whether your own plans remain unchanged in order to inform the Canadian Government accordingly. Your instructions are also requested on that part of the trip after leaving Port Huron whether you wish to proceed to Winnipeg and from there south to the Peace Gateway on the North Dakota border. As you no doubt are aware ^X this development is not completed and the Peace Arch not yet constructed, although I have no doubt that the local authorities would be ^X very glad to make suitable arrangements for your visit.

I shall await your instructions before taking further action.

HULL

PR:SW:MEM EU PA/D



DEPARTMENT OF STATE
WASHINGTON

In reply refer to
Eu 760F.64/178

November 18, 1938

C. F. State

My dear Mr. McIntyre:

I am enclosing a copy of Ambassador Biddle's despatch no. 731 of October 15, 1938 concerning sub-Carpathian-Ruthenia, together with a map, both of which are marked for the President.

Sincerely yours,

James Clement Dunn
James Clement Dunn
Adviser on Political Relations

Enclosures:

1. Despatch no. 731 from
Warsaw, October 15, 1938
2. Map

The Honorable

Marvin H. McIntyre,

Secretary to the President,

The White House.

DUPLICATE

No. 731

Warsaw, October 15, 1938.

Subject: Observations on Hungarian claims
for sub-Carpathian-Ruthenia, and
Poland's interest therein.

463

~~STRICTLY CONFIDENTIAL~~

FOR THE PRESIDENT AND SECRETARY

The Honorable

The Secretary of State,
Washington, D.C.

Sir:

I have the honor to refer to my cables No. 230, October 5, 11 a.m., and No. 231, October 6, 12 noon, and to report the following observations with regard to Hungary's claims upon sub-Carpathian-Ruthenia and Poland's interest therein.

Briefly, according to my information from competent ethnologists, topographers and informed Polish officials, Ruthenia has a total population of about 725,000, consisting of the following: about 125,000 Hungarians, 100,000 Jews (speaking Hungarian), 15,000 Rumanians, 440,000 sub-

Carpathian

Carpathian-Russians (or Ukrainians) , widely scattered German groups (consisting of about 10,000 in all). In addition to the foregoing, there is the Czech group, hitherto composing the administration. The bulk of the Ukrainian section of the population speak a sort of Ukrainian dialect and consider themselves a "special" and "local" category in terms of Ukrainians as a whole; others claim Russian origin, while still others profess belonging to an imaginary Ukrainian state. The towns and villages throughout Ruthenia are definitely Jewish in predominance, which means that the bulk of trade is in their hands and that the towns and villages are mainly Hungarian in character.

- Ruthenia covers an area of about 12,500 square kilometers.
- 1/ The attached map which I have marked indicates (a) the administrative area from the eastern boundary up to Uzhorod, while according to ethnologists here the ethnological frontier in terms of the Ruthenian population extends from a point just south of Brezno northeast to about Muszyna. From a standpoint of Hungarian claims the territory south of the line which I have marked as the ethnological demarcation, and running between Uzhorod and Slatina contains the bulk of the Hungarian population. The territory north of this line is characterized by a series of valleys running south and north traversed by the rivers indicated, all of which run southward. East - west communications in this area are sparse to say the least. In fact the only east - west railroad is that which runs along the Ruthenian-Hungarian-

Hungarian-Rumanian border just inside the Ruthenian line.

The Hungarian economists and ethnologists point out that in the event of satisfaction of Hungarian ethnological claims this railroad would fall into Hungarian hands. They moreover point out that this would result in economic isolation for that part of Ruthenia north of Hungary's ethnological claims. The Hungarians therefore point out it would be an economic advantage for the northern part to be held intact rather than to be divided from the southern part, which contains the East-West railroad.

Poland's interest in Ruthenia's cession to Hungary, and a consequent common Polish-Hungarian frontier may be characterized by the following main points: (a) Polish internal considerations: Ruthenia's autonomy rather than inclusion in a Hungarian state would undoubtedly reflect itself in an encouragement to the Polish Ukrainian minority to make a similar claim for autonomy; (b) strategic objectives: 1/ the Polish Government feels that Hungarian acquisition of Ruthenia might serve to strengthen the present Hungarian Government's hand in terms of Hungarian public opinion, thus potentially serving to keep Hungary from falling rapidly and completely into German hands; 2/ Poland perceives the strategic advantage of three separate rail routes converging in Poland at Lwów, and running south through Sanbor, Stry, Stanisławow respectively, thence south through Ruthenia to converge at Budapest. Besides, the line from Lwów through Stanisławow branches at the latter point and runs direct to Bucharest.

In the event of Poland's having to defend herself either
against

against an attack from the east, or the west, Poland perceives in these rail routes a means of contact with friendly central European and Balkan states as potential sources of supply and assistance. Moreover, Poland who for about 20 years regarded Ruthenia (a) as a springboard for the Soviet Ukrainian propagandists to agitate amongst the Ukrainian minority in Poland, and (b) as a base for propaganda and counter-propaganda between the Soviet and the West, would welcome Ruthenia's coming under the hand of a friendly nation which might be expected to establish a state of order.

As regards Polish public opinion, I am aware that practically all categories thereof, from the Right to the Left are heartily in accord with the Polish Government's desire to establish a common frontier with Hungary through the latter's annexation of Ruthenia. For example even Mr. Niedziałkowski, leader of the Socialists imparted his opinion that this would be the only means of keeping Ruthenia from falling into Germany's hands.

In appraising resistance from various sources to Poland's and Hungary's mutual objective, the following is becoming clear: from Prague resistance is expected to be comparatively ineffective; from Slovakia little if any effective resistance; from Rumania, resistance of ineffective character brought about by pressure from Berlin; from Yugoslavia mild resistance (due to Budapest's reportedly having informed Belgrade that Budapest had no territorial ambitions in Yugoslavia). However, it is becoming steadily more clear that Germany looks upon Poland's and Hungary's objective with disfavor. At the moment there are two schools of thought here in official
and

and diplomatic circles: (a) that which looks for present German resistance to dwindle when Germany finds that her resistance comes in direct conflict with Polish aims, for the reason that Germany is not yet ready to disrupt her relations with Poland. (b) The other school believes Germany will increase its resistance in all quarters. Personally I perceive traces of Germany's resorting on the one hand to pressure against Budapest directly, and indirectly through Bucharest, while on the other, against Warsaw through agitation amongst the Polish-Ukrainian minority. As pointed out on previous occasions, Germany frequently resorts to this method as an instrument of pressure against Warsaw.

At the moment I am aware that the Polish Government is in a quandary as to the next best move in view (a) of Hungarian-Czechoslovak deadlock of October 13, in Komarno, and (b) Hungary's having thereupon referred her claims to the Munich powers for "settlement". In connection therewith, Polish officialdom's concern is engaged by the potentially disappointing effect that such a result might have upon Hungarian public opinion. It is reported that the public had not been kept clearly informed upon the course of negotiations, and had looked to its negotiators to effect a rapid, satisfactory, settlement. This, it is felt, could conceivably lead to a change in Government which might in turn result in a Nazi administration.

I moreover discern a sense of keen disappointment in official circles here over this result for, in feeling that the time element is of vital importance, they had been hoping for rapid action, looking to the earliest possible settlement. Indeed, suspense may conceivably work a hardship

for

for Poland in terms of her own Ukrainian minority. Moreover, Polish officialdom is apprehensive of potential German subtle machinations, to stake a claim in Ruthenia for the purpose of establishing a corridor for herself. Moreover, Poland is anxious to have the matter settled in order that it might not become an issue which might involve the question of frontier guarantees on the part of the major powers on or after December 31.

At the present moment there is an important concentration of Polish troops at several points along the Polish-Ruthenian border aimed (a) as a demonstration for the Ruthenians' benefit, and (b) as a means of tranquilizing the atmosphere in the area of the Polish Ukrainian minority.

Respectfully yours,

A.J.Drexel Biddle, Jr.

710
AJDE/emq

(In triplicate)

Enclosure:

1. Map (two copies only)

OF THE SIGNATURE
ORIGINAL ¹²
A TRUE COPY

C.F. State

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.



DEPARTMENT OF STATE
WASHINGTON

November 22, 1938

My dear Mr. President:

I submit for your consideration, and your signature if you approve, a draft letter of instructions to the Honorable Myron Taylor, furnishing him guidance with respect to the future course of the Intergovernmental Committee on Political Refugees. This letter has been drafted in such form as to make clear the extent of Mr. Taylor's authority in the event that any question should arise in London as to the nature of his task.

x652 I expect to confer with Mr. Taylor and Ambassador Hugh Wilson on my way to New York on November 25th. If it is convenient to you I should like very much to hand Mr. Taylor your letter of instructions on that occasion.

Faithfully yours,

Enclosure:

Draft of letter
to Mr. Taylor.

The President,

The White House.

Signed at Warm Springs

Nov 23, 1938.

~~Confidential~~

My dear Mr. Taylor:

The recent wave of extreme persecution which has swept Germany and which is continuing in many of its aspects has greatly increased both the difficulty of providing refuge and settlement for the unfortunate victims and the urgency for concrete action to meet the problem.

The Intergovernmental Committee on Political Refugees which your devoted and effective efforts created at Evian and launched at London has not yet produced the concrete results I had hoped. This has been due to forces and circumstances beyond the control of any of us, but I feel that the time has come when a special effort must be made to make the Committee's work really effective. We must produce concrete and substantial results and we must produce them soon.

I have accordingly asked you to go again to London, as the representative of this Government as as
my

The Honorable

Myron C. Taylor, *see* *PP7 423*

71 Broadway,

New York, New York.

*76-6
*3186
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x101
my personal representative, to resume active leadership in this vital work and to undertake such negotiations as may be necessary to do so. I wish at this time to give you my views with regard to the future work of the Committee.

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x198-A
One. It is not yet clear whether the German Government will cooperate in any way toward a solution of the problem. There are nevertheless increasing indications that the German Government will either refuse to discuss the problem with representatives of the Committee or else will consent only to arrangements which would be unacceptable to this Government and to the other Governments represented on the Committee. In any event it seems improbable that the German Government will make any contribution which would be of substantial assistance in meeting the problem. Nevertheless, as long as there is any possibility whatever that the German Government may relax its persecution sufficiently to permit orderly emigration or may permit emigrants to withdraw from Germany a portion of their assets, no action should be taken which would reduce the possibility of obtaining such cooperation. I still consider it highly important for ^{Sec.} Mr. Rublee, as Director, to visit Berlin if this can be arranged; should this not be possible

sible and should the German authorities suggest a meeting of experts on neutral territory, the opportunity should not be lost. Beyond this, the situation has not clarified to a point where it is possible to give you instructions; you are, however, authorized, in your discretion, to discuss the general problem, directly or indirectly, with any official German contacts you may make either in Great Britain or on neutral territory. For the present, at least, it is not considered advisable for you to go to Germany.

Two. If the German Government will not cooperate, the work of the Committee must not only be continued but must be intensified to solve the problem without such cooperation. To this end the facts should be made a matter of record when all reasonable hope of effective cooperation with Germany has been abandoned. This should be done in a manner which will emphasize to Governments and individuals outside of Germany the fact that the refusal of Germany to cooperate makes it the more imperative that they accept their share of responsibility for meeting the problem without German aid. It should also be done with restraint in order that there may be no risk of unfortunate repercussions on persons within Germany.

Three.

Three. The most urgent aspect of the problem is obviously the finding of substantial opportunities for settlement. It is in this field that concrete results are most urgently necessary. There are many parts of the world which could accept substantial numbers of these people without injury to their economic or demographic organisms. It is rather to be anticipated that absorption of the special skills, intellect and energy of these people, especially if they bring with them a reasonable, if limited, amount of new capital, would be of definite benefit to the receiving countries through the development of new fields of activity. It is essential to create the proper spirit in the countries of potential settlement and to lead them to see this problem as one which is humanitarian in its urgency but from which they can draw ultimate practical benefit. Every effort should be made to develop this concept of the problem. Once it is created the development of concrete opportunities for settlement should be a comparatively minor problem.

(a) This Government is already accepting involuntary emigrants to the fullest extent permitted by law. I do not believe it either desirable or practicable to recommend any change in the quota provisions of our immigration laws. We are prepared, nevertheless, to
make

make any other contribution which may be in our power to make. You are authorized to make a public statement that this Government can, under its existing law, accept annually 27,370 persons from Germany. This does not include certain members of the learned professions whose admission is not subject to numerical limitation. While this Government is thus apparently doing as much, if not more, toward a solution of the problem than any other Government, you may add that it is nevertheless continuing to study actively any other possible means by which it might be able to contribute further toward a solution.

(b) The location of the Committee is advantageous for detailed negotiations with the Governments of Great Britain and the Dominions and with the other European Governments represented on the Committee. Every effort should be made to induce all of these Governments to make the maximum possible commitments with respect to the admission of involuntary emigrants and to commence immediately the execution of these commitments. With regard to negotiations with Governments in this hemisphere, while the role of the Committee is equally important, this Government will gladly supplement its appeals by direct diplomatic approaches to the Governments

ments concerned.

(c) It is realized that many countries are prepared to admit larger numbers of involuntary emigrants than they are willing publicly to admit. The commitments to be sought at the forthcoming meeting should accordingly be of two kinds: public and confidential. The public statements, which should be specific, will be of value not only in providing actual opportunities for settlement but also in inducing other countries to make similar commitments. The confidential commitments should concern each Government's contribution over and above what it is prepared publicly to announce. It goes without saying that both types of commitments should be the maximum possible of attainment.

Four. It is contemplated that the European Members of the Committee, except for those having overseas possessions, can make their principal contribution through granting temporary refuge to involuntary emigrants and through the establishment of facilities for retraining them, particularly in agriculture. The French, Danish, Swiss and Netherlands Governments have already shown a liberal spirit in this field and efforts should be made to induce them to expand their efforts and to induce the other European Members to provide similar facilities.

In

In view of the emphasis which practically all overseas countries place upon their desire to receive agriculturists, the provision of facilities for real training in this field should be stressed. It is believed that Jewish, Catholic and Protestant charitable organizations in the countries concerned can be counted upon to make substantial financial contributions toward the carrying out of this work.

Five. Active consideration should be given at the forthcoming meeting to arrangements for financing the establishment of involuntary emigrants in such territories as may be available for their settlement. It is believed that, once opportunities for settlement are provided, financial resources for the establishment of large numbers of involuntary emigrants can be found. It is realized that much of the burden of this financing will fall upon private individuals and organizations in the United States and England. While consideration should be given to all practicable measures for financing such settlement, including even a recommendation for governmental appropriations coupled with the execution of a concrete plan, it is suggested that the possibility of floating an international loan for this purpose be not overlooked. Consideration might also be given to the creation of a refugee settlement corporation in conjunction with the Intergovernmental Committee to administer such funds as may be raised.

raised.

I know that it is unnecessary to emphasize to you the importance which I attach to the Intergovernmental Committee continuing in existence until the problem of political refugees from Germany is substantially solved. It has had to face many discouragements and it will presumably have to face more. Whatever these discouragements may be, whether from the German Government or from the countries of settlement, I know that they will but increase your determination to carry on this work to a successful conclusion.

Very sincerely yours,

(Sgd) F. W. R.

TELEGRAM

The White House

Washington WX 11-24-38
1025am

Memo. for ~~MR~~ MHM,
WS

Lt. McCay has just handed me the letter and I have sent it across to Secretary Hull who is in his office.

RF

File

TELEGRAM

The White House

Washington

Memo. for R. F.

x21

Secretary Morgenthau's messenger Lt. McKay has just left for Atlanta to fly back to Washington. He has envelope addressed to you containing letter and papers for Secretary Hull which the President wants placed in Secretary Hull's hands soon as possible.

H. M. K.

Nov. 23, 1938 1:38 p.m.

*Rec'd & original
letter to Mr
Taylor sent
to Secy of State
(attention Mr
Rosenwald)
11/24/11:15am.*

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

11-7-63
C.L.S.

December 10, 1938.

MEMORANDUM FOR

THE UNDERSECRETARY OF STATE

x20

Do you see any way in
which these aircraft, engines
and parts and accessories being
exported to Japan can be cut
down?

F. D. R.

Table showing U.S. exports to Japan, x197
table showing U.S. exports to China, x197-A
and copy of "Aeronautical World News",
published by Dept. of Commerce, 9/20/38,
in which there is an article on Asiatic-
Oceania Aeronautical Markets. x3

x249 official

x3-6

x150

x150-A

x614-A

117
THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

11-7-63
CDS
July 15, 1937.

MEMORANDUM FOR

THE SECRETARY OF STATE ²⁰
THE UNDER SECRETARY OF STATE

TO READ AND RETURN

F. D. R.

25P 21 George L.
Confidential memo. to Secy. of Treas. from Mr. Haas
re Japan and US cotton; if Japan were not able to
obtain cotton from US, it would not seriously in-
terfere with her economy, would not substantially
lower her standard of living, and would not signi-
ficantly hamper her power to conduct a war.

Original to Secy. of State.

197
x lo. 7 State
21-AA