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PREFACE

This volume was prepared under the direct supervision of the former Chief of the Foreign Relations Division, E. Ralph Perkins, assisted by its present head, S. Everett Gleason, and Rogers P. Churchill. The compilations on United States relations with the nations of Eastern Europe, except Bulgaria, were the work of William Slany. The documentation on Bulgaria was compiled by John G. Reid. Documentation concerning the relations of the United States with the countries of Western Europe was compiled by a former staff member, N. O. Sappington. The compilations on Finland were done by Douglas W. Houston, also a former member of the Foreign Relations Division.

The Publishing and Reproduction Services Division (Jerome H. Perlmutter, Chief) was responsible for the technical editing of the volume. This function was performed in the Historical Editing Section under the direct supervision of Elizabeth A. Vary, Chief, and Ouida J. Ward, Assistant Chief.

WILLIAM M. FRANKLIN
Director, Historical Office,
Bureau of Public Affairs

DECEMBER 20, 1967

PRINCIPLES FOR THE COMPILATION AND EDITING OF "FOREIGN RELATION"

The principles which guide the compilation and editing of *Foreign Relations* are stated in Department of State Regulation 1350 of June 15, 1961, a revision of the order approved on March 26, 1925, by Mr. Frank B. Kellogg, then Secretary of State. The text of the current regulation is printed below:

1350 DOCUMENTARY RECORD OF AMERICAN DIPLOMACY

1351 *Scope of Documentation*

The publication *Foreign Relations of the United States, Diplomatic Papers*, constitutes the official record of the foreign policy of the United States. These volumes include, subject to necessary security considerations, all documents needed to give a comprehensive record of the major foreign policy decisions within the range of the Department of State's responsibilities, together with appropriate materials concerning the facts which contributed to the formulation of policies.

When further material is needed to supplement the documentation in the Department's files for a proper understanding of the relevant policies of the United States, such papers should be obtained from other Government agencies.

1352 *Editorial Preparation*

The basic documentary diplomatic record to be printed in *Foreign Relations of the United States, Diplomatic Papers*, shall be edited by the Historical Office, Bureau of Public Affairs of the Department of State. The editing of the record shall be guided by the principles of historical objectivity. There shall be no alteration of the text, no deletions without indicating where in the text the deletion is made, and no omission of facts which were of major importance in reaching a decision. Nothing shall be omitted for the purpose of concealing or glossing over what might be regarded by some as a defect of policy. However, certain omissions of documents are permissible for the following reasons:

a. To avoid publication of matters which would tend to impede current diplomatic negotiations or other business.
b. To condense the record and avoid repetition of needless details.
c. To preserve the confidence reposed in the Department by individuals and by foreign governments.
d. To avoid giving needless offense to other nationalities or individuals.
e. To eliminate personal opinions presented in despatches and not acted upon by the Department. To this consideration there is one qualification—in connection with major decisions it is desirable, where possible, to show the alternatives presented to the Department before the decision was made.

1353 *Clearance*

To obtain appropriate clearances of material to be published in *Foreign Relations of the United States, Diplomatic Papers*, the Historical Office shall:

a. Refer to the appropriate policy offices of the Department and of other agencies of the Government such papers as appear to require policy clearance.
b. Refer to the appropriate foreign governments requests for permission to print as part of the diplomatic correspondence of the United States those previously unpublished documents which were origniated by the foreign governments.

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The Secretary of State to the Minister in Egypt (Tuck)

WASHINGTON, January 2, 1945—midnight.

28. For Jacobs.[2] In connection further with your appointment as head of the American Mission to Albania, the Department would like you to keep the following points in mind:

1. The Department does not desire that your appointment and the assembling of your staff for temporary duty in Italy should give rise to conjecture on the part of the Albanians regarding the intentions of this Government in the matter of recognition. Publicity will not be given to these arrangements, therefore, pending further examination of the qualifications of the existing authorities in Albania as a broadly representative group and clearer evidence of their disposition to adhere to a democratic program.

2. Fultz,[3] who is entering Albania as a member of an OSS[4] mission, will eventually be transferred to our payroll for service as Economic Adviser on your staff. Meanwhile, it is suggested that following your arrival in Italy you should proceed with such arrangements as may be necessary in order to coordinate the preliminary work of your staff with that of Fultz and with the intelligence functions of the OSS team in Albania. The OSS mission has been granted permission to use the American Legation buildings in Tirana as a temporary headquarters.

3. The British are considering a plan to send a regular military mission into Albania by the first of the year. This group, which would probably be headed by a brigadier and would include a political and economic adviser, would function as British representation until

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[1] For documentation regarding the interest of the United States in developments in Albania in 1944, see *Foreign Relations*, 1944, vol. III, pp. 271 ff.

[2] Joseph E. Jacobs, until January 1, 1945, Counselor of Legation and Consul General at Cairo. In telegram 17, January 1, 10 p. m., the Department informed the Legation at Cairo that Jacobs was being transferred as Foreign Service Officer attached to the staff of the United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta. Jacobs' assignment was being made with the view to his eventual appointment as head of an American Mission to Albania, with personal rank of Minister. The President had approved this designation which would become effective at the appropriate time. (123 Joseph E. Jacobs)

[3] Harry T. Fultz who was appointed economic adviser in the Foreign Service Auxiliary on April 9, 1945, and assigned to Tirana.

[4] Office of Strategic Services.

an Albanian government is recognized. The Russians are represented at present by a military mission to the Albanian Army of National Liberation. It is surmised that they may soon send political experts to Albania as a step preliminary to reaching a decision on recognition.

4. You may find it desirable upon your arrival to consult with Merrill and other members of Kirk's [5] staff regarding the current situation in Albania. You should also examine instruction no. 44 of November 25 [6] and instruction of October 21,[6a] which enclosed for the information of the United States Political Adviser at Naples a number of documents relating to Albanian problems.

Sent to Cairo; repeated to AmPolAd [7] (Caserta) as 6.

875.01/1-945 : Airgram

Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, January 9, 1945—1 p. m.
[Received January 23—2 p. m.]

A-5. Reference my telegram No. 81, January 9, 2 p. m.[8]

From the Newspaper *Bashkimi*, Central Organ of the Albanian National Liberation Front. Issue of 4 January 1945

"THE ALBANIAN GOVERNMENT SEEKS RECOGNITION BY ITS GREAT ALLIES."

The note of our Government to the Governments of the Great Allies, England, the Soviet Union and America. The Albanian Government has sent to the Great Allies, England, the Soviet Union and America through their respective leaders the following note: [9]

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[5] Alexander C. Kirk was simultaneously Ambassador in Italy and Political Adviser to the Supreme Allied Commander, Mediterranean Theater.

[6] Not printed; it transmitted copies of the memorandum of November 3, 1944, from the British Embassy to the Department of State and the Department's memorandum of reply dated November 21, 1944. For texts of the two latter documents, see *Foreign Relations*, 1944, vol. III, pp. 282 and 288, respectively.

[6a] Not printed.

[7] American Political Adviser.

[8] Not printed; it reported publication on January 4, 1945, in the Tirana newspaper *Bashkimi* of the text of a note to the British, Soviet and American Governments requesting recognition of present Albanian Government; the actual document itself had not yet been delivered, but a translation of the newspaper article was being sent by airgram (875.01/1-945).

[9] Telegram 237, January 20, midnight, from Caserta (875.01/1-2045), reported that the Albanian representative in Italy, Kadri Hoxha, had presented to Mr. Kirk a note addressed to President Roosevelt requesting formal recognition of the Albanian regime; the text was reported to be as set forth in this airgram. The original note, in French, dated December 21, 1944, numbered 11/D, was transmitted to the Department in despatch 1019, January 22, 1945, from Caserta (875.01/1-2245).

Mr. Winston Churchill, Prime Minister of Great Britain;

Mr. President of the Commissars of the People of U.S.S.R. and Marshal of the Soviet Union, Stalin;

Mr. Franklin D. Roosevelt, President of the United States of America;

In the name of the Democratic Government of Albania I have the honor of presenting to you the following.

On April 7, 1939 when the troops of Mussolini [10] landed in Albania [11] the Albanians resisted with arms, thus demonstrating to the whole world that they did not approve of the occupation of their country by the foreigner. In a short while [they?] were organized in open warfare against the Fascist occupier.

In September 1942 all of the outstanding fighters of our people met in conference at Peza, where without regard for differences of religion, locality or ideas they united under the leadership of the Central National Liberation Council for severe and unrelenting war against the occupier and the traitors. Here the Albanian People revealed their unshaken faith in the victory of the Great Allies, England, the Soviet Union and America. They expressed their firm confidence in the victory of the freedom-loving peoples of the world.

The significant declarations of the Ministers of Foreign Affairs of Great Britain, the United States of America and of the Soviet Union in December 1942 [12] were a great moral and political assurance for our People's War. These were a guide for our war of liberation and a promise of security of our freedom and independence once these had been won through war and struggle.

The gigantic war of the Great Allies, for the Albanian people was a guarantee of victory and it was this which paved the way for us by giving examples of the war against the Fascist aggressor and the Quislings.

By having faith and confidence in the great cause of the Anti-Fascist Bloc, and by having faith and conviction in the sacred cause of the National Liberation Movement, the Albanian people, our people continued the war unceasingly side by side with the Great Allies and with other freedom-loving peoples.

In this war our people united, were strengthened and organized as never before.

In the war for freedom and democracy, the Albanian people organized an Anti-Fascist National Army which was born and reared with the ideal of democracy and brotherhood-in-arms with the Great Allies as well as with the neighboring peoples who are fighting against the common enemy.

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[10] Benito Mussolini, Italian Prime Minister and Head of Government, 1922 to July 25, 1943.

[11] For documentation regarding the absorption of Albania by Italy in 1939, see *Foreign Relations*, 1939, vol. II, pp. 365 ff.

[12] For text of the statement by Anthony Eden, British Secretary of State for Foreign Affairs, on December 17, 1942, see *Parliamentary Debates*, House of Commons, 5th series, vol. 385, cols. 2114–2115. For text of the statement by Secretary of State Cordell Hull on continued resistance of Albania to Italian occupation, released to the press on December 10, 1942, see Department of State *Bulletin*, December 12, 1942, p. 998. For text of the statement by the Soviet Commissariat of Foreign Affairs regarding the independence of Albania, dated December 18, 1942, see *Izvestia*, December 18, 1942, and *Vneshnyaya Politika Sovetskogo Soyuza v period otechestvennoi voyny*, tom I, p. 287.

In the war for freedom and democracy, in the war against the aggressor and the traitors of the country, the Albanian people attained National unity.

The Convention of Permeti [14] and that at Berat [15] were the crossing events of this struggle and of the five year war. These gave to Albania a new authority, a Democratic Government, a government that is an authentic expression of the will of the Albanian people; a government which includes in its ranks the most capable persons proven in the Anti-Fascist National Liberation war. The Democratic Government of Albania has the confidence of all the Albanian people united in the National Liberation Front and in the National Liberation Army.

Today with Albania liberated the Democratic Government of Albania is the only government which represents Albania both internally and externally. There is none either inside Albania or outside contesting the fact of our government. The authority of our government extends today to all provinces of the country and over all of the Albanian people.

The Democratic Government of Albania has announced publicly its democratic principles. It has announced also that it is the only one that protects and guarantees personal rights and the rights of citizenship. Our Government has announced publicly its adherence to the great Anglo-Soviet-American Alliance.

Our Army not only liberated our country, but it has fought against the German Armies in behalf of the great alliance in the territories of Yugoslavia.

The Democratic Government of Albania, which is the authentic expression of the will of the Albanian Nation and People wishes to continue to strengthen the great alliance of the Anti-Fascist Bloc and the friendly ties which unite the Albanian people to your great peoples.

As today for the definite victory over Fascism and the problems of reconstruction, tomorrow also for securing democracy and peace in the World our government will stand faithful in all sincerity to the cause of democracy and independence of the people; faithful to the spirit of the Atlantic Charter [16] and to the Conference of Moscow [17] and of Teheran.[18]

In order to retain, consolidate and strengthen the ties of friendship that have been born in the common war against Fascism and in order to strengthen cooperation between Albania and the Great Allies, I

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[14] May 24, 1944, often identified as Përmet. At this convention the Albanian National Liberation forces created the Anti-Fascist National Liberation Council, a supreme legislative and executive organ, and the Anti-Fascist National Liberation Committee with the attributes of a provisional government.

[15] October 22, 1944. At this convention the Anti-Fascist National Liberation Committee was changed to the Democratic Government of Albania. Enver Hoxha was named Premier.

[16] Joint statement by President Roosevelt and British Prime Minister Churchill, August 14, 1941, *Foreign Relations*, 1941, vol. I, p. 367.

[17] Apparent reference to the Tripartite Conference of Foreign Ministers in Moscow, October 18–November 1, 1943. For documentation on this conference, see *ibid.*, 1943, vol. I, pp. 513 ff.

[18] For documentation on the conference between President Roosevelt, Prime Minister Churchill, and Premier Stalin with their advisers at Tehran, November 27–December 2, 1943, see *Foreign Relations*, The Conferences at Cairo and Tehran, 1943.

have the honor to express to you the will of the Albanian people and their desire that the Democratic Government of Albania be recognized in the first line (*without reservations??*)[19] by the great Anglo-Soviet-American Allies and that diplomatic transactions be established between your governments and our government.

Accept, Mr. President, my most sincere greetings,

Enver Hoxha[20]

[KIRK]

875.01/1-1245

The British Embassy to the Department of State[21]

AIDE-MÉMOIRE

His Majesty's Government welcome the statement of the Department of State's policy with regard to Albania contained in the Department's memorandum of November 21st, 1944,[22] and are glad to find that the Department share the view of His Majesty's Government that recognition of the Provisional Government formed at Berat[23] should not be granted for the present. As for the future His Majesty's Government agree that before *de jure* recognition can be granted to any Albanian Government it should be in a position to fulfil the conditions which the State Department have put forward.

There remains the question of establishing relations on a day to day basis with the F.N.C.[24] which is in *de facto* control of the country. It is noted that the State Department feel it may soon be desirable to establish such relations as would enable them to open an office in Tirana for the purpose of protecting American interests there and co-ordinating activities of representatives of other American agencies who may be sent to Albania. His Majesty's Government for their part have also been considering this problem and have reached the conclusion that until the time comes for the recognition of a government in Albania the best course would be to withdraw the British liaison officers at present in the country and to accredit a military mission to the headquarters of the F.N.C. Plans have therefore been worked out for the despatch of a mission under the command of the

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[19] In the original French version of this note (see footnote 9, p. 2), this phrase read as follows: ". . . la volonté du peuple Albanais à ce que son gouvernement soit reconnu en premier lieu de la part de nos Grands Alliés. . . ."

[20] The note sent to President Roosevelt was signed: "The President of the Council of Ministers of the Democratic Government of Albania, Colonel-General Enver Hoxha".

[21] Handed to the Department on January 13.

[22] *Foreign Relations*, 1944, vol. III, p. 288.

[23] See footnote 15, p. 4.

[24] The National Liberation Front, political party created at the Congress of Berat, October 22, 1944, as a successor to the National Liberation Movement (L.N.C.); officially, a mass organization representing all shades of "democratic" political opinion, but actually a camouflage organization for the purpose of implementing the program and policies of the Albania Communist Party.

Supreme Allied Commander in the Mediterranean. This mission, whose duties would include the provision of up to date information on political tendencies in Albania and of advice on the economic and financial situation, would be headed by an officer of the rank of Brigadier. He would be assisted by a Lieutenant Palmer (at present senior British Liaison Officer at F.N.C. headquarters) as political adviser and by two or three other officers with experience in Albanian affairs. It is proposed that Military Liaison Albania (which is a joint Anglo-United States organisation) would be separate from the British military mission but would work in close cooperation with it.

As recent military developments in Albania make it very desirable that the mission should enter the country at the earliest possible moment, His Majesty's Government propose to send it in as soon as the necessary administrative arrangements can be made. At the same time His Majesty's Government would welcome any information the State Department may be able to give about their own plans for maintaining contact with F.N.C. during this interim period.

WASHINGTON, January 12, 1945.

875.48/1-1645 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, January 16, 1945—10 p. m.
[Received January 17—2:37 p. m.]

176. Hoxha has balked at ML [25] plan and refused relief on any other basis than accepting supplies shipside with a minimum number of observers. ML representatives will stay in Tirana a few days longer on hope that Hoxha's more mature advisers may reverse his present unalterable decision. There is slight hope of this.

Macmillan [26] stated last evening that he had recommended to Foreign Office that Hoxha should not be pressed on question of relief or any other matter for the time being, that it would be preferable to wait until some agreement had been made with Tito [27] on relief (see my number 72 of January 8, midnight [28]) and that Hoxha would take his cue from Tito. Macmillan also said he had informed Foreign Office

[25] Military Liaison (Albania), a British-American military establishment charged with planning and administering civilian relief in liberated Albania.

[26] Harold Macmillan, Member of Parliament, British Minister Resident at Allied Force Headquarters, Mediterranean Theater, and Acting President of the Allied Commission, Italy.

[27] Marshal Tito (Josip Broz), Prime Minister and Minister of National Defense in the Provisional Government of Yugoslavia.

[28] Not printed.

that he saw no good reason to push relief on the Albanians as such supplies could be used to good advantage elsewhere, and it would be best to not show any particular interest about getting relief into Albania quickly as sooner or later Hoxha would come around.

In meantime Albanian people, many of whom have greatly suffered during eviction of Germans from their country, will get no relief. Department is, of course, aware that a small relief ship was sent recently to Split in Yugoslavia on an *ad hoc* basis (see my No. 83, January 9 [29]).

I would appreciate Department's comments.

KIRK

875.01/1–1945 : Airgram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, January 19, 1945—10 a. m.
[Received January 31—6 p. m.]

A–13. The following letter signed by Midhat Frashëri [30] and Sali Muftija has been addressed to the Secretary of State, asking this Government to take no measures towards recognition of the existing Government of Albania:

"We have learned that Enver Hoxha, head of the self-styled Albanian government in Tirana, has asked for official recognition on the part of the Allies. The governments of the three great Democracies have solemnly declared that in no way shall it be permitted to one party to impose its will be [*by*] force on all parties and on the whole people as regards the question of regime.

Today, if the question is tackled in an objective spirit, it is obvious that, in Albania, Enver Hoxha's regime, which is a communist one, has been imposed on the people not only by force but also by sheer terrorism. The L.N.C.[31] has not been the only front of resistance in Albania, but there have been other movements too that have fought the invader. Therefore, the F.N.C. is not representative of the free will of the Albanian people and should not be regarded as such.

The communist character of the administration of Enver Hoxha is very clearly manifested by the official declarations and publications made by today's rulers who pretend to be the champions of the people. The isolation in which Albania finds itself as well as the lack of communications with the outside world makes it impos-

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[29] Not printed.

[30] President of the Balli Kombëtar (The National Front), an Albanian resistance movement which disintegrated in 1944 in the course of the civil war with the Communist-dominated National Liberation Movement. Frashëri escaped to Italy in November 1944 where he was interned.

[31] National Liberation Movement. See footnote 24, p. 5.

sible for the real will of the people to be known, but the fact is that large crowds are resisting and are fighting this arbitrary imposition of the communist regime on our country. The resistance against today's set-up in Albania is both passive and active.

Taking all this into consideration, we cannot believe that the Allied governments will tolerate in Albania the domination of a single party which is entirely undemocratic. We, therefore, beg the Government of the United States of America that, until the situation is thoroughly understood, no measures be taken towards the recognition of the present regime of terror in Albania—a recognition which would be to the detriment of our country by increasing its already existing ordeals.

Similar telegrams are being sent also to their Excellencies, the Foreign Secretaries of Great Britain and of U.S.S.R.

Respectfully,

For the Balli Kombetar:
Midhat Frasheri
For the 'Legality' organization:
Sali Muftija

January 7, 1945."

At the present time both signatories are interned in Transient Camp No. 1, Bari, having arrived in Italy in November. (Reference my telegram No. 1530 of November 28, 1944 [32]).

KIRK

875.01/1-1245

The Department of State to the British Embassy [33]

MEMORANDUM

The British Embassy's *aide-mémoire* dated January 12, 1945, expressed the concurrence of the British Government in the views outlined by the Department of State in its memorandum of November 21, 1944, namely that recognition of the "Provisional Government" of Albania should not be granted at the present time and that, whereas it may be expedient at some early date to establish *de facto* relations with the existing authorities in the country, *de jure* recognition could be accorded an Albania government only upon its fulfillment of certain essential conditions.

The Embassy's *aide-mémoire* also states that the British Government has decided to accredit a military mission to the headquarters of the F.N.C. for the period prior to the recognition of a government in Albania, and inquires regarding any plans the Department may have for maintaining contact with the F.N.C. during this interim period.

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[32] Not printed; it reported the arrival in Bari of 150 Albanian political refugees (875.00/11-2844).

[33] The views set forth in this memorandum were transmitted to Mr. Kirk at Caserta in telegram 72, January 27.

The Department believes that it will be desirable to send to Albania an official American representative with the personal rank of Minister at such time as it may have been determined that conditions are appropriate to the establishment of relations on a *de facto* basis with the authorities in control, leaving the question of *de jure* recognition for later consideration as circumstances may warrant. In the meantime, the Department is considering the desirability of sending representatives into Albania on an entirely informal and unofficial basis to survey the political situation and conditions generally with a view to determining the time when and the conditions under which its representatives might be officially established in Tirana.

The Department will inform the Embassy of any further arrangements it may make in this regard.

WASHINGTON, January 26, 1945.

875.48/1–1645 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, January 26, 1945—8 p. m.

67. Ur 176, January 16, 10 p. m. Department is of opinion that relief should not be distributed by ML in Albania unless agreement is reached on a reasonable minimum number of observers. Department is in accord with position taken by Macmillan although we believe it should be made clear to Hoxha that we are ready and willing to furnish relief at any time that he will agree to a reasonable number of observers. It is possible that satisfactory conclusion of the Yugoslav negotiations will influence his decision. It is assumed by the Department that from 50 to 100 observers would be considered a reasonable number and that any discussions which have taken place were not based on a large number of military personnel as referred to in Ur 1897 of December 24, 1944.[34]

GREW

875.48/1–2645 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, January 26, 1945—12 p. m.
[Received 9 : 12 p. m.]

315. My 176, January 16, 10 p. m. As a result of the deadlock over relief for Albania it was decided at a meeting yesterday at

[34] *Foreign Relations*, 1944, vol. III, p. 291.

AFHQ[35] that General Sadler[36] should request Combined Chiefs of Staff to modify the existing directive (Fan 428[37]) in order to permit the negotiation of a military agreement between SACMED's[38] representative and Hoxha similar to the recent agreement with Tito.[39] It was believed that Hoxha would soon approach M/L and that an agreement could be reached whereby he might accept an initial approximate number of 200 all ranks instead of 1200 originally contemplated. The attempts to introduce relief supplies on an *ad hoc* basis have now been abandoned and the other alternative, i.e. disbanding M/L was rejected.[40]

The negotiation of a military agreement with Hoxha recognizes of course that Hoxha and the FNC are in effective control of Albania at the present time. It would be appreciated if the department will inform me urgently if this proposal meets with its approval.[41]

KIRK

875.01/1–2045 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser on the Staff of the Supreme Allied Commander, Mediterranean Theater

WASHINGTON, January 31, 1945—7 p. m.

82. Reurtel 237 January 20.[42] While the Department does not intend to make formal reply to the Albanian request for recognition,

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[35] Allied Force Headquarters.

[36] Brig. Gen. Percy L. Sadler, U. S. Army; deputy commander for combined operations with the British for relief and rehabilitation in Balkan countries.

[37] Message dated September 23, 1944, from the Combined Chiefs of Staff to the Supreme Allied Commander, Mediterranean Theater, authorizing him to deal with such local groups as he found in control in Albania, in the absence of a recognized government. Though authorized to carry on discussions with these groups, he was cautioned to make no firm commitments on relief. Pertinent portion of Fan 428 is summarized in telegram 202, October 2, 1944, to Caserta (800.48/9–2344).

[38] Supreme Allied Commander, Mediterranean Theater, Field Marshal Sir Harold Alexander.

[39] For a brief description of the agreement of January 19, 1945, between Yugoslav authorities and SACMED regarding ML relief to Yugoslavia, see George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration* (New York, Columbia University Press, 1950), vol. II, pp. 141–142.

[40] On April 11, 1945, an agreement for the introduction and distribution of relief supplies into Albania by Military Liaison (Albania) was signed between the Supreme Allied Commander, Mediterranean Theater, and Colonel General Hoxha. The ML contract lapsed on June 23, 1945, and was not renewed. ML relief operations ceased on June 30 and the ML staff departed from Albania on July 5. Between April 18 and July 5, ML (Albania) delivered 9,150 tons of supplies, 334 load-carrying vehicles, 9 ambulances and 24 agricultural tractors.

[41] Telegram 78, January 30, 7 p. m., to Caserta, read in part as follows: "There would appear to be no objection to the signing of a military agreement with Hoxha similar to the recent agreement with Tito along the lines described in ur 315, January 26. Such an agreement would of course be on a purely military level and so worded that no recognition of the existing authorities as the government of Albania is implied." (875.48/1–2645)

[42] See footnote 9, p. 2.

you are authorized to indicate informally to Kadri Hoxha that the request for recognition which was addressed to the President by the Enver Hoxha regime has been received in Washington. You should say that this Government is not able to accord official recognition to any government in Albania at the present time as it will be necessary before taking such formal step for us to be more fully informed than at present regarding the situation in Albania. It may be useful for you to recall to Hoxha that this procedure is in accordance with the general policy of the United States as set forth in the President's recent message to Congress.[43] You should have in mind for your guidance in this conversation the passage in which the President said: "During the interim period, until conditions permit a genuine expression of the people's will, we and our Allies have a duty, which we cannot ignore, to use our influence to the end that no temporary or provisional authorities in the liberated countries block the eventual exercise of the people's right freely to choose the government and institutions under which, as free men, they are to live".

You should then say that your Government may wish at an early date to send representatives into Albania on an entirely informal basis for the purpose of reporting to this Government on conditions in the country and for the performance of such informal functions as may be necessary in this interim period. We suppose that the authorities at Tirana would accord to them the courtesies and help necessary for these functions.

For your own information (Reurtel 295 January 25[44]) the Department does not want to send Jacobs to Albania until it is assured that conditions there and the attitude of the governing authorities are appropriate to the presence in Tirana of an official American representative. Not only do we wish to avoid any implication of immediate or early recognition which would be likely to attend Jacobs' arrival in Albania at this stage, but we expect the time and manner of the establishment of permanent diplomatic representatives there to be determined by consultation and agreement among the principal Allied Governments. We accordingly now intend, if Hoxha should agree to the arrangement outlined in the foregoing paragraph, to name a Foreign Service Officer who would proceed to Albania at a very early date for this preliminary survey. We would in this event endeavor to arrange for this officer to be accompanied by Fultz, Hoff-

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[43] For text of President Roosevelt's Annual Message to the Congress on the State of the Union, January 6, 1945, see Department of State *Bulletin*, January 7, 1945, p. 22; or *The Public Papers and Addresses of Franklin D. Roosevelt*, 1944–45 volume, *Victory and the Threshold of Peace*, compiled by Samuel I. Rosenman (New York, Harper & Brothers, 1950), p. 483.

[44] Not printed.

mann [45] and Stevens,[46] who will remain as part of our permanent staff at Tirana.

Sent to Caserta; repeated to Cairo [47] for Jacobs.

GREW

841.2375/2-245 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, February 9, 1945—8 p. m.

117. Reurtels 397 [48] and 399 [48a] February 2. The British Embassy here has communicated to the Department the Foreign Office view that the sending to Albania of American civilian officers at a time when the British are seeking to send a military mission might be taken by the Albanians and in other quarters as representing a difference in attitude regarding Albania on the part of the American and British Governments. The Department was also informed that the Foreign Office had telegraphed to Mr. Eden [49] the suggestion that Hoxha be told that his failure to receive a British military mission can only delay consideration of the question of recognition.

The Department hopes that you have meanwhile communicated to the Albanian representative the reply of this Government as set forth in its 82 January 31. If not, you should seek to do so at once. We do not feel that our position need be modified because of Hoxha's treatment of the British proposal for a military mission or by fear that he will refuse to allow American civilians to be in the country for the purpose of assessing the situation there. There is no objection to your letting it be known that such refusal would only serve to prevent our ascertaining the facts on which we must base any decision regarding recognition and that we might be forced to make public the fact that we had sought agreement to the sending of representatives into Albania for this purpose and had been refused.

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[45] Erich William August Hoffmann, Vice Consul in Naples; in April designated Special Assistant in the informal American mission to Albania.

[46] Anthony Stevens, in April designated a clerk in the American Foreign Service and assigned to the informal American mission in Albania.

[47] As telegram 271.

[48] Not printed; it reported that British authorities in Bari were informed by their Foreign Office that representations were being made to the Department with a view to persuading the United States Government to agree not to send any Foreign Service representatives into Albania until Hoxha agreed to accept a British military mission (841.2375/2-245).

[48a] Not printed.

[49] Anthony Eden, British Secretary of State for Foreign Affairs.

For your own information, we are in no way disposed to step out ahead of the British in the matter of relations with Albania nor do we want to embarrass them in their present negotiations. While we hold generally parallel views in this matter, we do not believe that any advantage is to be gained by adopting entirely like procedures or by identifying our attitude too closely with that of the British. Should Hoxha indicate a readiness to have American civilian representatives in Albania it would be difficult for him to refuse similar facilities to the British in case they should later decide to modify their present plans and send in civilian rather than military personnel.

GREW

875.01/1-2745 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, February 17, 1945—11 p. m.

360. ReDeptel January 27 to AmPolAd, Caserta, repeated to Moscow as no. 180.[50] A formal request for recognition of the FNC authorities as the government of Albania has been addressed to the President by Enver Hoxha, and messages identical in text have likewise, it is understood, been dispatched to Marshal Stalin and Prime Minister Churchill.

Please inform the Soviet Foreign Office that while the Department has made no formal reply to Hoxha's communication, the United States Political Adviser, AFHQ, has been instructed to indicate informally to the FNC representative at Bari that this Government cannot grant official recognition to any Albanian government at this time and that before taking such a formal step it would be necessary for us to have more complete knowledge than we now have regarding general conditions within Albania and, particularly, the extent to which the existing authorities are representative of the people's will.[51] Kirk was authorized to add, however, that this Government may wish in the near future to send representatives to Albania on an entirely informal basis for the purpose of surveying the situation there and carrying out such functions as may be appropriate under the circumstances. Sent to Moscow; repeated to Caserta and London.[52]

GREW

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[50] See footnote 33, p. 8.

[51] Telegram 748, March 14, 8 p. m., from Moscow, reported that the British Embassy in Moscow had addressed a note to the Soviet Foreign Commissariat taking the same position as the United States relative to the recognition of the Albanian Provisional Government (875.01/3-1445).

[52] As telegrams 153 and 1255, respectively.

875.01/3-1245 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 12, 1945—11 a. m.
[Received 3 : 24 p. m.]

934. Kadri Hoxha called yesterday. He stated that he had informed General Hoxha of our views as set forth in Department's 82 of January 31, 7 p. m.[53] He added that General Hoxha had instructed him to do nothing further about this matter and henceforth to confine his activities in Italy to purely military questions.

(Reference our 816, March 4 [54]) Kadri Hoxha then went into a long dissertation on the magnificent role played by the Albanian people in the struggle against the common enemy and expressed the hope that the United States Government would change its attitude toward his country and grant early diplomatic recognition.

He stated as his personal opinion that General Hoxha was deeply disappointed that the United States Government had not seen fit to reply in writing to the latter's formal request for diplomatic recognition. He asked whether it would not be possible for the United States Government either to instruct the head of the OSS mission in Tirana to address a written communication to General Hoxha conveying substance of the American position as given to him orally by us or whether some American official could not be sent to Tirana to see General Hoxha to request that American observers be permitted to enter Albania on an unofficial and informal basis in order to survey situation there.

We replied that we regretted that he had been unable to obtain General Hoxha's agreement to our sending observers to Albania on an unofficial and informal basis and also that his failure to do so could result only in preventing our ascertaining the facts on which we must base any decisions regarding recognition and that if there should be inquiries on part of the American and world press or the Albanian colony in the United States, we would have no alternative but to state that he had sought agreement to sending of representatives into Albania for this purpose but had not received a reply.

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[53] Telegram 513, February 12, from Caserta, reported that the Department's views as contained in telegram 82, January 31, had been given to Kadri Hoxha on February 12 in Bari. Hoxha was to take them to Tirana on the following day. (875.01/2-1245)

[54] Not printed; it reported that Kadri Hoxha returned to Bari on March 3 but had made no official communication; it also reported that the British had informed Enver Hoxha on March 1 that they could not accord his regime recognition (875.01/3-445).

During conversation we also stated we were interested to learn that General Hoxha had changed his mind and had decided to accept the British military mission (see our 875 of March 8 [55]).

Kadri Hoxha replied that this was the case and had come as result of personal visit by a representative of Alexander on February 28 who first informed General Hoxha orally that British Government was not at present prepared to recognize any government in Albania and that his refusal to accept the mission and allow free movement of existing personnel was regarded as an act of discourtesy. At the same time the offer of sending a military mission under Hodgson was repeated and Hoxha accepted it.

Kadri Hoxha concluded his remarks with statement that General Hoxha was very sensitive over fact that he had addressed a written communication to the great world leader of the struggle against Fascism, President Roosevelt, as a co-partner in the fight against the common enemy and he regretted that he did not receive a written reply. Hoxha wondered consequently whether the message communicated to him through Kadri Hoxha orally was indeed the President's reply.

In view of the definite expression of policy contained in the Department's 82, January 31, I am wondering what action Department wishes us to take with regard to this matter especially as the British military mission to Tirana is leaving Bari today.

Kadri Hoxha brought back from Tirana a written appeal to UNRRA [56] which is dealt with in my 915, March 10 and 914 March 10.[57]

KIRK

875.01/3–1245 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, March 19, 1945—noon.

229. Reurtels 934 and 943 March 12.[58] We are willing that General Hoxha should receive a written statement of the American posi-

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[55] Not printed; it reported that Enver Hoxha had accepted the British Military Mission (875.01/3–845). Telegrams 1099, March 23, 5 p. m. and 1119, March 24, 11 a. m., from Caserta, reported that the British Military Mission had arrived in Tirana on March 21 and had been warmly received by Albanian officials and the populace (875.01/3–2345 and 875.01/3–2445).

[56] United Nations Relief and Rehabilitation Administration.

[57] Neither telegram printed.

[58] Telegram 943, March 12, 8 p. m., from Caserta, not printed, suggested that the OSS representative in Tirana be authorized to hand to General Enver Hoxha a letter or memo setting forth the information contained in telegram 82, January 31, to Caserta, p. 10, in order to ensure that Hoxha clearly understood the American position with respect to recognition and the sending of observers to Albania (875.01/3–1245).

tion with respect to his request for recognition. In view of our uncertainty regarding the various means at your disposal you may utilize whatever channels of communication you and Jacobs find most suitable, but we would suppose that if such a statement were handed to Kadri Hoxha he would be able to arrange for its delivery in Tirana. It is suggested that you and Jacobs prepare a memorandum for this purpose along the following lines:

Begin Memorandum. The Office of the United States Political Adviser at Caserta has been directed by the Department of State to communicate to Colonel General Enver Hoxha, Commander-in-Chief ANLA,[59] Tirana, the following statement setting forth the attitude of the United States Government with respect to the request which he addressed to the President on December 21, 1944,[60] asking for recognition of the "Democratic Government of Albania" as the Government of Albania:

As is well known, the people of the United States have always shown a special interest in the fortunes of the Albanian people. They are well aware of the suffering and sacrifices which the Albanians have endured throughout the present war and of the valor of Albanian patriots in resisting the enemy aggressors. The United States Government finds it necessary nevertheless to hold in abeyance the general question of official recognition of any government in Albania at the present time. It thinks that, as a prerequisite to examination of this question, it should be more fully informed regarding the conditions and developments in Albania and the representative character of the existing authority.

This Government does not propose to send a military mission to Albania, as it understands the British Government is doing, and the small American special units now there in the interest of military liaison can not, of course, be expected to meet the new needs which arise at the present stage. The Department accordingly would like at an early date to send a small group of its own representatives into Albania on an entirely informal basis for the purpose of supplying to this Government the information which it now needs. It is hoped that the presence of such representatives in Albania would be agreeable to the present authorities and that they would receive such courtesies and facilities as might be necessary to enable them to fulfill their mission.

General Hoxha will surely understand that any delay in working out some such arrangements as the foregoing would only serve to

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[59] Albanian National Liberation Army.

[60] For text of General Hoxha's note of December 21, 1944, see airgram A–5, January 9, 1945, from Caserta, p. 2.

postpone a decision by this Government on the action it should take as regards his request for recognition. *End Memorandum.*

ACHESON

875.01/3–2445 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 24, 1945—midnight.
[Received 5:15 p. m.]

1136. The memorandum referred to in Department's 229 of March 19, 11 a. m. [*noon*] and our 1082 of March 22, 4 p. m.[61] was presented to Hoxha yesterday afternoon at 4 o'clock by Captain Stefan. In accepting the memorandum, Hoxha observed that it was unsigned whereas the British request had been made by a signed letter from Field Marshal Alexander. Stefan pointed out that the proposed American unit was not a military mission and that the text of the memorandum made clear the position of the United States government. Hoxha stated that he saw no objection to observers but added that he would refer the matter to the Cabinet for a decision and after the meeting would send his reply in the same form that he had received our memorandum.

KIRK

875.01/3–2545 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 25, 1945—2 p. m.
[Received 7:41 p. m.]

1161. Following is English translation of French text of Hoxha's reply as reported in my 1139, March 25.[62]

Translation. Tirana, March 24, 1945. To the Political Adviser of the United States of America at Caserta.

The Democratic Government of Albania accepts with satisfaction the proposal of the Department of State for Foreign Affairs of the

[61] Latter not printed; it reported that a memorandum had been prepared for General Hoxha along the lines indicated in Department's telegram 229, March 19, with the addition of a reference in the first paragraph to the information conveyed orally on January 20 to Kadri Hoxha and with the deletion of the words "in the interests of military liaison" from the penultimate paragraph of the Department's draft (875.01/3–2245).

[62] Not printed; it reported that an affirmative reply had been received from Hoxha and expressed the hope that the Department would designate the members of the group to go to Tirana as observers as soon as possible, as quick action would make a good impression (875.01/3–2545).

United States presented in a memorandum from the Political Adviser of the United States at Caserta dated March 23, 1945 and submitted through Captain Thomas Stefan as intermediary for sending into Albania a limited group of representatives for the purpose of facilitating the recognition of our Democratic Government.

In order to assure the facilities necessary to this group for the accomplishment of their mission and in order to be able to give the necessary orders concerning their free entry into Albania, the Democratic Government desires to obtain a list designating the names of the persons who will make up the group of this mission. Signed Colonel General Enver Hoxha, President of the Council of Ministers of the Democratic Government of Albania. *End translation.*[64]

KIRK

875.01/4–745 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, April 7, 1945—7 p. m.

308. For Jacobs.

1. The Department would like you to go to Albania for the purpose of conducting a survey of conditions and events in that country with a view to providing this Government with information on which to base its position with regard to Albanian matters in general and, in particular, the request of the controlling authorities there for official recognition as the government of Albania. You should proceed as soon as practicable, accompanied by the members of your staff who are now in Italy (Deptel 292 April 3 [65]).

[Here follow instructions relative to the arrangements for the departure of the mission for Tirana.]

7. Because of the informal character of your Mission you will have no official title other than that of Foreign Service Officer and care should be taken to avoid the use of terms or titles suggestive of regular diplomatic or regular consular establishments. For this reason Hoffman will be requested to relinquish during this period his title of Vice Consul.

[Here follow instructions relative to questions of quarters and mode of communications for the mission.]

11. As regards the protection of American interests in Albania you should consider the Department's A–10 January 12 [66] as more

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[64] Telegram 1518, April 13, from Caserta, reported that the mission was informed by a letter dated April 12 from the Chief of the Ministerial Council of the Albanian regime that it was free to enter Albania with no conditions attached (875.01/4–1345).

[65] Not printed; it reported that necessary transfers and travel orders for Mr. Jacobs' staff were being prepared (875.01/3–3145).

[66] Not printed.

properly applicable to the later period. The Department is of course anxious to have all steps taken for the protection of American interests, and upon receipt of your recommendations will send separate instructions regarding such services as can appropriately be authorized.

12. The Department does not wish to bind you by any such precise instructions as would handicap you in dealing with the situation as you find it on your arrival at Tirana. In general, however, you should have in mind the desirability of avoiding any manifestation or display by which General Hoxha or other Albanian authorities might manage to create the impression that they enjoy American favor. We would hope that you might find it possible to proceed from the airport to the former Legation premises by your own means of transport, or at least by American means, but we realize, of course, that this may prove to be impossible.

13. Upon your arrival at Tirana, you should send word to Colonel General Enver Hoxha, Commander in Chief ANLA, that you would like to call on him informally at his convenience. When you see him you should mention that the American people have always shown a special interest in Albania and its people and that this Government has followed closely the long fight of Albanian patriots against the Fascist and Nazi invaders. If he again raises the question of American recognition of his administration as the government of Albania, you may confirm the position of this Government as set forth in Deptel 229 March 19 and communicated to him in memorandum form (Reurtels 1082 March 22 [67] and 1136 March 24). You may say that in consequence of his agreement to the presence in Albania of American representatives charged with conducting a survey of conditions and events in Albania, you have been directed by your Government to head a group to come to Albania for this purpose on an entirely unofficial and informal basis. You should leave no doubt in his mind that your presence is not to be in any way construed as representing any degree of recognition whatever and that the carrying out of your mission is a prerequisite to this Government's consideration of the question of establishing official relations, whether *de facto* or *de jure* with the existing Albanian authorities. You may wish to mention in this connection the President's message to Congress (Deptel 82 January 31) and the Crimea Declaration on Liberated Europe.[68] You will hope nonetheless to have friendly informal relations with him and other existing authorities and trust that you may be given all the facilities necessary for the proper fulfilment of your mission.

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[67] See footnote 61, p. 17.

[68] For text of the Declaration on Liberated Europe, included as part V of the Report of the Crimea Conference, February 11, 1945, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 971.

14. On the occasion of this initial meeting, or subsequently, General Hoxha may refer to his recent request for representation at the San Francisco Conference.[69] In that event, you should reiterate the position of this Government as outlined in a separate instruction which will follow immediately.

15. Your relations with other Albanian officials, as well as with British, Soviet or other Allied representatives, should be on the same informal basis. You will of course have in mind the importance of maintaining a distinctly American attitude and, in particular, of not becoming identified too closely with the attitudes, views and policies of the British representation there.

16. You will have familiarized yourself with American policy regarding Albania as set forth in the several instructions and background studies sent to Caserta. It may be useful for you to keep permanently in mind the basic American position on certain of the country's fundamental problems:

(*a*) The Secretary's statement of December 10, 1942,[70] set forth clearly the American view that the restoration of Albanian independence is inherent in the Atlantic Charter.

(*b*) We believe that any questions regarding boundaries or territorial disputes should be held in abeyance until the general settlement after the war. Meanwhile we would deplore any attempts by either the Albanians or their neighbors to violate the pre-1939 Albanian frontier or to settle territorial disputes by force of arms (Redeptel 365 November 9 [71]).

(*c*) We believe that elections should be held in liberated areas only after arrangements can be made to ensure that they would be absolutely free and secret, in order that the people may have representative government responsive to their will.

(*d*) While we recognize the right of the Albanian people to bring to trial persons whom they consider guilty of war crimes or of betraying the interests of the country, we would look with concern upon any attempt from any quarter to utilize war criminal trials as a political instrument for the elimination of political opponents.

(*e*) We would consider inappropriate any proposal at this time for the entry of Albania into a Yugoslav or a wider federation including Bulgaria, or the establishment by other means of undue outside domination or influence.[72]

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[69] In a message to President Roosevelt dated March 29, 1945, Hoxha requested that Albania be invited to participate in the United Nations Conference at San Francisco. Hoxha's message was transmitted to the Department in telegram 1286, April 1, 1945, from Caserta (500.CC/4–145). The Department's position with regard to the Albanian request was set forth in telegram 307, April 7, to Caserta, vol. I, p. 207. For documentation regarding the San Francisco Conference, April 25–June 26, 1945, see vol. I, pp. 1 ff.

[70] Department of State *Bulletin*, December 12, 1942, p. 998.

[71] *Foreign Relations*, 1944, vol. III, p. 285.

[72] For documentation regarding the interest of the United States in various plans for Balkan federation and alliance, see vol. V, pp. 1304 ff.

(*f*) It is our view that no one of the three principal Allied Governments should take any decisive action with regard to Albania on matters of international importance, such as recognition, boundaries, federation, alliances, et cetera, except in consultation with the other two Allied Governments.

17. The Department desires for the present to give you no more specific instructions regarding your operating objectives. We simply want you to acquire and report all information which might be useful to us in determining what our next steps should be looking to the eventual establishment of normal relations between Albania and the United States in a manner consonant with our responsibilities to the Albanian people as implied in such public pronouncements as the Atlantic Charter and the Crimea Declaration. For this we will have to know a great deal about the attitudes, policies, and acts of the existing authorities, any plans they may have for broadening the basis of the present government or for holding really free elections, their program of taxation or economic rehabilitation, their expectations as regards economic or financial aid from abroad, the attitude of the Albanian people as a whole toward the government, conditions of internal order, charges and countercharges of repression and atrocities in the Albanian-Greek border region,[73] and in the innumerable other factors which you will recognize as having a bearing on the situation.

STETTINIUS

875.00/4–2845

The President of the Balli Kombëtar (Frashëri), the Chairman of the Shkodra Committee of the Balli Kombëtar (Kurti), and the Secretary General of the Balli Kombëtar (Andoni) to the Secretary of State[74]

[Extracts]

YOUR EXCELLENCY: Albania has not been invited to the San Francisco Conference of the United Nations. We have strong reason to believe that the cause for this particular treatment of a small but heroic nation is that the internal situation in Albania remains obscure and chaotic due to the fact that power there has been usurped by the extremists, who call themselves "the National Liberation Movement". Owing to this situation, an Allied Military Mission is sent to Albania for the purpose of investigation. The Albanian Nationalists have

[73] See vol. VIII, last section under Greece, *passim*.

[74] Transmitted to the Department in despatch 1153, April 28, from Caserta, not printed.

heartily welcomed the appointment of this Mission, which they are sure will bring to light the true nature of things.

If the self-styled "democratic and people's government" of Tirana, opposed by the people and not recognized by the Allies, has, in addition to other things, caused to Albania this one more misfortune, namely, to be ostracized by her comrades-in-arms assembling in the San Francisco Conference, then the Albanian Nationalists, who gave to their country and to the Allied cause thousands of martyrs, express the desire to make themselves heard by humbly submitting to Your Excellency this memorandum, which will throw more light on the situation in Albania and on the wishes of the Albanian people, and will thus help to supplement the investigation carried out by the Allied Military Mission in our country.

. . . . . .

III

We have presented here a brief historical sketch of our struggle, our ideals and our rights: the sad history of our country. We presented it here, because the fate of Albania does not concern only Albania, our plight is not ours alone. The Allies that with so much sacrifice and bravery are fighting those who are responsible for this devastating war, can not stand by as simple spectators and neither can they very well withdraw in face of the arrogance, aggression and tyranny that are now ruling in liberated Albania. Because the people must have no doubts about the sanctity and purity of the cause of freedom, must not be made to ask: "Why was all this blood shed?", "Why do these conferences ever meet?".

We Albanian Nationalists, who have full confidence in the good will of the Democracies and in the triumph of justice and fraternity, take courage to make the following suggestions to the Government of the United States of America, hoping that this memorandum will help the Allied Military Mission in its task of investigation in Albania:

1. To impose a change of regime in Albania so that a democratic government could be formed through free elections, with the participation of all parties and organizations that have worked for the freedom and independence of the country.
2. Albania should fully have the benefit of the four freedoms of the Atlantic Charter, which the Albanian people considers to be four beacons of hope for those who live in jail, terror and suffering.
3. At a convenient time after the armistice to have an impartial and fair plebiscite under Allied control for the regions that belong to us ethnographically, because Albania should not be divided in two for the sake of imperialism and injustice.
4. A democratically governed Albania should enjoy all the help and aid promised by the United Nations, like a worthy partner in the common struggle. She should be represented wherever her in-

terests and those of the United Nations require it and she should take part as a member of the Institution of World Security.

The above do we ask for and on behalf of the sacrificed Albanian people, in the name of burned down Albania and on behalf of a nation which has suffered martyrdom for independence and true freedom.

Respectfully

MIDHAT FRASHËRI
Ex-Minister of Albania to France
Ex-Minister of Albania to Greece
President of Balli Kombëtar
LEC KURTI
Ex-Minister of Albania to the League of Nations
Ex-Minister of Albania in London
Chairman Shkodra Committee of Balli Kombëtar
VASIL ANDONI
Secretary General of Balli Kombëtar

APRIL 14, 1945.

875.01/4–1745 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, April 17, 1945—7 p. m.

344. ReDeptel 308 April 7, points 16*c* and 17. For Jacobs. In the Department's view your 1483 April 12 [75] touches on a phase of developments in Albania which is of considerable importance; for elections, local or national, involve the problem of establishing government that is representative of the will of the Albanian people and bear accordingly on the obligations assumed by this Government under the Crimea Declaration on Liberated Europe and also set forth earlier by the President in his annual message to the Congress on January 6, 1945. The Department appreciates that the replacement of political party "Front Councils" by elected governmental councils has a constructive aspect. At the same time these elections, if conducted on a basis precluding any real freedom of choice, may be a step toward consolidating governmental authority of an unrepresentative character. Therefore, the Department suggests that following the entry of your mission into Albania you report any pertinent facts in the above connection, together with any evaluation or recommendations you may wish to make.

[75] Not printed; it stated that reports had been received of local elections throughout Albania for the purpose of choosing members of local government councils which were to become local organs of the central government and would take over authority from the provisional national liberation councils (875.01/4–1245).

We have noted also, with reference to points 2*d* and 4 of Field Marshal Alexander's directive to Brigadier Hodgson (Reurdes 1102 March 24[76]) that Hodgson is to "advise on and assist with the distribution of propaganda" and that a PWE[77] officer and a small staff will be attached to his mission to assist in this task. The Department had not planned to attach an equivalent American officer to your group, but we should like to have, after your arrival in Albania, your evaluation of the arguments for and against the assignment of a public relations officer, or an OWI[78] representative, to your mission.

STETTINIUS

875.01/4–1045 : Telegram

The Secretary of State to the Chargé in the Soviet Union (Kennan)

WASHINGTON, April 19, 1945—10 p. m.

919. ReDeptel 360 February 17. The Department desires to keep the Soviet Government informed of recent developments relating to the proposal which was communicated informally to Colonel General Hoxha, head of the existing authority in Albania, that this Government might wish at an early date to send representatives to Albania on an informal basis to survey and report on conditions there preliminary to any examination of the question of recognizing an Albanian government.

Please inform the Soviet Commissariat of Foreign Affairs that General Hoxha has agreed to accept such a mission and that the Department has accordingly made preparations to send in a small group of State Department representatives under Foreign Service Officer Joseph E. Jacobs.

You may also inform the Commissariat of Foreign Affairs that General Hoxha has addressed a formal request to the President for Albanian representation at the San Francisco Conference and that the Department, in an informal memorandum to Hoxha, has indicated that it is not in a position to support his request since the procedure limiting participation to Governments of the United Nations was decided upon by the sponsoring Governments after due consideration

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[76] Not printed; it transmitted to the Department a copy of a directive dated January 24, 1945, from Field Marshal Alexander designating Brig. D. E. P. Hodgson as Commander of the British Military Mission to Albania. Brigadier Hodgson would represent the Supreme Allied Commander, Mediterranean Theater at the headquarters of the Albanian National Liberation Army; his primary task was to maintain friendly relations with the Albanian National Liberation Front and the Albanian National Liberation Army pending decision as to the recognition of a government in Albania (740.00119 Control (Albania)/3–2445).

[77] Political Warfare Executive.

[78] Office of War Information.

of every aspect of the matter and since this Government cannot therefore appropriately undertake to reopen discussion of that procedure.[79]

The Department desires further, in view of reports which have been received concerning an alleged *Pravda*[80] article calling for Allied recognition of the Hoxha regime (Caserta's 1455 April 10, repeated to Moscow as 133[81]), that you should take this opportunity to make known to the Commissariat of Foreign Affairs that this Government does not intend to take any decisive action with respect to Albania on recognition, except after consultation with the principal Allied Governments and that it is the hope of this Government that its attitude in this regard is shared by the Soviet Government.[82]

Sent to Moscow; repeated to AmPolAd Caserta and London.

STETTINIUS

875.01/5–1045 : Telegram

The United States Representative in Albania (Jacobs)[83] *to the Secretary of State*

[TIRANA,] May 10, 1945—1 p. m.
[Received 5 : 40 p. m.]

[7.] I called on General Hoxha morning May 9 and made brief statement of object of my mission along lines indicated in paragraph 13, Department's 308, April 7 to Caserta, stressing interest of American people and government in Albania and its people. Hoxha replied that he understood purpose of my mission and that I and my group are free to carry out our studies but he made it clear that he hoped the United States would soon recognize his regime. He stressed regret and chagrin of Albanian people that they of all the peoples who have resisted Italian and German aggression had not yet been recognized by the Allied powers and had not been invited to the San Francisco Conference.

Hoxha strikes me as a forceful character with ambitions but suffering from effects of an inferiority complex because of his failure to win recognition.

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[79] See footnote 69, p. 20.

[80] Moscow newspaper; organ of the Communist Party of the Soviet Union.

[81] Not printed; it reported that the Albanian newspaper *Bashkimi*, in an issue of March 31, carried on its front page copies of articles from *Pravda* and from *Borba*, the newspaper of the Yugoslav Communist Party; both articles asserted that the time was at hand for the Allies to recognize the Albanian Government (875.01/4–1045).

[82] Telegram 1609, April 18, from Caserta, reported that the newspaper *Bashkimi* had printed the reply from the Soviet Chargé in Belgrade to Hoxha's request for recognition; in its reply, the Soviet Government expressed its readiness to dispatch a Soviet military mission to Albania and its hope that the Albanian Government would accept the mission (875.01/4–1845).

[83] Mr. Jacobs arrived in Tirana on May 8, 1945.

I took occasion during the interview to raise question of permission for an ATC [84] plane to enter and depart from Tirana airport once a week to handle mails official passengers and supplies. He readily gave his permission provided each week my office notifies the Chief of Staff of expected time of arrival.

Since my arrival I have been called upon by representatives of Tirana Bektashi; Moslem group who expressed their support of present regime.

Bashkimi has carried news items concerning my arrival but no editorial comment.

Sent Department, repeated Caserta as 3.

JACOBS

875.01/5–1645 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, May 16, 1945—noon.
[Received 12:01 p. m.]

14. Brigadier Hodgson scheduled arrive Caserta today to discuss his report on FNC. I have not been here long enough to say whether I agree or disagree with his findings (see his report April 30, 101/1 [85]) but assuming I decide that present regime should not be recognized as Hodgson apparently has, I shall certainly not subscribe to any suggestion that coercive measures be employed to overthrow present regime. If I should concur in Hodgson's idea that recognition might be accorded conditionally, I am of opinion conditions such as he envisages should not be presented except as a joint proposition of the United States, Great Britain and Soviet Union.

Finally I feel that unless present regime falls before my report is submitted which seems highly unlikely continued failure of the United States and Great Britain to recognize will drive it completely into Yugo-Slavia-Soviet fold.

Sent Caserta as No. 9, repeated Department as No. 14.

JACOBS

875.01/5–1745 : Telegram

The Acting Secretary of State to the Chargé in Moscow (Kennan)

WASHINGTON, May 17, 1945—3 p. m.

1088. Please inform the Foreign Office that an American Civilian Mission, headed by Foreign Service Officer Joseph E. Jacobs, arrived

[84] Air Transport Command.

[85] Transmitted to the Department in despatch 13, May 23, from Tirana, not printed. For a summary of points made in Brigadier Hodgson's report, see *aide-mémoire* from the British Embassy dated June 21, p. 36.

at Tirana on May 8. As indicated in previous communications to the Foreign Office on this subject, this Mission is not officially accredited to the Albanian authorities, but is of an informal character, and its presence in Albania is not to be taken as implying in any way American recognition of an Albanian Government. This mission is directed to survey conditions and developments in Albania and to report on the qualifications of the existing authorities preliminary to a determination of this Government's attitude on the request of the Albanian authorities for official recognition as the Government of Albania.

You may add that as soon as this Government has received the reports and recommendations of its Mission concerning the situation in Albania it would like to consult with the Soviet and the British Governments with a view to reaching agreement for concerted action in the matter of Albanian recognition or, should the circumstances require, to formulate appropriate conditions for joint presentation to the existing Albanian authorities as a basis for recognition.

Sent to Moscow and London and repeated to AmPolAd, Caserta, for Jacobs at Tirana.

GREW

875.01/5–2545 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, May 25, 1945—9 p. m.
[Received May 25—7 p. m.]

22. Received yesterday note in the Albanian language dated May 23 signed by Enver Hoxha as President of Council of Ministers of which the following is a translation:

"The Democratic Government of Albania, in order that it may contact our Albanian brothers in the United States, the great friend of Albania and inform them of our struggle and of the war that the Albanian people waged during the Fascist occupation desires to send to the United States a delegation composed of three or four people.

We beg you, Mr. J. E. Jacobs, to intervene with your Government as soon as possible to secure the necessary permission."

In an interview with Hoxha on other matters he informed me that the delegation would be civilian and that his Government wished to send them to the United States as indicated to contact Albanians and informing [*inform?*] them of the activities of the FNC regime. I told him that I would forward his note but was by no means sure that the Dept would approve entry at this time especially as I had not had sufficient time to submit even a preliminary report on conditions in Albania.

While I am aware of some of the difficulties involved in this request the FNC officials are so intensely sincere and patriotic in their lights and so disturbed over failure to receive what they regard as due consideration of various requests made of us I am sure that refusal of this request will be considered as another rebuff and impair my [apparent omission]. Unless Department has strong objection I recommend approval of the entry for temporary period of the group or at least two representatives. Such a trip might well broaden their conception and grasp of international affairs.

Sent to Department as 22 repeated to Caserta as 23.

JACOBS

875.00/5-2645

The Representative in Albania (Jacobs) to the Secretary of State

No. 16 TIRANA, May 26, 1945.
[Received June 1.]

SIR: As several matters, as indicated below, had arisen requiring an interview with Colonel General Enver Hoxha, I have the honor to inform the Department that I called to see him on May 24, 1945. The nature of the subjects discussed and the results are set forth below.

General Relations:

I told the General that I had been in Tirana for two weeks and had interviewed all members of the Cabinet except Colonel Ramadan Citaku, Minister of Finance, who is absent from Tirana. I said that these conversations had been very helpful to me but several questions had arisen which I wished to take up with him. I wished first to state again that the purpose of my mission was to report on the situation in Albania as a basis for determination by the Department of State of the request which FNC had made of the United States for recognition, and to point out that I was really here at the General's invitation and not because the American Government had sent me here on its own initiative. I said that all members of my staff, including myself and Mr. Fultz, who is an old friend of the Albanian people, had come to Albania in an unbiased frame of mind. In carrying out our mission, however, we would have need from time to time to obtain certain information about the activities of his government and that we would endeavor to obtain that information from members of that government whom we expected to assist us and if they did not we could only have recourse to recording that fact in our report. I said that, while I expected to make several trips about the country, the purpose of those trips was to observe conditions gen-

erally and how his government was functioning. I said that neither I nor members of my mission would attempt to go around behind his back seeking out members of the opposition alleged to be in hiding in the mountains. I told him that I had to speak frankly because rumors had come to my ears that I had been asking too many questions of members of the Cabinet.

Liaison Officer:

I then said that it would be very helpful to me and my staff and I believe that it would likewise be helpful to him and the members of his Cabinet if he would designate someone, preferably from his office and preferably someone who spoke English, to act as a liaison officer with my mission. As matters now stood, even with regard to the most minor matters, I was compelled to invoke the assistance of the OSS representatives who spoke Albanian to contact the various government offices.

Here the General interposed with a remark that indicated that I was always free to call on him personally. He expanded on this point, apparently indicating that he preferred to keep all of my activities centralized in his hands.

I replied that I felt sure that he was perfectly willing to see me but I did not wish to trouble him about a lot of detailed matters concerning which from time to time we might wish to inquire. If the liaison officer whom I suggested were to be appointed from among his own staff, my mission would always in reality be contacting him. General Hoxha, thereupon, promised to give the matter consideration and indicated that he would appoint someone for liaison purposes.

U.S. Treasury Representative:

I next proceeded to the question of the entry of U.S. Treasury representative, Mr. Gardner Patterson, remarking that there appeared to be some misunderstanding somewhere along the line. I told the General that I knew in Caserta before arriving in Albania that my government wished to send this representative to Tirana for a brief, temporary period to confer about certain matters. I thereupon explained to him in detail what Mr. Patterson was doing and that he was visiting all Balkan capitals for that purpose. I had not, however, raised the question of Mr. Patterson's entry. The question arose because Mr. Kostas Boshnjaku, President of the State Bank of Albania, had called on me together with the Vice President of the bank, Mr. Kol Kuqali, to inquire whether something could not be done to arrange for a bank in New York, preferably the Chase Bank, to handle a deposit for the State Bank. At that interview, I mentioned to Mr. Boshnjaku that one of our Treasury representatives happened to be in this area and we all agreed that it would be an excellent

idea to have him come over to confer about the resumption of financial arrangements with the United States and my own official financing problem. I mentioned the question of permission to enter and Mr. Boshnjaku said that he could arrange that. I also said that Dr. Nishani, the Minister for Foreign Affairs, had mentioned to me the question of the desirability of resumption of communications so that Albanians in the United States could resume remittances to friends and relatives in Albania which had been broken off during the hostilities. Accordingly, I telegraphed our office at Caserta to contact Mr. Patterson and ask him to come to Tirana, but suddenly and unexpectedly, in view of what had transpired, the General himself telephoned Captain Stefan that the Cabinet had definitely decided that Mr. Patterson could not enter the country.

The General replied with some evidence of irritation that the officials of the bank had no right to agree to Mr. Patterson's entry and that the Cabinet had decided that, until the question of recognition of Albania by the United States had been decided, no Treasury representative could be allowed to enter. He then added that there was no need for expert advice because ML[86] and UNRRA had promised to furnish experts in that line.

NOTE: I learned later from the ML representatives that they had agreed to bring in an expert from Caserta to work out a rate of exchange for the payment of ML personnel's expenses in Albania and to decide how, when, etc., the supplies brought in by ML should be paid for. ML denied that they proposed to bring in any expert on general financial matters.

I told the General that, in the circumstances, I would not press the matter but wished to point out that if Albanians in the United States should raise the question of remittances with the Department of State, the reply would now be that he had refused to allow our representative to enter Albania to discuss that matter. This seemed to have no weight with the General who indicated clearly that his mind was made up on the subject.

Accordingly, I reported the matter in my No. 21, May 25, 1945, 7 p. m., suggesting that we allow the matter to rest in abeyance.[87]

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[86] See footnote 40, p. 10.

[87] This telegram suggested that there were other reasons than the question of recognition for the refusal to allow Mr. Patterson to enter Albania; mentioned were the general suspicion over entry of more American and British representatives, unwillingness to have an expert discover the chaotic condition of Albanian finances, and possibly secret advice by the Soviet and Yugoslav Missions in Albania (875.51/5–2545).

Later, following agreement by the Albanian Government, Mr. Patterson visited Tirana between July 25 and August 1, 1945, during which time he conferred with various Albanian government officials regarding the securing of information needed by the United States Government before a decision could be made on the matter of the resumption of American-Albanian financial relations.

Typhus Representative:

I then mentioned to the General that there was another similar case which might come up, namely the proposed visit of General Fox of the United States Typhus Commission. I said that when I called on Dr. Ymer Dishnica, the Minister of Public Health, he had mentioned the desirability of having General Fox visit Tirana to confer with him on the typhus question. I had told the Minister of Public Health that General Fox had already stated he would be glad to come to Albania if he received an invitation. I said that I was not pressing and would not press for the entry of General Fox; I merely wished to point out that he was actually in this area and had told me personally that he was in a position to help if needed and that the present time was an excellent one to handle the situation before further outbreaks next winter. If, therefore, the Albanian authorities do not wish General Fox to come, I should like to be informed so I could in turn inform him.

Hoxha replied that there might be some need to have General Fox come to confer but he would have to discuss the matter further with Dr. Dishnica indicating that he knew little about it. He then expressed a little irritation that everybody who wished to come into Albania was a General or a military officer, raising a query as to why so many military men wanted to come into Albania. I replied that General Fox was really a doctor handling typhus control as a war measure and that I was sure that he was not interested in anything but typhus. Hoxha then said that he was a little tired of so many people coming into Albania promising things which they never seemed to deliver, as for instance, ML had promised to bring in medical supplies and yet after more than a month of operation no such supplies had arrived. He again said, however, that he would take up the typhus matter and let me know.

NOTE: With regard to the General's allegation that ML had refused to bring in medical supplies, I conferred later with ML representatives who flatly denied the charge and said that the Minister of Social Assistance [88] had definitely asked ML to postpone medical supplies in favor of wheat and flour which they claimed were more urgently needed. Medicines had, therefore, been postponed and only yesterday 13 tons of medicines and medical supplies had actually arrived at Durazzo, brought over on ML's own initiative as they felt that such supplies were needed. Accordingly, I asked Captain Stefan to telephone General Hoxha and inform him of this fact in order that his mind might be disabused of the idea that ML had refused to bring in medical supplies.

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[88] Maj. Gen. Bedri Spahiu.

Freedom of Movement:

I then raised the question of my freedom of movement, stating that under the present regulations of his regime, I could not go from Tirana to any other city without special permit. I referred again to my opening remarks to the effect that I was not here to try to carry out my duties behind his back and I hoped he would issue to me and my staff passes so that we could move about freely. I said in a joking way that I needed to take my cars for exercise; that without exercise the batteries would run down; and that as matters stood, I could not even do that without a pass. The General seemed amused and said that he would issue passes for my staff for the Tirana area and give me a pass for travel in the Tirana and Durazzo areas.

NOTE: Although there is a general restriction on the movement of foreigners from one city to another, I have already on three occasions been able to pass the barriers for short trips in the late afternoons. This permission is given by the guard on duty at the barrier after my chauffeur, an Albanian formerly in our employ, explained to the partisan soldier who I was and that I was merely taking a ride for pleasure. I prefer, however, to have a pass in order to avoid any incidents.

Proposed Albanian Delegation:

I then mentioned to the General the note[90] which I had received the previous evening asking me to request permission for the entry into the United States of a delegation of three to four persons. I inquired further with regard to the purpose of sending such a delegation and whether it was to be civilian or military. The General said that it would be a civilian mission; that the actual personnel had not yet been selected; and that the purpose was just that stated in the note, viz: to acquaint Albanians in the United States what had happened in Albania and the activities of the FNC. He said that due to lack of communications all kinds of evil rumors had been spread about concerning FNC and he wished to have a delegation go over to explain what had actually taken place and what the aims of FNC were. I told the General that I would transmit his request but I was not hopeful that the Department would approve the request, especially as I had not even submitted a preliminary report on the situation here. The attitude and manner of the General was such that Mr. Fultz, Captain Stefan and I all got the impression that, in addition to the reason given by the General, he is trying to establish a bargaining position with us to set off the various requests we are making for the entry of our representatives. My report on this matter and recommendation that the request be granted was communicated to the Department in my No. 22, May 25, 1945, 9 p. m.

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[90] See *supra*.

War Criminals:

General Hoxha then said that he wished to take up something with me and assumed a rather belligerent attitude by pounding the desk but without appearing to be hostile to me or to Americans. He said he wanted to bring up the matter of Albanian war criminals who were in Allied hands in Italy and who, according to reports he had received were being treated "royally". He said these criminals were definitely known to have collaborated with the Italians and Germans and that they were free to move around and plot and intrigue against this regime. He felt that the Allied powers should treat them as war criminals and not as favored protegees and that some official declaration should be made as to how the Allies propose to punish them if they were not going to turn them over to his regime for punishment. He mentioned something about British members of ML going around the country asking political questions and his demand made yesterday of ML that these offending members of ML personnel be sent out of Albania at once. The inference, as Mr. Fultz, Captain Stefan and I got from his remarks, was that General Hoxha was very much worried about British support of the opposition in Albania. The General knows of the group of 120 Albanian political refugees (whom he calls war criminals) now in a camp at Santa Maria di Lucca, south of Brindisi, a point in Italy nearest the Albanian mainland. He fears that the British may have planned it thus so that some of this group could escape and return to Albania to stir up organized resistance. He said he was thinking of protesting to the United States and Great Britain. I replied that if he did wish to make an issue of the matter, he should take it up not only with the United States and Great Britain but also with the Soviet Union which was equally concerned in the whole question of the treatment of persons charged with war crimes. I did not tell him that I would report to Washington on the subject but I did inform the Department in my No. 20, May 25, 1945, 5 p. m.[91]

Conclusion:

In submitting this despatch, I wish to add that I am laboring under no illusions as regards the officials of the FNC regime. They are as I have described in my telegrams a sincere, patriotic group of individuals who are going to be difficult to deal with. They are ignorant of the science of government, know little of international

[91] Not printed; in it Mr. Jacobs recommended that in order to clear up all uncertainty a declaration of Allied intention be made concerning the alleged war criminals and the Albanian group be removed to some remote place where they had little or no opportunity to escape or establish communications with the Albanian mainland or Albanians elsewhere in Italy (740.00116 EW/5-2545).

relations, and are highly sensitive over the fact that, after fighting a common enemy, they have as yet failed to receive any recognition except from Yugoslavia and possibly secret sympathy from the Soviet Union. The relations between the regime and those two countries are as yet an enigma to me. I feel that a certain amount of secret pressure is being brought to bear on the FNC regime but I have not been able to put my fingers on any concrete evidence. In their conversations with me, Hoxha and members of his Cabinet rarely mention the Soviet Union although frequent mention is made of Great Britain.

Respectfully yours,

J. E. JACOBS
Foreign Service Officer
of the United States
of America

740.00116 EW/6-645

The Albanian Prime Minister (Hoxha) to President Truman [92]

[Translation]

TIRANA, June 1, 1945.

EXCELLENCY: In the name of the Democratic Government of Albania, I have the honor to invite your attention to the following:

The Albanian Central Commission for the Discovery of Crimes, of War Criminals and Enemies of the People, on February 23, 1945, requested the International Commission for the Discovery of Crimes and War Criminals to hand over a number of Albanian war criminals found in concentration camps in Italy such as Bari, Lecce, Salerno and others. This legitimate request of the Albanian people has not only not been replied to but we ascertain with regret that the most despicable war criminals, such as Ali Këlcyra, Midhat Frashëri, Abas Kupi, Kadri Cakrani, Koco Muka, Vehip Runa [93] and many others, instead of being detained in concentration camps and treated as

[92] Harry S. Truman became President of the United States on April 12, 1945, following the death of President Roosevelt.

This document was transmitted to the Department in despatch 24, June 6 from Tirana, not printed. Signed copy was sent to the White House. According to telegram 30, June 3, 2 p. m., from Tirana, similar letters were sent to Prime Minister Churchill and Marshal Stalin (740.00116/6-345).

[93] Ali Kelcyra (or Klissura), Mithat (or Midehat) Frasheri, Kadri Cakrani and Koco Muka were leaders in the anti-Communist Albanian nationalist political movement Balli Kombëtar which disintegrated during 1944. Abaz Kupi was the leader of the "Legality Movement" which was formed in November 1943 and proclaimed its loyalty to the exiled King Zog of Albania. The "Legality Movement" also collapsed during 1944. Vehip Runa was a former Albanian provincial official. All of these persons had been evacuated from Albania and had been interned by Allied military authorities.

enemies in keeping with their bold collaboration with Nazi Germans are treated most favorably and are permitted in the cities of Italy to continue their fascist intrigues to the detriment of our people and the progress of humanity.

Such treatment of Albanian war criminals who have committed so many atrocities in our country can only be a source of astonishment to the Albanian people who have had such resolute confidence in the great justice for which they spilled so much blood.

The fact that these war criminals have not been delivered into the hands of the Albanian authorities by virtue of the decision of the Conference of Moscow [94] which provided clearly that every war criminal would be judged in the country where he had committed his crimes and the favorable treatment which the Allied authorities accord them in Italy constitute an injustice and at the same time an offense toward the Albanian people who have made so many sacrifices for the common cause.

Having absolute confidence in the great justice of your government and of yourself, in the name of the Democratic Government of Albania and of the Albanian people, I pray that you will take consideration of this matter and reexamine this just and legitimate request of our people.

Please accept [etc.]

The President of the Council of Ministers of the Democratic Government of Albania
ENVER HOXHA
Colonel-General

875.00/6–845 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, June 8, 1945—4 p. m.
[Received June 9—7:40 a. m.]

35. On June 5 first Albanian fairly well known to us claiming to represent opposition came to see me. He stated that there is a large growing group of Albanians, some of whom are FNC partisans, who are opposed to present regime because its policy is to bind Albania close to Yugoslavia and to Soviet Union whereas his group feels that Albania's ties should be with democracies of Gr Britain and US and fears that present regime will never hold secret elections to enable

[94] For text of the Declaration of German Atrocities by President Roosevelt, Prime Minister Churchill, and Marshal Stalin, issued at Moscow on November 1, 1943, see *Foreign Relations*, 1943, vol. I, p. 768.

people of Albania to choose a govt they desire. He said that committee of 10 had been organized and that fairly large number of army officers was willing to join movement and take to hills if they had moral and material support of Great Britain and the United States. Caller said he wished me to communicate this information to my government and added that prospectus of movement was being prepared and copy would be given to me later if not by him by some other member as there might be wholesale arrests shortly.

As story sounded so much like rumors which Brigadier Hodgson has been talking about, inquired if caller had seen Hodgson. He replied he himself had not but that he had seen two of Brigadier's aides and that Brigadier was aware of movement. I explained caller purpose of my mission and said that while I was interested in hearing views of opposition question of recognizing or refusing to recognize present regime was one thing and question of giving moral and material support to an opposition group was quite another which I was sure US Govt would not consider. I said that I would mention his call in my report to Dept but could give him no encouragement whatsoever.

Fearing that call might have been engineered to ascertain whether my mission was here to encourage opposition, I asked our intelligence which knew nothing of movement to see what it could learn about it and I discussed matter with Hodgson. Our intelligence has discovered something about movement which indicates either that it is "plant" or promoters are so crude in their technique that they will probably all be arrested soon. I learned from Hodgson this was group which has been supplying him with information concerning opposition and that he himself has become a little suspicious and is making further investigations. I found him not so sure of himself on question of opposition altho he still insists that desertions from army are going on in larger numbers than generally believed. Our intelligence is also aware of these desertions but we do not know whether they are due to opposition to regime or are normal, to be expected when army of about 60,000, out of proportion to small size of country, returns from actual warfare to sedentary camp life in home country.

Sent Dept as 35, rptd Caserta as 46.

JACOBS

875.00/6-2145

The British Embassy to the Department of State

AIDE-MÉMOIRE

The Foreign Office have now received a report from the head of the British Military Mission in Albania on the present administration of the country which shows that the FNC is still firmly in control.

2. Armed resistance in the Scutari area, which has hitherto been the centre of opposition to the FNC's regime, has been subdued and as communications improve the FNC's authority is maintained by overwhelming armed force and the repression of any form of popular expression.

3. There are still no signs of any toleration of any political party other than the Communists. Members of the Government, even Ministers, who are not Communist, are strictly supervised and their powers are restricted. The youth of the country from the age of 4 or 5 years is being regimented and subjected to political propaganda. As yet there are still no signs that elections are contemplated and the answers to questions on this subject are always vague and noncommittal. The strength of armed opposition in the North is not accurately known and the situation there appears to be quiet. The leaders are, however, known to be still at large and it can be assumed that they possess sufficient men and arms to remain a potential and ever-present threat to FNC. However, on account of the large quantity of arms supplied to FNC by the Allies, or captured from the Germans, the FNC is in a strong position to quell any counter-revolution.

4. The view of the Foreign Office is that, although there are ample reasons for disliking the Hoxha regime and its methods, His Majesty's Government would not be justified in intervening against it. On the other hand His Majesty's Government consider that they are under no obligation to support Hoxha, and, if it is really the case, as has been suggested in Brigadier Hodgson's report, that British recognition would have a decisive effect in maintaining Hoxha's regime in power, the Foreign Office would see no reason for hastening recognition.[95] The Foreign Office's conclusion is that the only measure of support which Hoxha's administration should receive from Allied sources is the provision of relief supplies and that even this assistance should come from UNRRA and not direct from the British and United States Governments.

5. His Majesty's Government are most anxious to concert with the United States Government their policy in regard to recognition and support of the present Albanian Government. In informing the Department of State of the Foreign Office's views His Majesty's Charge d'Affaires has been instructed to say that the Foreign Office would welcome any comments which the Department of State may wish to make.

WASHINGTON, June 21, 1945.

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[95] Telegram 2926, July 11, 3 p. m. from Caserta, reported that Field Marshal Alexander had informed the British Military Mission in Albania that Prime Minister Churchill had approved the line taken by the Foreign Office to the effect that at the moment the British could not give support to the opposition in Albania (875.01/7–1145).

875.01/7-145 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, July 1, 1945—3 p. m.
[Received July 3—4 : 10 a. m.]

57. Following preliminary report on question recognition was being prepared when Deptel 22 June 27 [96] arrived:

1. Organization present regime as follows: 12 cabinet members, 6 alleged to be Communists and 6 non-Communists. 8 are civilians and 4 military. 8 studied abroad, 5 in France and 1 each in Italy, Russia and Turkey. Average age is 40. Cabinet functions under immediate supervision anti-Fascist National Liberation Council, the supreme executive and legislative govtal organ deriving authority from conference of Labinot July 1943, Permet May 1944 and Berat Oct 1944. Parallel and auxiliary to N1 Council is a Front Council, the two constituting dual form of Natl Liberation rule similar to Soviet and Yugos models. The Front Council represents the party and N1 Council the Govt. In each prefecture, city and village are miniatures of foregoing Natl Organizations each with similar but circumscribed coordinate powers. In addition General Staff of Albanian Army exercises much power and influence through control over security measures and jurisdiction in certain types of cases which normally fall within civil jurisdiction. Unions of Albanian, anti-Fascist women, youth and labor exercise considerable influence within their respective spheres as auxiliary organizations.

2. Regime bases claim of popular support on (*a*) decisions of conferences of Labinot, Permet, Berat composed of elected representatives of the people (*b*) elections of town hall type already held where candidates for new councils and fronts in all levels are nominated and voted on in an open meeting and (*c*) numerous telegrams and letters which continue to be read and published in official newspapers as emanating from youth, women, labor and such religious organizations as Bektasha and Sunni Moslems and Greek Orthodox. Roman Catholics constituting about 15% Miant: [*sic*] have abstained altho there are members of that faith on various councils. Roman Catholics were strongest supporters of Fascist regime especially Italian.

3. Regime has support of larger segment of population than any other aspiring or opposition group particularly among younger generation. Chief opposition which is not well organized and has no real program except opposition and fear of Communism comes largely

[96] Not printed; it requested a brief summary report by telegram of Mr. Jacobs' findings and recommendations regarding the Albanian regime and the question of recognition in order to be prepared for discussions of future relations with Albania at the upcoming tripartite conference at Berlin (875.01/6-2745).

from wealthy classes (land owners, industrialists and merchants), certain elements of professional classes and Govt officials of former regimes including some military.

4. Regime came into existence by coalition of groups including Communists resisting Fascist invaders. All available evidence indicates this is only group that put up effective resistance. They obtained control of country with moral and material support given thru Allied reps including OSS who fought with them for about 15 months.

5. By and large cabinet members and other high officials of fronts and councils are patriotic well intentioned individuals striving to bestow their abilities in their own lights to give Albania better Govt more considerate of well being of Albanian people than any other regime Albania has ever had.

6. Albanian people strongly desire natl independence as they do not consider themselves Slavs, Bulgars, Macedonians, or Greeks. Any attempt to federate them with Yugos or any other political units would encounter resistance and bloodshed.

7. Altho Albania possesses certain valuable natural resources its economic and financial situation is deteriorating and may become so serious as to jeopardize stability of present or any other regime.

8. Regime's conception of govtal organization, administration and interpretation of democracy follows Soviet pattern altho regime has not yet attempted to go as far as Soviet Union or Yugos in regimentation of human activity.

9. There is some secret understanding between regime and Yugos and by inference with USSR because it is inconceivable that latter would permit former to recognize Albania [97] and otherwise carry on secret negotiations and discussions of which world and Albanians are kept in ignorance.

10. One enigma of situation is attitude USSR which has not declared its policy since Molotov's statement in Dec 1942 [98] that USSR supported principle of independent Albania. Believe that USSR as well as Yugos prefer to have Albania join Yugos federation but Yugos recognition of Albania almost certainly with Soviet approval would seem to belie that opinion. Possible explanation is that both USSR and Yugos are aware strong independence feelings of Albanian people and realize it would mean bloodshed if federation project were pressed; hence USSR prefers to await developments and let US and Gr Brit bear onus of recognition or refusal to recognize, preferring that they refuse.

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[97] Yugoslavia extended diplomatic recognition to the Albanian Government on April 28, 1945. The Yugoslav Minister to Albania, Velimir Stojnič, presented his credentials on June 2.

[98] See last sentence of footnote 12, p. 3.

11. Delay by US and Gr Brit in recognizing regime after having given moral and material support while it was fighting Fascists has driven and continues to drive that regime into arms of Yugos and USSR and affords the pro-Yugos Soviet element in Govt excuse for such action. Such delay also has given rise in Albania to feeling that western Allies are either indifferent to Albanian aspirations or have found regime wanting. This prevents many capable individuals from giving active support to regime and at same time meets [*sic*] a live moderate opposition which would cease were recognition accorded. In other words regime has had to expend considerable effort for past 6 months seeking recognition and trying to resist Yugos and Soviet pressure when all its energies were solely needed to meet increasingly difficult problems inherent in restoring order in devastated land.

12. Do not agree entirely with findings of Brit Mil Mission here to effect: (*a*) that strong opposition movement exists; (*b*) that opposition groups are better qualified to give country good Govt than present regime; and (*c*) that regime is fundamentally unfriendly now and [*to?*] US and Gr Brit.

In submitting recommendations at this juncture in view of tripartite meeting soon to be held have kept in mind various Dept instructions culminating in those contained in Deptel 308, April 7, to Caserta as well as that portion of Yalta Declaration on Liberated Europe to effect that US GrBritain and USSR would jointly assist people in Europe as liberated states to form internal govtal authority broadly representative all democratic elements in population and pledged to earliest possible establishment through election of govt's responsible to peoples will. Also realize future developments before action is taken may require changes in recommendations which are at present as follows:

1. US, in agreement with GrBritain and USSR if their concurrence can be secured, should recognize present regime on following basis: (*a*) undertaking exchange of notes to hold within reasonable time (using word reasonable in liberal sense) elections according to some prescribed formula to enable Albanian people to choose reps to natl conference empowered to determine permanent form of govtal organization and (*b*) pending negotiation of treaty undertaking separate exchange of notes to guarantee diplomatic and consular representatives of US sent to Albania usual diplomatic immunities, privileges and rights customarily under international law and right to intervene on behalf of American nationals.

2. Variation of election idea might be found requiring commitment or [*of?*] regime to broaden its base by taking into govt some opposition members.

3. If at tripartite conf objection to holding elections as condition precedent to recognition should be found insurmountable, believe rec-

ognition should be accorded notwithstanding as it would be better for Albania to have some govt recognized soon than to let matters drift. Albanian people can be relied on to resist encroachments upon their rights and natl existence from within or without and appeal for help to United Nations organizations now in process of establishment.

4. If no other agreement can be reached between Big Three concerning Albania possibly trusteeship provisions of United Nations charter might be found applicable and invoked.

5. In discussing Albania problem with Brit and Soviet reps precaution should be taken against revealing publicly that US sponsor conditional recognition as believe such rep at least here would like to have us assume that responsibility. Full publicity should, however, be given to any agreement reached.

6. Irrespective of recognition immediate steps should be taken to restore postal telegraph and financial arrangements between Albania and outside world as these facilities are urgently needed not only for economic reasons but also to permit free flow of info between Albanians in Albania and Albanians abroad especially in US. It is estimated that about 25% of Albania's population have either been in US or have friends and relatives who have been there. Several thousand Albanians have been educated in American schools in Albania. Cultural and sentimental ties therefore strong but need renewal and encouragement through reopening means communication.[99]

JACOBS

740.00116 E W/6-345 : Telegram

The Acting Secretary of State to the Representative in Albania (Jacobs)

WASHINGTON, July 7, 1945—2 p. m.

31. Urtels 30 June 3[1] and 20 May 25.[2] Please notify General Hoxha informally that his letter of June 1 requesting that a number of alleged Albanian war criminals now interned in Italy be handed over to Albanian authorities has been received by President. You should then inform Hoxha that Dept is endeavoring to obtain full information regarding status of Albanian nationals in custody of Allied authorities, but that, in any event, it is view of this Govt that ultimate disposition of such persons is matter which can not be deter-

[99] Telegram 44, July 24, 3 p. m., to Tirana, stated that the Department believed that Mr. Jacobs' reports reflected objective observation of the Albanian situation and that his preliminary conclusions and recommendations appeared well founded and provided a tentative basis for an American approach should the question of Albanian recognition be raised at the Potsdam Conference (875.01/7-1445).

[1] See last sentence of footnote 92, p. 34.

[2] See footnote 91, p. 33.

mined until after agreement has been reached regarding relations between Albanian regime and principal Allied Govts.[3]

GREW

875.01/7-1145 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, July 11, 1945—noon.
[Received 2:36 p. m.]

76. Last night at Albanian Army Day celebration staff talks with officials including Hoxha revealed:

1. Lt. Col. Gen. Koei Xoxe head Albanian Secret Police and next to Hoxha most important member present regime and Major Gen Bodri Spahiu Minister Social Assistance both strong Communist who have been absent about three weeks reportedly in Belgrade actually went first to Belgrade where they were joined by Sokoloff head Russian Mission[4] here and all three left for Moscow to discuss Soviet-Albanian relations.

2. Hoxha himself evidently tired and irritable from heavy day's activities reviewing troops in heat said he did not expect Gr Brit or US to recognize his regime and complained bitterly about attitude Hodgson and British. In this I am not unmindful possibility studied policy regime try create ill feelings between US and British. Hoxha said he would not beg UNRRA[5] return and inquired whereabouts Red Cross Foley[6] who had not come over as planned to discuss relief contributions Albanians in US.

3. Nishani Minister Foreign Affairs and Koco Tashko[7] cornered me in effort ascertain reasons delay restoration mail and telegraph

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[3] Telegram 83, July 18, 1 p. m., from Tirana, reported on a conversation which Mr. Jacobs had with General Hoxha on July 17 during which it was pointed out to the Albanian leader that none of the Albanian war criminals were in American hands although the United States was deeply interested in the subject and felt that in the course of time the matter would be worked out satisfactorily (875.00/7-1845).

[4] The new Soviet Military Mission to Albania arrived in Tirana on June 1. Despatch 20, June 2, from Tirana, reported that this mission was supposed to operate on the same basis as the British Military Mission (875.01/6-245).

[5] An UNRRA agreement with Albania was concluded on August 1, 1945. For text, see George Woodbridge, *UNRRA: The History of the United Nations Relief and Rehabilitation Administration* (New York, Columbia University Press, 1950), vol. III, p. 238. For documentation on the negotiations leading to the signing of the agreement, see telegrams 1228, March 29 from Caserta, 278, March 31 to Caserta, 2580, June 11 from Caserta, 5089, June 23 to London, and 67, July 6 to Tirana, vol. II, pp. 973, 974, 984, 986, and 992, respectively. See also Department of State *Bulletin*, August 5, 1945, p. 179.

[6] James B. Foley, representative of the American Red Cross, visited Albania July 21-28.

[7] Secretary of the National Liberation Council, Albania's supreme legislative and executive body.

communications with US [8] and our failure permit Albania send Reps to visit US [unofficially?]. My 56, June 29 [9] and previous. Tashko who is Harvard graduate reminded me that after last war we had before recognition allowed Constantine Chekrezi come to US as commissioner and he himself in unofficial consular capacity. Both said they could not understand why we would not now permit present regime to send two or three Reps for temporary visit. Both bemoaned that they must begin to feel US has deserted Albania which must look elsewhere for friends.

Sent Dept, and Caserta as 85. Caserta Pls Rpt to Belgrade and Moscow.

[JACOBS]

875.01/7-2545

The Albanian Prime Minister (Hoxha) to President Truman [10]

[Translation]

TIRANA, July 25, 1945.

EXCELLENCY: On the occasion of the historic conference of Potsdam,[11] I am happy to express to you in the name of the Albanian people and of the Democratic Government of Albania, as well as in my own name, our sincere wishes for the success of that great and noble undertaking for the good of all humanity.

The Albanian people, who have struggled with courage and sacrifice for the common noble cause, are fully convinced that the innumerable sacrifices, the ruin and devastation suffered by our country will be appreciated at their just value by the Big Three.

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[8] Telegram 461, May 10, 6 p. m., to Caserta, requested Mr. Jacobs to gather information with a view to the resumption of postal and telegraphic communications between Albania and Allied countries (800.7175/5-1045). Despatch 26, June 6, from Tirana, which submitted to the Department information regarding the resumption of postal and telegraphic services between Albania and other countries, concluded with the observation that such communications would have a tendency to maintain the westward outlook of the Albanian people at a time when internal and external efforts were being made to divert the attention of the Albanian people toward Yugoslavia and the Soviet Union (800.7175/6-645). Mail service between the United States and Albania was resumed November 21, 1945.

[9] Not printed; in it Mr. Jacobs reported that during a call on Hoxha on June 29, the Albanian leader had again expressed his desire to send a group of Albanian representatives to the United States. Mr. Jacobs urged that the proposal be agreed to unless the Department had strong objections. (875.01/6-2945)

[10] Transmitted to the Department in despatch 58, July 27 from Tirana, not printed. Telegram 61, August 10, 9 p. m., to Tirana, directed Mr. Jacobs to tell Premier Hoxha informally that his message had been received by the President and to add that the United States Government expected to give full consideration at an early date to the recognition question (875.01/7-2745).

[11] President Truman, Prime Minister Churchill (later Prime Minister Clement Attlee), and Marshal Stalin and their advisers met in conference in Berlin, July 17 to August 2, 1945. For documentation regarding the conference, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, 2 vols.

My people hope that there will be no delay in making a decision, according to their wishes, to recognize their government which represents a faithful expression of their profound aspirations and which, in strict collaboration with our great Allies, has guided them during the general conflagration which was their hard-fought struggle for liberty and independence.

I am sure that such a decision will reinforce the sentiments and gratitude of the Albanian people toward the Allied powers and will enable them in consequence to continue to lend their modest contribution to the work of peace and cordial understanding between nations.

With assurances, [etc.]

ENVER HOXHA
Colonel-General
President of the Council of Ministers of the Democratic Government of Albania

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875.00/6–2145

The Department of State to the British Embassy

MEMORANDUM

Reference is made to the British Embassy's *Aide-Mémoire* of June 21, 1945, stating the views of the Foreign Office on the subject of recognition of the Hoxha regime in Albania.

The United States Government shares the desire of the British Government that their respective policies on the question of Albanian recognition should be concerted. As yet the Department of State has not received the final report of the head of the American Mission in Albania, Mr. Joseph E. Jacobs, or consulted with him as planned upon his return here for that purpose. In these circumstances, the Department is not now in a position to offer any definite statement of views concerning recognition of an Albanian government. However, Mr. Jacobs has submitted to the Department a preliminary summary of the findings of his Mission. His conclusion is that the FNC enjoys greater popular support than any opposition group and that it is more concerned with the welfare of the Albanian people than any previous regime. His principal recommendation is to the effect that recognition should be accorded the present authorities on condition that they undertake to hold elections in accordance with a formula to be agreed upon and prescribed jointly by the British, Soviet and United States Governments.

Meanwhile, in connection with possible discussion of this subject at the Potsdam Conference,[12] the Department has made available to

[12] There is no indication that the question of the recognition of Albania was discussed at the Conference of Berlin.

the American delegation an outline of the conclusions and recommendations reported by Mr. Jacobs in his preliminary summary.

WASHINGTON, July 30, 1945.

865.014/8-945 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, August 9, 1945—10 a. m.
[Received 1 : 05 p. m.]

116. In view tenuous status our mission here and for other reasons hope Dept can avoid if it contemplates such action, joining British in protest to Albanian authorities concerning Saseno. (Dept's 714, Aug 2 to Caserta and my 128, Aug 4 to Dept [13]). Aggressive action suggested by Brig. Hodgson in Caserta's 3221, Aug 6 [14] is not indicated. Both Americans and British, including Brig. Hodgson, have known since last November that Partisan troops had occupied the island and protest 9 months late is bound to come as a shock and strengthen hands of those members of present regime who do not want to cooperate with US and Great Britain in any event. Moreover, Saseno is not another Trieste,[15] it is merely a small militarized island without civilian population about 3 miles off Albanian mainland at entrance Valona Harbor. Dept understands better than I how it all [*Italy?*] came to occupy it and I do not understand this sudden interest in the matter at AFHQ.

Rptd to Caserta as 136.

JACOBS

875.01/7-1145 : Telegram

The Secretary of State to the Representative in Albania (Jacobs)

WASHINGTON, August 11, 1945—3 p. m.

62. Urtels 22 May 25, 56 June 29,[16] and 76 July 11. Dept has given careful consideration to Hoxha's request that regime be permitted to send to US delegation of three or four persons on temporary visit. At

[13] Neither printed; telegram 714, August 2, 6 p. m., to Caserta, asked for any details regarding the alleged Albanian occupation of the island of Saseno off the coast of Albania (865.014/8-945). Telegram 111, August 4, 10 a. m., from Tirana, repeated to Caserta as 128, reported information that a small Albanian partisan force had occupied Saseno in November 1944 (865.014/8-445). Telegram 3244, August 9, 6 p. m., from Caserta, reported an Albanian press statement that Italy had seized Saseno unjustly in 1916, and that Albanian military forces occupied the island in October 1944 (864.014/8-945).

[14] Not printed; it reported that Brigadier Hodgson had addressed a communication to General Hoxha requesting him to confirm or deny the occupation of Saseno but had received no reply. Hodgson intended to advise the Supreme Allied Commander, Mediterranean Theater, to protest "this aggression." (865.014/8-645)

[15] For documentation regarding the concern of the United States over control of Venezia Giulia, including the city of Trieste, see pp. 1103 ff.

[16] Regarding telegram 56, see footnote 9, p. 43.

present time, with question of recognition still pending, Dept feels that it cannot appropriately agree to entry of such a mission, whose members would be political representatives of unrecognized Albanian authorities and whose activities here would be admittedly of a political character.

We appreciate, however, cogency of reasoning in support of your recommendation that permission be granted for entry of an Albanian group. In these circumstances, Dept is willing to permit visit to US by two Albanian press representatives. They would have freedom of movement and could visit Albanian-American leaders and groups, although we should want it understood that they would not be allowed to take advantage of their presence here to engage in activities of a political or propaganda nature. Principal purpose of their trip should be to give to Albanian people first-hand picture of American scene and evidence of American interest in Albania and Balkan area.

If you perceive no objection, you should communicate informally to Hoxha substance of foregoing as an acceptable basis for any further request he may wish to make regarding subject of sending an Albanian group to US.

Sent to Tirana; repeated to Caserta.[17]

BYRNES

875.00/8-1545

The Representative in Albania (Jacobs) to the Secretary of State

No. 75 TIRANA, August 15, 1945.
[Received September 13.]

Sir: With reference to my telegram no. 57, July 1, 1945, 3 p. m., embodying preliminary findings and recommendations of the Special Mission at Tirana with respect to the question of the recognition of the present regime in control of Albania, I have the honor to submit herewith the final recommendations of this Special Mission under the title: "Summary of Findings and Recommendations with Respect to the Recognition of the 'Democratic Government of Albania' ".

There is, as mentioned in the Summary, a supplementary, documentary report consisting of fourteen sections, the titles of which will be found in Appendix II attached to the Summary. This documentary report will be submitted by separate despatch[18] as it will not be necessary for the higher officers of the Department considering the Summary to read this supplementary report although they may wish

[17] As telegram 742.

[18] The Documentary Report Supplementing Summary of Findings and Recommendations With Respect to the Recognition of the "Democratic Government of Albania" was transmitted to the Department in despatch 76, August 16, from Tirana, neither printed.

to consult certain sections of it, especially Section VI—"International Relations".

Information concerning the officers who assisted in the preparation of the enclosed Summary, as well as the documentary report, will be submitted in a separate despatch.

I expect to be in Washington shortly to confer with officers of the Department concerning the recommendations contained in the Summary.

Respectfully yours,

J. E. JACOBS
Foreign Service Officer

[Enclosure—Extracts]

SUMMARY OF FINDINGS AND RECOMMENDATIONS WITH RESPECT TO THE RECOGNITION OF "THE DEMOCRATIC GOVERNMENT OF ALBANIA"

In a telegram dated July 1, 1945, the Special Mission of the United States Government sent to Tirana to study conditions submitted a preliminary report of its findings of facts and certain recommendations with respect to the question of extending recognition to "The Democratic Government of Albania", as follows:

[Here follows text of report contained in telegram 57, July 1, 3 p. m., from Tirana, printed on page 38.]

Having completed its studies, there is attached a final report in fourteen sections. In addition, there is set forth below a summary of important facts followed by suggestions and recommendations, which are essentially the same as those submitted in July and quoted above.[19]

. . . . . .

X. SPECIFIC RECOMMENDATIONS

1. *Recognition*

The present regime should be recognized by the United States, Great Britain and the Soviet Union and recognition should be accorded simultaneously at the earliest possible date subject to the following conditions and restrictions:

First, the regime recognized shall undertake to hold a general election at which the people of Albania will choose representatives to a Constitutional Convention where the representatives so chosen will decide whether they wish (*a*) to continue the present form of government intact, (*b*) the present form of government with changes decided

[19] The Summary, which in the original consisted of 26 double-spaced, legal-sized typewritten sheets, was divided into the following sections: I. Organization of the Present Regime; II. Personnel; III. The Judiciary; IV. The Army and Police; V. Extra-Governmental Agencies and Influences; VI. Opposition Groups; VII. Nationalist Sentiment; VIII. International Relations; IX. Other Governmental Activities; X. Specific Recommendations. Only Section X of the Summary, which comprised 7 pages in the original text, is printed here.

upon by them, or (*c*) some new form of government to be organized by the said Constitutional Convention, provided that in any event there shall be proclaimed in the organic law of the present or any new government a Bill of Rights similar to that contained in a "Declaration on the Rights of Citizens" adopted at the Congress of Berat in October 1944, but apparently since discarded by the present regime.

Note: In connection with the aforementioned elections, two proposals will inevitably be made, viz: either that the election be by secret ballot or that it be held in accordance with the existing electoral laws of the present regime—the town-hall variety of election. In view of the known attitude of the British toward the regime, it is almost certain that they will try to insist upon election by secret ballot. It is believed that either method would be satisfactory but, as the present regime would be in control in either case, the simplest procedure would be to conduct the election according to existing electoral laws. A clear warning should, however, be given by each of the three powers that the regime must permit the election to be conducted in an atmosphere of perfect freedom and that all parties and all persons whether for or against the government shall be permitted to participate without threats or fear during or after the elections. In giving this warning, it should also be stated that the diplomatic representatives of the three powers, who will be in the country, will have standing instructions to observe the conduct not only of the election but also of the Constitutional Convention which will follow. It is believed that these safeguards should be reasonably sufficient.

While the British may raise the point, it is not recommended that the present regime be required to permit Albanian refugees abroad, political or otherwise, to return to Albania under safe conduct passes to participate in the election. These refugees constitute a very small minority of the Albanian people and, while there may be a few true patriots among them, there are far more persons who collaborated with the Italian and German invaders and who fled to escape their just deserts. It would be too much to ask the present regime to permit their return without careful screening which the three powers have neither time nor means to provide. There may, however, be a few former Albanian leaders whom the British seem to favor, such as Medmed Konitza, former Albanian Minister to London, whom the present regime might permit to come into the country without molestation.

Second, there should be an exchange of notes in which the Albanian authorities shall undertake, pending negotiation of treaties, to guarantee to the diplomatic consular representatives of the three powers, diplomatic rights and privileges usually extended under international law. In view of the peculiar situation existing in Albania some of these rights mentioned in Section VI on International Relations should

be specifically named so that there will be no question about them. In addition, it should be clearly provided in the exchange of notes that the diplomatic representatives, including their staffs, shall be entitled to travel freely about the country unaccompanied by government police or guards.

2. *Assistance to be Rendered*

In discussing the question of recognition with the British and Soviet authorities, it is recommended that the subject of assistance, joint or separate, which they will render to the new government especially in the fields of finance and economic reconstruction, be taken up. Without such assistance there can be no economic stability in the country and without such stability no government can continue long in power. In according such assistance, advantage should be taken of the opportunity to insist, as a *quid pro quo*, that the regime reduce the size of its Army commensurate with its resources and population. This last point is highly important because the budget for this year, which was only made public on July 28, 1945, indicates that a little over half of the one billion franc estimated revenue is to be devoted to the Army.

It might also be agreed between the three powers that this subject will be submitted to their diplomatic representatives in Albania for joint study and joint or separate reports as the situation may require. This study should begin, however, as soon as possible after recognition is accorded and the diplomatic representatives arrive in Tirana. As stated above UNRRA may be able to take care of emergency needs pending a decision on some long range program.

In connection with financial and economic assistance referred to above, it is also recommended that irrespective of other considerations immediate steps should be taken by the three powers to restore postal, telegraphic and ordinary private financial facilities between Albania and the outside world. Such restoration is of great importance to the United States because of the large percentage of the population, especially in southern Albania, which has friends and relatives in the United States, with whom they wish to communicate and from whom they badly need remittances which were formerly the main support of many of them.

3. *British-Soviet-Albanian Relations*

It is recommended that the Department of State confer with the British Foreign Office and the Soviet Foreign Office with regard to their real attitude and policy toward Albania. This approach should definitely be made before a decision is reached with respect to the question of recognition, as the results of those inquiries might change the entire character of the recommendations.

First, we should make a point-blank request of the British Foreign Office for a clarification of its real policy toward the setting up of an independent Albania and toward the opposition groups in Albania and elsewhere. In other words, we should know whether the British Foreign Office is really desirous and prepared to support the establishment of an independent Albania. We should make it clear that we know of utterances of certain British officials who prefer to see the country divided up and the southern part added to Greece. If the Foreign Office still supports Anthony Eden's declaration that there is to be an independent Albania, that declaration should be reaffirmed and British policy oriented accordingly.

Second, an inquiry should be made of the Soviet Foreign Office with regard to its real policy toward Albania and toward the Communist group in Albania. This may be a delicate question but if there is to be any satisfactory solution of the Albanian problems the United States, before according recognition, should know whether the Russians and the Russian Communist Party will refrain from exercising, through the Communist group in Albania or otherwise, undue influence in forcing upon the Albanian people a form of government which they do not want and a foreign policy which is unacceptable to its people. In other words, we should expect the Soviet Government to live up to its declaration at Yalta that the Albanian people have the right to choose freely and without coercion within or without the form of government under which they wish to live.

4. *Border Problems*

There are three Albanian border problems, one with Greece (the most urgent), one with Yugoslavia, and one with Italy, which should be made the subject of discussions with the British and Soviet Foreign Offices at the time the question of recognition is discussed.

First, with regard to Greece, we should seek to persuade both Foreign Offices to agree to a definite policy, which should be announced publicly, to the effect that there is to be no change in the southern border of Albania in favor of Greece unless and until at some future time before some duly constituted international organization Greek claims can be considered in a calm and peaceful atmosphere and decided upon their merit. If the three governments wish to decide upon a more positive policy, they could agree among themselves to suggest to the Albanian and Greek governments the appointment of a commission consisting of one member for each of the three powers, (possibly the diplomatic representatives of the three powers at Tirana) together with Greek and Albanian representatives, to proceed to the border and to decide upon such minor adjustments as would be necessary to make the border conform more to natural topography,

with a provision that the boundaries, once fixed, minorities on either side thereof shall be removed to their own country whether they wish to or not.

Second, a somewhat similar discussion should be had with respect to the boundary between Albania and Yugoslavia in the Kossova region. As has been indicated in the section of this report on Albanian international relations there are approximately one-half million Albanians in the Kossova area of Yugoslavia. The Albanian authorities have apparently acquiesced in Yugoslavia's position that no change in this boundary be made but it is well known that this is due to the influence that the Tito faction has had over the present regime. The apparent solution at the present time on that basis is not a real solution as it has settled nothing.

Although this problem is not urgent in view of the present regime's acceptance of the present *status quo*, it is highly desirable that the matter be discussed with the British and Soviet Foreign Offices and possibly an agreement reached that a commission, possibly the same commission that would study the Greek frontier problem, should study this problem with a view to making recommendations along the lines of a settlement similar to the settlement proposed for the Albanian-Greek frontier with the exception, of course, that a larger territory in the Kossova region would be ceded to Albania and populations transferred accordingly. It is also evident that with respect to this matter the cooperation and participation of the Yugoslav authorities would be essential.

Third, definite agreement should be reached that the Island of Saseno lying at the entrance of Valona harbor and taken by Italy in 1920 shall be returned to Albania. It is so obvious that Saseno belongs to Albania that no mention was made of it elsewhere in this report and it would not have been mentioned at all except for the fact that only recently Saseno was the subject of inquiry from A.F.H.Q., at Caserta. Hence the brief recommendation, which is the only logical one to be made.

5. *Balkan Federation*

There remains as a possible final subject for discussion the question of Albania joining a Balkan federation.

It is believed that there is merit in the idea of a general Balkan federation, provided that the terms of the federation agreement are reached by the Balkan states concerned after a mutually friendly conference of their representatives who would act and draft without influence from outside powers. In other words, the three great powers, the United States, Great Britain and the Soviet Union, as well as France, which will also be influential in European affairs, should

stand absolutely aloof and allow the Balkan states to work out their own solution in this respect.

It is believed, however, that the present is not a propitious time to attempt to arrive at a federation arrangement as there is obviously too much friction existing in the Balkans for any such agreement to be reached. Aside from the Albanian-Greek and Albanian-Yugoslav problems, there are Yugoslav and Greek problems, Balkan problems and so on. Probably, therefore, it would be best for the three big powers to suggest to Albania and to Yugoslavia, the only other power really concerned at the moment, that this matter should be dropped for the time being as there are more pressing problems for the authorities of each of these Balkan states to consider than the problem of a federation. In due time, however, the idea should be taken up.

XI. APPENDICES [20]

I. List of Cabinet Officers.
II. List of Sections of Documentary Report attached.
III. Table of Contents of this Summary.

865.014/8-2045 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 20, 1945—5 p. m.

7048. Dept has instructed AmPolAd Caserta [21] to inform SACMED of Dept's view that no steps should be taken regarding Albanian occupation of Saseno pending consultation between Dept and FonOff.

In this connection, therefore, please inform FonOff of Dept's views as follows:

1. Saseno was included in 1913 Albanian frontiers; [22] these frontiers were confirmed by Conference of Ambassadors on Nov. 9, 1921,[23] and again on July 30, 1926,[24] with certain modifications not related to Saseno.

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[20] None printed.

[21] Telegram 724, August 7 to Caserta, not printed.

[22] The Albanian frontiers were agreed upon in the Treaty of Peace between Bulgaria, Greece, Montenegro, Servia and Turkey, signed at London, May 30, 1913. For text, see *British and Foreign State Papers*, vol. CVII, p. 656.

[23] Declaration by the Governments of the British Empire, France, Italy, and Japan in regard to Albania, signed at Paris, November 9, 1921, as communicated by the Conference of Ambassadors. For text, see League of Nations Treaty Series, vol. XII, p. 383.

[24] The final act concerning the delimitation of frontiers of Albania, signed at Paris, July 30, 1926, by Albania, France, Great Britain, Greece, Italy, Japan, and Yugoslavia. For a discussion of the work of the Conference of Ambassadors leading to this act, see *Survey of International Affairs, 1925* (London, Oxford University Press, 1928), vol. II, pp. 284 and 287.

2. Ital control of island was established by occupation which took place on Oct. 30, 1914. Dept has no evidence that Ital sovereignty was established by treaty or agreement with Albania or by other valid process of transfer. It appears, moreover, that Ital claim in past to sovereignty over Saseno, which rested on Ital interpretation of secret Preliminary Protocol of Tirana of Aug 2, 1920,[25] was never accepted by Albania or accorded formal international recognition, although long occupation of Saseno by Italy apparently was never openly protested by other Govts.

3. FNC forces are reported to have been in occupation of Saseno since Oct 1944. Island itself is understood to be barren and without civilian population.

4. In light of foregoing considerations, it is Dept's conclusion that Albanian action does not fall into same category as unilateral Yugoslav occupation of Venezia Giulia.

5. Accordingly, Dept would like to propose for consideration of FonOff that Brit and US Govts should agree to inform Hoxha through SACMED that, while they will not object to provisional occupation and administration of Saseno by the present Albanian authorities, they consider that juridical status and final disposition of island are matters which will require full examination at time of definite peace settlement. Dept proposes further, if FonOff agrees to above formula, that concurrence of Soviet Govt be sought before action is taken.[26]

Sent to London; repeated to Caserta and Tirana.[27]

BYRNES

740.00119 Council/10–1645

King Zog I of Albania[28] *to the Secretary of State*[29]

HENLEY-ON-THAMES, BUCKS, September 11, 1945.

YOUR EXCELLENCY: On the occasion of the meeting of the Council of Foreign Ministers in London I have the honour to approach you with regard to the question of Albania, as it is to be supposed that the future of my country will be one of the subjects which will come up for discussion.

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[25] This agreement is described in H. W. V. Temperley (ed.), *A History of the Peace Conference of Paris* (London, Oxford University Press, 1921), vol. IV, p. 345.

[26] Telegram 9175, September 7, from London, reported that the British Foreign Office, in a letter to the Embassy dated September 5, had agreed to the formula proposed by the Department with regard to the provisional occupation and administration of Saseno; the Foreign Office was, however, unclear as to the purpose of seeking prior concurrence of the Soviet Government and asked whether the Department attached any particular importance to the point (865.014/9–745).

[27] Repeated to Caserta as No. 757 and to Tirana as No. 65.

[28] King of Albania from September 1928 until he went into exile on April 6, 1939 on the eve of the Italian invasion of Albania; in exile in England during World War II. The Albanian Constituent Assembly abolished the monarchy on January 11, 1946.

[29] Transmitted to the Department in despatch 1, October 16, 1945 by the delegation of the United States to the Council of Foreign Ministers in London. The Secretary of State headed the American delegation to the first session of the Council of Foreign Ministers held in London, September 11–October 2, 1945.

The circumstances under which Albania was invaded without provocation, and the continued resistance of the Albanian people to Fascist Italy are generally known and appreciated. The occupation of Albania first by Italy, later by Germany, never deprived Albania her independence *de jure* and only momentarily *de facto*. Moreover, in December 1942, Great Britain, the United States, and the Soviet Union officially recognised the principle of Albania's independence after the war.[30] All that remains for discussion, therefore, is the question of her frontiers, particularly since Greece lays claim to integral parts of her territory—claims which are both unjust in themselves and incompatible with the proclaimed policy of your Government and with the aims of the United Nations. Albania's frontiers after the Balkan Wars were demarkated to her disadvantage, and Your Excellency no doubt will be aware that on three occasions—in 1913, 1921 and 1925—the Greek claims were submitted to International Commissions and rejected as unjust.

It is to be presumed that the Council of Foreign Ministers will wish to hear the views of interested parties to subjects under discussion. Therefore, Albanians everywhere are asking to be represented in regard to matters having vital importance for the future of their country. So far their request has been disregarded on the ground of non-recognition of an Albanian Government. This is a consequence of the inexplicable and grave injustice done by the Allies during the war to Albania, a country which, despite her great sacrifices, has not had the satisfaction of being included among the United Nations. The Albania Resistance Movement never ceased to protest at this injustice, and I, too, as head of the State and in the name of my people, have on many occasions done likewise. No justification has ever been given for this unfortunate discrimination to Albania's prejudice. So far war conditions might be advanced as responsible for it, but today it represents a grave and growing danger to our country, which it leaves without a voice at a time when her whole future is being decided. To us, therefore, it seems a vital necessity that we should find a means of enabling Albania to present her own point of view and to champion her own cause. All Albanians are of the same opinion, and they are far more concerned that their country should be represented as one of the United Nations than as to who should represent it. If Albania were invited to send representatives I feel certain they would reach agreement as to who should represent them. The argument that Albania cannot be represented because it does not possess a Government recognised by the Allies, or because the possible representatives are unknown, means that her future is being decided without her being given any voice in the decision. Neighbouring countries whose posi-

[30] See footnote 12, p. 3.

tion from a legal point of view, and from the point of view of internal political instability is similar to that of Albania, have been accorded very different treatment.

Surely the methods employed in relation to Italy, Greece and Jugoslavia who are represented internationally although their internal problems remain unsolved, could properly be applied also to Albania; and I am convinced that her people, if given similar facilities, would also be able to form a Government of National Unity. Such a Government would be able to take over the charge of defending the national interests and restoring the internal situation peacefully and in freedom, and in accordance with democratic principles.

In the name of justice and peace, therefore, I beg Your Excellency to uphold in regard to Albania the principles governing the policy of the United Nations towards her neighbours; that decisions shall not be taken on Albanian questions without Albania herself being adequately represented; and that the representation of Albanian State be given on the lawful basis of national unity. I am convinced that, given adequate facilities, such unity can be achieved.

Allow me to express to Your Excellency in advance my warm appreciation of such action as you may feel justified in taking in the interest of my country, and I beg you to accept the assurance of my highest consideration.

ZOG

865.014/9–745 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 17, 1945—2 p. m.

8039. Since question has been raised at this time regarding Albanian occupation of Saseno, Dept believes that political and territorial nature of problem makes it desirable to inform Soviets (Reurtel 9175 Sep 7 [31]) prior to proposed notification of Allied views (Deptel 7048 Aug. 20) to Hoxha by SACMED and to express hope that they are prepared to make similar notification.

This procedure, which recognizes joint responsibility of three principal Allied Govts in questions of this character and affords opportunity for expression of Soviet views, is in accord with Dept's view that Brit, Soviet and US Govts should mutually consult on all Albanian matters of international importance.

If Brit FonOff assents to foregoing precedure, Dept will immediately inform Moscow regarding matter and invite Soviet Govt to communicate similar views to Albanian authorities.

ACHESON

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[31] See footnote 26, p. 53.

865.014/9–2745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 27, 1945—8 p. m.
[Received 10 p. m.]

10042. Your 8039, September 17. Foreign Office has answered our communication of September 18 about Saseno in following sense:

In the course of their discussion about the Italian peace treaty Foreign Minister's Council agreed that Saseno should be ceded to Albania.[32] It seems to the British that on the strength of this decision "our two govts" could quite well make the proposed communication to Hoxha through Supreme Allied Commander, Mediterranean without any further consultation with other Allied Govts. However, if State Dept still thinks it necessary to obtain Soviet concurrence British "will not dissent" but as the French Provisional Govt is also a party to decision reached at the Council of Foreign Ministers British consider that if the Soviets are consulted similar communication ought to be made to the French.

WINANT

London Embassy File : 800 Albania

Memorandum of Conversation, by the Representative in Albania (Jacobs)[33]

[LONDON,] October 4, 1945.

Participants: Mr. Hayter, Chief of the Southern Dept.[34]
Mr. Laskey, Desk Officer for Albania and Greece[34]
Mr. Jacobs, U. S. Representative in Albania
Mr. Cannon[35]

Mr. Cannon and I called this afternoon on Mr. Hayter at his suggestion to discuss the question of proceeding with the recognition of Albania. We stated that my report on conditions in Albania had been submitted to the Department which was now considering the question of early recognition, subject to pledges being given by the Albanian authorities to hold free elections in accordance with the provisions of the Crimea Declaration on Liberated Europe. We gave

[32] The cession of the island of Saseno by Italy to Albania was agreed to at the Third Meeting of the Council of Foreign Ministers, held September 14, 1945. See Record of the Third Meeting, minute 5, under heading Section I: Territorial Provisions for Italy in Europe, item (9), vol. II, p. 163.

[33] Mr. Jacobs was in London from September 30 to October 24.

[34] Of the British Foreign Office.

[35] Cavendish W. Cannon, First Secretary and Consul at Lisbon, on detail as Political Adviser on the American delegation, London Council of Foreign Ministers.

our reasons why we thought that such action was desirable, and should be proceeded with expeditiously, substantially to the effect that Albania was the only country in the Balkans where our relations with the authorities were not being conducted on any regularized basis and that those authorities were in complete control of the country and merited recognition subject to compliance with the principles of the Crimea Declaration. I added that I thought it dangerous to withhold an offer of recognition any longer as continued delay would likely drive the regime completely into a Soviet-Yugoslav combination, and besides there is a growing need to discuss certain problems with the Albanian authorities, such as the Italian treaty, which can not be discussed at the present time due to the unrecognized status of the present regime in control of Albania. The question of Greek territorial claims will of course also arise.

Mr. Hayter said that he thought the business of recognizing the present Albanian authorities should be proceeded with. He said, however, that there was some question in his mind whether the present moment was opportune in view of the manner in which the Conference of Foreign Ministers terminated.[36] Mr. Cannon and I replied that we felt that danger could be avoided by basing our present approach to the British and Soviet Governments on the fact that the Department had received and considered my report on conditions in Albania.

After Mr. Cannon gave Mr. Hayter the substance of a draft telegram which might go forward to the Department, Mr. Hayter commented that he considered it inadvisable to require the Albanian authorities to give pledges that they would hold free elections unless we on our part were fully prepared to see that such elections were held and to withdraw recognition if they were not conducted in a satisfactory manner. He went on to say that in his opinion, if we did not intend to supervise such elections, and he felt we should not, it would be better to accord recognition without requiring pledges of too detailed a character.

In view of the reports which have been submitted by the British representative in Albania, Brigadier Hodgson, and of the previous attitude of the Foreign Office which has been to delay recognition, this statement by Mr. Hayter came somewhat as a surprise. As our draft had been prepared with the previously known British attitude in mind, we said that we might well dispense with a detailed specification of the detailed pledges, although we still felt that we were in

[36] The sessions of the Council of Foreign Ministers at London terminated in a deadlock over procedures. For the American Minutes of the final meeting, October 2, 1945, 3 : 10 p. m., see vol. II, pp. 541 ff.

734-362—68——5

duty bound to make some reference in the note to the Albanian authorities to the principles laid down in the Crimea Declaration.

Mr. Laskey then remarked that, in view of the Greek claims to Northern Epirus, the Foreign Office might wish to make a reservation to the effect that, in according recognition, Great Britain did not recognize the present boundaries of Albania as final. We replied that we feared that the Soviet Government might object, and besides we did not think that such reservation need be made since we doubted whether the mere resumption of diplomatic relations carried with it *per se* recognition of Albania's present boundaries. In any event the position of the United States with respect to claims for territorial changes arising out of the war was well known, namely, that claims for changes in boundaries existing prior to 1939 should be made a part of the general European settlement. We added that in this instance the Greek claims might later be considered by the Council of Foreign Ministers as provided at Potsdam or possibly by the United Nations Organization. Mr. Laskey did not press the point further, but he seemed to feel rather strongly that the Foreign Office might want to mention the Greek claims if for no other reason than to take cognizance of the Greek position. We did not, however, close the door to the inclusion of a reservation with respect to Albania's frontier.

With regard to the mechanics for setting this matter in motion, we supposed that the Department of State, having received my report, might now instruct the American Embassies at London and Moscow to address further notes to the British and Soviet Foreign Offices, referring to previous notes, stating its proposal that the present regime in control of Albania be recognized.

In discussing the procedure Mr. Hayter mentioned that he had recently discussed this question with an officer of the French Embassy here and learned that the French were prepared to recognize the present regime in Albania without any reservations. We then discussed the question of whether France should be invited to concert its action with that of Great Britain, the Soviet Union and the United States but were all of the opinion, in view of the urgency of getting the matter of recognition over with quickly and of the Soviet objection to French participation in Balkan matters as indicated at the recent Conference, that it would be better not to bring up the matter of French participation when discussing the question at Moscow. We felt that if the United States, Great Britain and the Soviet Union decide to recognize, we can inform the French of the action which we propose to take and leave it to them to follow suit if they so desire. Mr. Hayter said that he would try to persuade the French Embassy to postpone action until we are ready.

J. E. JACOBS

740.00119 Council/10-645 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 6, 1945—6 p. m.
[Received 4:50 p. m.]

10434. Delsec [37] 114. From Dunn [38]. After surveying with Jacobs the situation in Albania I recommend that we proceed as expeditiously as possible with the recognition of the present regime in control of Albania. There have been informal conversations with the Foreign Office officials here who appear to be in general agreement.

As we have in the past however concerted our actions with respect to Albania with both the British and Soviet Governments I suggest as the next step that the Embassies at London and Moscow be instructed to inform the British and Soviet Governments (referring to their previous notes on this subject) that the Department having given consideration to the report prepared by Jacobs after his study of conditions in Albania over a period of more than three months proposes that the three governments agree on simultaneous timing for advising the Albanian authorities through their representatives in Albania of their willingness to establish diplomatic relations with them as an interim government on the condition that the Albanian Government engage itself to conduct elections in due course in accordance with the principles laid down in the Crimea Declaration on Liberated Europe.

The note of the US representative at Tirana might also contain a request for assurances that pending the negotiation of appropriate treaties and agreements diplomatic and consular officers of the US in Albania will be accorded rights privileges facilities and immunities customary under international law including the right to intercede with the authorities national or local on behalf of American nationals and their property as well as confirmation of the continued validity of the treaties and agreements between the US and Albania in force as of April 7, 1939, the date of the Italian invasion of Albania.

In discussing this matter officials of the Foreign Office having Greek claims in mind though not disposed to support them raised the question whether recognition would be interpreted as confirmation of the existing frontiers. The Department may therefore wish

[37] Series designation for telegrams from the American delegation to the First Session of the Council of Foreign Ministers, held in London, September 11 to October 2, 1945.

[38] James C. Dunn, Assistant Secretary of State for European, Far Eastern, Near Eastern and African Affairs; serving as Deputy to the American member on the Council of Foreign Ministers in London.

to include in the US note a passage to the effect that it has been the policy of the US Government to leave territorial and other problems of an international character to the general peace settlement.[39]

Jacobs has prepared a tentative draft of a note to be presented by our mission at Tirana the text of which is being telegraphed separately.[40] [Dunn.]

GALLMAN

865.014/9-2745 : Telegram

The Secretary of State to the Chargé in the United Kingdom (Gallman)

WASHINGTON, October 9, 1945—8 p. m.

8955. Urtel 10042 Sep 27. In view of agreement by Council of Foreign Ministers, mentioned in FonOff communication, Dept feels that previously proposed communication to Hoxha by SACMED would now be inopportune and that proposal should be dropped.

Course originally suggested by Dept (Deptel 7048 Aug 20, rptd to Caserta as 757 and to Tirana as 65) involved assumption that notification to Hoxha would be made before question of Saseno came up for final determination. Since agreement of Council of Foreign Ministers on disposition of island, although it has not been made public, would appear in effect to dispose of problem, Dept believes that further pursuit of matter would serve no useful purpose.

Please inform FonOff of Dept's views in above sense[41].

Sent to London, repeated to Caserta and Tirana[42].

BYRNES

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[39] Telegram 9110, Secdel 172, October 13, 6 p. m., to London, for Dunn, advised that telegraphic instructions along lines suggested by Dunn had been sent to the Embassies at London and Moscow (see telegram 2161, October 13, 6 p. m. to Moscow, p. 61.) ; it added that the "Department thought it preferable, however, to specify certain principles and procedures which should govern conduct of Albanian elections rather than to leave matter on less definite basis of Crimea Declaration on Liberated Europe." (740.00119 Council/10-645)

[40] The draft note, which was transmitted in telegram 10435, Delsec 116, October 6, from London, not printed, was similar to the final version of the note prepared by the Department for delivery to the Albanian authorities; see telegram 106, November 8, to Tirana, p. 67.

[41] Telegram 11322, October 29, 8 p. m., from London, reported receipt of a letter dated October 25 from the British Foreign Office replying to Embassy's communications giving Department's view regarding the Saseno matter; British agreed that no useful purpose would be served by pushing the matter any further (865.014/10-2945).

[42] Repeated to Caserta as 885 and Tirana as 97.

875.01/10–1345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)[43]

WASHINGTON, October 13, 1945—6 p. m.

2161. Deptel 1088 to Moscow and 3882 to London May 14 [*17*]. With further reference to question of recognition of an Albanian Govt, please communicate to FonOff note along following lines:

"Govt of US informed Soviet and Brit Govts through American Embassies in Moscow and London on May 21 through May 22 respectively that an informal American Mission had entered Albania to survey conditions and developments there preliminary to consideration by this Govt of General Hoxha's request for recognition and that upon receipt of final report of Mission this Govt would like to consult Soviet and Brit Govts with view to concerting respective policies on question of recognition of an Albanian Govt and, if circumstances required, formulating appropriate conditions for joint presentation to Albanian authorities as basis for recognition.

American Mission has now submitted its final report and recommendations. Having studied these findings and consulted with head of Mission, US Govt now desires to make known to Soviet and Brit Govts its principal conclusions on question of recognizing an Albanian Govt and to propose:

1. That recognition be accorded to present authorities in Albania as provisional Govt of Albania;
2. That act of recognition not take place, however, until Albanian authorities have engaged themselves to hold free elections to enable Albanian people to choose Reps to Constituent Assembly which would be empowered to decide upon a permanent form of Govt and establish a regular administration.

With regard to Point 1 above, this Govt believes that recognition should be accorded present regime in Albania because it enjoys greater popular support than any opposition group or combination of such groups, is in effective control of entire country, and has given evidence of ability to carry on functions of Govt and to fulfill international obligations. Present regime, which grew out of only effective pro-Allied resistance movement in Albania, has shown initiative and energy in dealing with problems of reconstruction and appears genuinely desirous of improving well-being of Albanian people.

Point 2 above is designed to safeguard right of Albanian people to choose form of Govt under which they will live, a right which has been repeatedly affirmed in such public documents as Atlantic Charter, Crimea Declaration on Liberated Europe and, in particular, statements by Soviet, Brit, and US Foreign Secretaries in December 1942.

[43] Repeated to London as telegram 9108. The views expressed in this telegram were sent to Paris in telegram 4774 on October 13 for communication to the French Ministry of Foreign Affairs. The Department added that the Ministry would be kept informed of the British and Soviet replies so that "the French may be in a position, if they so desire, to take parallel action". (875.01/10–1345)

Pledge by Albanian regime to hold free elections should, in this Govt's view, comprise following points:

a. Elections should be conducted on genuinely free basis without any form of threat or intimidation;

b. All non-Fascist individuals and groups in Albania should enjoy freedom of speech and freedom to present their candidates and enlist support of people by all lawful and orderly means;

c. Elections should be by secret ballot;

d. Freedom of press should be maintained and foreign correspondents should be permitted to enter Albania to observe and report freely on election of Constituent Assembly and work of that body after its election.

In foregoing connection it is worthy of attention that Albanian Anti-Fascist Council of National Liberation has already voluntarily passed an electoral law with provisions which appear to be in general consonance with Points *a*, *b*, and *c* above. US Govt does not consider it necessary or desirable for Allied Govts to require broadening of present Albanian regime before recognition, Allied supervision of elections, or postponement of recognition until elections have been held and permanent Govt established. Acceptance by Allied Govts of results of elections should, however, be made dependent upon their satisfaction with manner in which elections were conducted.

This Govt believes that action on question of recognition of an Albanian Govt should be taken at earliest possible moment in justice to Albanian people who have suffered long, fought hard for their liberty, and endured anomalous status for over 6 years. Any prolonged delay in according recognition can only have effect of discouraging unity among Albanians, diverting attention of present authorities from pressing problems of internal reconstruction, and preventing Albania from regaining representation and place within international communuity to which it is entitled. Moreover, continuation of present uncertainty regarding Albania's status might endanger its independence, which Soviet, Brit, and US Foreign Secretaries in their statements of December 1942 said unequivocally they desired to see restored, and would render more difficult return to normal peace-time relationships among Balkan states.

If there is agreement on foregoing proposals, this Govt suggests that Gen Hoxha be informed simultaneously at an early date through Allied Reps in Albania of decision of Allied Govts to establish diplomatic relations with present Albanian regime as provisional Govt of Albania on understanding that that Govt engage itself to conduct elections in conformity with principles and procedures set forth above. It is believed that it would be desirable for such notification to be given on or before Nov 1 in order to insure that pledge required of Albanian authorities will be effective during campaign for elections, which are scheduled to take place on Dec 2."

Sent to Moscow and London.

BYRNES

875.01/10-2345: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 23, 1945—4 p. m.
[Received 11:58 a. m.]

11079. FonOff has replied to Embassy's letter based on Department's 9108, October 13.[44] Its letter dated October 21 states following:

"His Majesty's Government agree that there would be advantage in granting early recognition to General Hoxha and they also agree that this might best be done by simultaneous notification by the US British and Russian representatives in Tirana.

I [45] note that the US Government are in favour of obtaining pledges from General Hoxha about the holding of free elections before recognition is granted. These pledges will no doubt be given readily enough but as the Hoxha's Government is largely Communist controlled it seems very doubtful whether they will be fulfilled in practice. In fact neither Government nor elections in Albania will ever be 'Democratic' in the sense in which this is understood in Great Britain and the United States of America. His Majesty's Government consider that such development is unavoidable and we are therefore anxious that the request for assurances should not be phrased in such a way as to imply that our governments will be bound to react if the assurances are not exactly fulfilled. Subject to this provision we agree that it would be useful to obtain pledges from General Hoxha on the lines suggested in your letter.

I am afraid that the decision to recognise the Albanian Government will be very badly received in Greece where it will be interpreted to mean that our three governments have decided not to support Greek territorial claims against Albania. We suggest therefore that the Greek Government should be informed in advance and should also be told that recognition will not prejudice the future settlement of territorial questions between Greece and Albania. It would also be helpful if this latter point could be made clear publicly at the time when recognition is granted. I should be glad to learn whether the United States Government agree with this suggestion".

Jacobs comment on above follows.

Sent Department as 11079; repeated Moscow as 362.

WINANT

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[44] Same as telegram 2161 to Moscow, *supra*.

[45] The letter was signed by William G. Hayter of the Southern Department of the British Foreign Office for Sir Orme Sargent, Superintending Under Secretary of the Southern Department.

875.00/10-2345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 23, 1945—7 p. m.
[Received 8:40 p. m.]

11105. Following comments from Jacobs:

"I agree with Foreign Office observation (mytel 11079 October 23 to Department; repeated Moscow as 362) that elections in Albania will not be 'democratic' in the same sense understood in the US and Great Britain, but I believe they will be more democratic in that sense than any elections ever hitherto held in Albania. I also agree that our request for assurances should not be phrased in such a way as to imply that we shall react if the assurances are not exactly fulfilled, which I believe is already Department's view.

With regard to Foreign Office proposal concerning Greek territorial claims, my view is that except possibly for some very minor adjustments of the 1939 Albanian-Greek frontier, Greece has no valid claim to territory now held by Albania. These same Greek claims have already been decided against her by international agencies several times in the past and another impartial adjudication now or later can hardly be expected to do more than recommend minor adjustments of no great consequence. Accordingly, I see no need for the US to be overly sensitive to these Greek claims. We should be more concerned in gaining the goodwill of the Albanian people and the regime we propose to recognize, some of which we shall assuredly lose if we follow the Foreign Office suggestion. If the Department feels that the US Government should tell the Greek Government anything, or make a public statement, I would suggest something along the lines indicated in penultimate paragraph of Dunn's 10434, October 6, to effect that all questions of an international character, such as those involving boundaries fall within purview of the general peace settlement. If Foreign Office wishes to say more to Greek Government or publicly, let it do so alone.

Dunn concurs fully in foregoing.

As stated in London's 10616, October 11,[46] I am proceeding to Switzerland for 10 days' leave before going on to Naples. If Department has any instructions for me in interim I can be reached through Legation at Bern. If necessary, I can communicate with Embassy, London by telephone."

Sent to Department as 11105; repeated Moscow as 363.

WINANT

[46] Not printed.

875.01/10-2345 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, October 26, 1945—9 p. m.

9487. Urtels 11079 and 11105 Oct 23. Following are Dept's views on points raised by Brit FonOff in connection with recognition of Hoxha regime:

1. Dept agrees with FonOff that request for assurances should not be worded in such manner as to imply that our Govts would be bound to react if conduct of elections is not strictly in accord with pledge. US note to Hoxha will be so phrased as to avoid any such implication.

2. Though cognizant of Greek sensibilities in Albanian matters, Dept doubts that public statement referring to Greek-Albanian territorial question at time of recognition would serve sound purpose. Accordingly, while FonOff may wish to issue public statement along lines it has suggested, Dept does not plan to make specific public reference to question of frontier. US note to Hoxha will, however, contain statement to effect that present decision on recognition is not to be construed as prejudicing eventual separate consideration of other questions of an international character affecting Albania. Moreover, Dept has already advised Greek Ambassador [47] that we plan to inform him in advance of any action that may be taken to recognize present Albanian authorities. This notification would be made orally. We have also assured Ambassador that recognition of an Albanian Govt would in no way involve territorial questions.

Please inform Brit FonOff of foregoing.

Dept has not yet received reply from Soviet Govt on US proposals.

Sent to London; rptd to Moscow and Athens.[48]

BYRNES

875.01/10-3145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, October 31, 1945—7 p. m.
[Received 7:45 p.m.]

3719. Recognition of Albanian Government.

Replying to my letter of October 15, (Embassy's 3571 October 17 [49])

[47] Cimon P. Diamantopoulos. See the memorandum of telephone conversation, by the Assistant Chief of the Division of Near Eastern Affairs, Foy D. Kohler, dated October 18, 1945, printed in vol. VIII, last section under Greece.

[48] Repeated to Moscow as telegram 2231 and to Athens as telegram 1115.

[49] Not printed; it reported that a letter presenting the Department's proposals regarding the recognition of the Albanian Government had been sent to the Soviet Foreign Commissariat on October 17 (875.01/10-1745).

Vyshinski [50] wrote October 30 stating that his Government considered it desirable and timely to enter upon diplomatic relations with the present Government of Albania and was ready to associate itself with the American and British Governments in making known to Hoxha decision of the three Governments to recognize the existing Provisional Government of Albania. Vyshinski stated that in any case his Government agreed that there was no reason for postponement of this recognition.

Vyshinski went on to state that his Government believes that there were no grounds for demanding that Albanian Government assume any obligations to Allied Governments regarding method of conducting coming elections. He stated that this was all the more true as had been noted in my letter of October 15, electoral law adopted by Albanian anti-Fascist Council of National Liberation on its own initiative, provided adequate guarantee for free and democratic election.

To Department 3719, repeated London 550.

HARRIMAN

875.01/10-3145 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 2, 1945—8 p. m.

2273. Moscow's 3719 Oct. 31 repeated to London as 550 and London's 11079 Oct 23 repeated to Moscow as 362. Agreement having been reached among Soviet, Brit, and US Govts on basic point that recognition should be accorded present Albanian regime, Dept suggests that respective Allied notes be communicated to Hoxha on Nov 10.

Although Soviet note to Hoxha will presumably not request undertaking on part of Albanian regime with respect to elections, US note will, as originally planned (Deptel 2161 to Moscow and 9108 to London Oct 13), advise Hoxha of this Govt's willingness to establish diplomatic relations with present Albanian authorities on receipt of assurances that they will hold genuinely free elections with rights of all democratic groups and candidates fully safeguarded and with free reporting of elections by foreign correspondents who may wish to enter Albania. Dept plans to release text of US note to press on same day it is delivered in Tirana.[51]

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[50] Andrey Yanuaryevich Vyshinsky, Assistant People's Commissar for Foreign Affairs of the Soviet Union.

[51] The text of American note was released to the press on November 10. See Department of State *Bulletin*, November 11, 1945, p. 767.

Please inform FonOff of foregoing, ascertaining whether proposed date for notification to Hoxha is acceptable, and reply urgently.[52]

Sent to Moscow and London; repeated to Paris, Bern for Jacobs, and Tirana.[53]

BYRNES

875.01/11-845 : Telegram

The Secretary of State to the Acting Representative in Albania (Fultz)

WASHINGTON, November 8, 1945—1 p. m.

106. Following is text of US note to Gen Hoxha regarding recognition of present Albanian authorities:

"The Government of the United States, having considered the request of the Albanian authorities for recognition, has instructed me to inform you of its readiness to enter into diplomatic relations with the existing regime in Albania as the provisional Government of Albania.

In establishing official relations with an Albanian Government, the United States Government desires to act in conformity with the obligations and principles to which it subscribed in the Crimea Declaration on Liberated Europe and accordingly requests assurances that the forthcoming elections for a Constituent Assembly shall be held on a genuinely free basis, with secret ballot and without threats or intimidation; that all democratic individuals and groups in Albania shall enjoy freedom of speech and the right lawfully to present and support their candidates; and that foreign press correspondents shall be permitted to enter Albania to observe and report freely on the elections and the work of the Constituent Assembly.

The Government of the United States also desires that the Albanian authorities shall confirm that the treaties and agreements which were in force between the United States and Albania on April 7, 1939, remain valid. The United States Government, on its part, confirms the continuing validity of these instruments.

Upon receipt of the assurances requested, the Government of the United States will be prepared to proceed with the exchange of diplomatic representatives.

I have also been directed to advise you that the present proposal of the United States Government with regard to the establishment of diplomatic relations should not be construed as prejudicing consider-

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[52] Telegram 3799, November 6, 8 p. m., from Moscow, reported that in response to Ambassador Harriman's letter of November 3, Deputy Foreign Commissar Vyshinsky had stated in a letter dated November 6 that the Soviet Government concurred in the American proposal that notes regarding the establishment of diplomatic relations with the Albanian Government be sent to Hoxha by the U.S., Soviet, and British representatives on November 10; the Soviet Military Mission in Albania had been instructed to that effect (711.75/11-645). Telegram 11672, November 7, 2 p. m., from London, reported receipt of a letter dated November 7 from the British Foreign Office stating that the British Government was prepared to address communication to Hoxha on November 10, and instructions were being sent to British representatives in Albania (875.01/11-745).

[53] Telegram 9672 to London; 5135 to Paris, 3199 to Bern, and 104 to Tirana.

ation, at a later date, of other questions of an international character involving Albania.

I shall be most happy to transmit to my Government your reply to the proposals set forth above."

Dept has not yet received reply from Soviet Govt to US suggestion that Allied notes on recognition be communicated to Hoxha on Nov 10.[54] Foregoing note should not be delivered, therefore, until you have received confirmation from Dept of Soviet approval of date or until you have ascertained that the Soviet Rep in Tirana has been instructed by his Govt to present a note on that date.[55]

Sent to Tirana; repeated to Bern for Jacobs.[56]

BYRNES

875.01/11-1045 : Telegram

The Acting Representative in Albania (Fultz) to the Secretary of State

TIRANA, November 10, 1945—4 p. m.
[Received 9:52 p. m.]

187. Urgent. Soviet note on recognition delivered Hoxha 815 hours November 10 and British note at 1100 hours. Your 106 not yet received. Because of WT [57] schedule not expected today, November 10.

Absence of text US note has made necessary change in procedure outlined your 107 November 8, 3 p. m.[58]

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[54] See footnote 52, p. 67.

[55] Telegram 107, November 8, 3 p. m., to Tirana, advised that the British and Soviet Governments had instructed their respective representatives in Tirana to communicate notes of recognition to General Hoxha on November 10 and instructed Fultz to deliver the American note to Hoxha on that date (875.01/11-845).

[56] As telegram 3243.

[57] Presumably, wireless transmission.

[58] Telegram 107 not printed, but see footnote 55 above. In despatch 118, November 17, from Tirana, Fultz explained the procedure he followed: "In view of the non-receipt of the text of the U. S. note I had in the meantime prepared a brief statement of explanation to Colonel-General Hoxha in which it was made clear that an accord had been reached on the question of recognition by the United States, British and Soviet Governments (our telegram no. 187, November 10) and that it had been agreed that representatives of the three governments would communicate to him the intention of their respective governments to grant recognition. Because of the agreement on notifying General Hoxha on November 10, it seemed essential that some explanation be given him, although it had not been decided whether I would go independently or with Brigadier Hodgson and Colonel Sokolov [the Soviet representative] or at the same time.

"On receipt of information from Brigadier Hodgson that the Soviet representative had already delivered the note of his government it seemed all the more desirable that the fact of the agreement of the three governments to notify General Hoxha on the same date of their intentions to recognize be emphasized. On this basis I proceeded on the assumption that full coordination of activities pertinent to recognition was considered desirable and had been intended. The fact that the Soviet representative either by instruction or on his own initiative had taken earlier action certainly did not preclude full coordination with the activities of Brigadier Hodgson, the British representative. I accordingly acted

Informal note of explanation delivered to Hoxha morning November 10 covering following points: (1) US Government after consultation with that of Soviet Union and Great Britain willing establish diplomatic relationship with Albanian Government; (2) recognition would be accorded under conditions US note text which delayed in transmission, and to be delivered immediately on receipt; (3) text of note being released to press in Washington today November 10; (4) he, Hoxha being given this advance information in keeping with US Government's agreement with Soviet and British Governments that representatives of three in Tirana would notify him on same date November 10.

To this written informal note has been added verbally that recognition by US Government conditioned on assurance that genuinely free elections will be held, all democratic groups and candidates fully safeguarded and that foreign correspondents may enter Albania and report freely on elections (Dept's 2273, to Moscow, 967 [*9672*] London repeated Tirana as 104).

Would appreciate Dept's assistance in effecting early transmission of its 106 embodying text of US note. (Re our 186 November 8 [59] repeated in urgent service November 9).

Tirana's No. 187, repeated to Caserta for Jacobs as 226, repeated to Rome for Jacobs as 14 and to Bern for Jacobs.

FULTZ

875.01/11-1245 : Telegram

The Acting Representative in Albania (Fultz) to the Secretary of State

TIRANA, November 12, 1945—noon.
[Received November 12—10:55 a. m.]

191. Text US note recognition delivered 1130 hours November 12. General Hoxha stated Govt archives looted and burned prior liberation Tirana. No copies treaties between US and Albania available. Unable to give reply US note until existing treaties can be reviewed. Hoxha urgently requests that copies be forwarded by you at earliest and advise when these can be expected arrive here.

Sent Dept as 191; repeated to Rome as 15 and to Bern for Jacobs.

FULTZ

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on that basis and agreed to go with Brigadier Hodgson at 1100 hours and to make it clear that we were carrying out our part of an agreement already determined upon. I am convinced that nothing has been lost by so doing." (875.01/11-1745)

[59] Not printed; it reported that neither Department instructions nor text of proposed note to Hoxha had been received (875.01/11-845).

875.01/11-1545 : Telegram

The Acting Representative in Albania (Fultz) to the Secretary of State

TIRANA, November 15, 1945—2 p. m.
[Received November 16—7 : 55 a. m.]

197. Soviet note which contained no conditions relative recognition was published November 10 in special edition *Bashkimi*. Hoxha's reply published in edition next.

Bashkimi published November 10 and 11 accurate information re British and American Govts opening subject recognition indicating text American note had been delayed in transmission. However, no mention made these issues contents or text British note. Hodgson has expressed dissatisfaction with non-publication British note and stated November 14 was considering making a protest to Hoxha.[60] In meantime Hoxha has replied to British apparently accepting all conditions.[61]

Delivery of text American note November 12 announced but nothing appeared concerning text note or Hoxha reply. In view treaty provision and situation re copies is not likely text will be published until definite reply to US note can be given (re our 191, November 12).

Meantime although last date filing candidacies for election was November 7 Govt appears to have extended time limit (re our 192, November 12[62]) at least one independent filed for candidacy Tirana Prefecture since November 7 and since information one [*on?*] recognition released November 10. This undoubtedly reflects reaction to British and American notes conditions of which with respect elections widely known here through BBC[63] and other broadcasts.

General feeling of population seems one of relief that uncertainty has been removed and independent status of Albania as a country.

Sent to Dept as 197 repeated to Rome as 20 for Jacobs and to Bern for Jacobs.

FULTZ

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[60] Telegram 4142, November 19, 9 a. m., from Caserta, reported that the Albanian Government on November 17 published in full the British and American notes to the Albanian Government and the replies to both documents (875.01/11-1945).

[61] Telegram 4105, November 13, 11 a. m., from Caserta, transmitted the text of the Albanian Government's reply of November 11 to the British note regarding recognition (875.01/11-1345).

[62] Not printed; it reported *inter alia* that the registration of candidates for election to the Albanian Constituent Assembly on December 2 was closed on November 7 in accordance with the electoral law; it observed that many independent candidates had probably failed to register because of the prevailing uncertainty, and the timing of the Allied notes regarding recognition had worked against them (875.00/11-1245).

[63] British Broadcasting Corporation.

875.01/11-1345 : Telegram

The Secretary of State to the Acting Representative in Albania (Fultz)

WASHINGTON, November 15, 1945—9 p. m.

109. Urtels 191 Nov 12 and 194 Nov 13.[64] Please inform Gen Hoxha that in view of destruction of Albania State archives and time required for copies of treaties to reach Tirana US Govt is willing, provided Albanian authorities will affirm established principle of international law respecting continuing validity of treaties entered into by former Govts and not legally terminated, to proceed with establishment of diplomatic relations upon receipt of assurances concerning free elections. You should add, however, that in accepting temporary postponement of reply by Albanian authorities confirming validity of specific treaties which were in force between US and Albania on April 7, 1939, this Govt will expect to receive assurances regarding status of these instruments as soon as possible after copies of them are made available in Tirana.

Copies of treaties in question are being prepared for transmission and should reach you within ten days to two weeks.[65]

Sent to Tirana; rptd to Rome and Caserta for Jacobs.[66]

BYRNES

875.01/11-2245

The Albanian Prime Minister (Hoxha) to the American Acting Representative in Albania (Fultz)[67]

[Translation]

TIRANA, November 15, 1945.

DEAR SIR: I have the honor to reply to your note forwarded under date of November 11, 1945 in connection with the recognition of the

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[64] Latter not printed: it transmitted text of Albanian note dated November 14 (received by the mission in Albania on November 13) asking for copies of treaties between the United States and Albania (875.01/11-1345).

[65] In instructions No. 11 of November 21 and No. 12 of December 3, 1945, neither printed, the Department of State sent lists of treaties and other international agreements in force between the United States and Albania on April 7, 1939, and a set of documents for delivery to the Albanian authorities.

[66] Repeated as telegram 2107 to Rome and telegram 977 to Caserta. Mr. Jacobs was in Naples from November 16 to 29 awaiting developments in the situation regarding Albanian recognition.

[67] Transmitted to the Department in despatch 120, November 22, 1945. This despatch reads in part as follows:

"The text of General Hoxha's note, at least in part, seems to meet the supplemental conditions prepared by the Department in its telegram no. 109, November 15, 9 p. m., for making adjustments relative to the validity of treaties prior to April 7, 1939 imposed by the destruction of the archives of the Foreign Ministry.

"In paragraph five, the final sentence of which reads, 'in this way our govern-

(Footnote continued on following page)

Democratic Government of Albania and I beg you to transmit to your government the following:

"The Democratic Government of Albania, based on democratic principles which the representatives of our people in assembly have embodied in the laws, has protected and will protect these principles with all its power because these principles are linked closely with its existence.

"Our democratic laws have assured to the people of Albania all the freedom and rights enjoyed by men in the most democratic country. The most democratic law for creating a Constituent Assembly has foreseen and assured all the freedom and rights to anti-fascist individuals and groups. Our government, basing itself on these democratic principles and drafting this law precisely, has given the opportunity to all such individuals and groups to take part in this historic event of our land and to be elected by the voters. Freedom of voting and by secret ballot will be strictly observed. Freedom of the press has been and will be one of the fundamental principles of our democracy.

"Our government at no time has created any obstacle to the entry of foreign correspondents to our country but has fulfilled all of their requests and has accorded to them all facilities. With pleasure these will be permitted to observe the elections and they will find how carefully the laws will be observed in our democracy and that our government is the best guarantee for protecting this law and putting it into effect.

"As for any treaties or agreements which may have been entered into between Albania and the United States previous to April 7, 1939 we refer to our letter of November 13, 1945 [68] in which we have requested to be sent copies of the instruments of these treaties in order that we may review them since the archives of the Ministry of Foreign Affairs have been burned and stolen by the occupiers. We hope that this will not delay the establishment of diplomatic relations between our two countries. In this way our government will take over all the agreements which may exist between the two states.

"By having given a signed assurance on all democratic principles and by protecting and executing these points with all its power, our government hopes that the Government of the United States of America will establish as soon as possible diplomatic relations with our government. This relationship will reenforce the friendship which has existed between our two peoples, and the people of Albania who gave without any reserve everything they had for the cause of the Allies will obtain their rights gained by their blood during the war together for freedom and democracy. I give assurance also that the Albanian people as they were first in war are now and will always

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(Footnote continued from preceding page)

ment will take over all the agreements which may exist between the two states', General Hoxha is apparently stating that his government in general will respect treaties previously entered into by the two countries but seeks the privilege first of knowing specifically to what past governments have committed the country. This position does not seem to diverge greatly from the proposal made by the Department in its telegram no. 109, referred to above." (875.01/11-2245)

[68] See footnote 64, p. 71.

remain in the first line to protect the peace, the independence and the integrity of their land."

Please accept my sincere esteem.

ENVER HOXHA
Colonel-General

875.01/11-2445 : Telegram

The Acting Representative in Albania (Fultz) to the Secretary of State

TIRANA, November 24, 1945—6 p. m.
[Received November 25—9 : 22 a. m.]

202. Reference Department's 109, November 15, 9 p. m. Follows text of Hoxha note reply to Department's suggestion regarding treaties.

"In connection with modification [69] which you made in the note addressed on November 11, 1945 in so far as it pertains to the provision on treaties, I have the honor to explain the point of view of my Government in this matter.

The Albanian Democratic Government at all times is disposed to act, in so far as it pertains to the treaties made with Foreign States by previous Governments within the laws which were enacted by the Congress of Representatives of the people in Permeti on May 24, 1944 [70] which states:

'All the agreements with the Foreign States, political and economic, which were made by the Government of Zog to the disadvantage of the Albanian people are to be canceled and new treaties drawn.'

We believe that such matters are connected with international laws as these are affected by conditions created by the anti-Fascist world war. On the other side we hope that this case could not cause the delay in establishing diplomatic relations between our two countries, the agreement to which will hasten very much the examining of the treaties which may exist between our two States. Signed, Enver Hoxha, Prime Minister"

Original and translation forwarded with despatch No. 125 November 24.[71] Repeated to Caserta as 247.

FULTZ

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[69] Telegram 199, November 18, 6 p. m. from Tirana, reported that the information in Department's telegram 109, November 15, to Tirana (p. 71), had been conveyed to General Hoxha in a written communication dated November 17 (875.01/11-1845).

[70] Despatch 125, November 24, from Tirana, stated that it was believed that the laws referred to as enacted in Permeti on May 25, 1944 were in fact resolutions adopted at the time (875.01/11-2445).

[71] Despatch 125 not printed.

875.00/11-2845 : Telegram

The Acting Representative in Albania (Fultz) to the Secretary of State

TIRANA, November 28, 1945—1 p. m.
[Received 3 : 40 p. m.]

204. For Jacobs.[72] Have received written communication today November 28 from group styling itself coalition of Democratic Parties. Elements claimed Monarchist, Social-Democrat and Resistance movement. Statement signed by 15 persons none of whom have been prominent figures Albanian life. Identical communication handed, but have no opportunity see Hodgson.

Body of notes substantially as follows: After studying possibilities presenting opposition party to governing group, i.e., Democratic Front based on English and American notes handed present administration Albania November 10 and 12 days after time had expired for presenting new candidates it was agreed that we ask govts whom these missions represent to intervene for postponing date elections Albania and giving following guarantees: 1, secure lives, honors and liberties candidates; 2, insure free press and propaganda with same means Front is using; 3, send to Albania Allied Commission supervise elections.

Note gives also program of coalition which will follow. This is same group with which BMM (British Military Mission) has been close contact and of which you are aware. It seems loosely organized and ineffective but probably represents consider[able?] element opposition as outlined your report. Have pointed out to its representatives difficulty transmitting message and getting reply in 3 days remaining before election. This message being repeated Washington. Am leaving to you further communication with Department which you may deem advisable.[73]

Our 254 signed Fultz, repeated to Department as 204.

FULTZ

875.01/11-2445 : Telegram

The Secretary of State to the Representative in Albania (Jacobs)

WASHINGTON, November 29, 1945—8 p. m.

115. Mistel 202, Nov 24, rptd to Caserta as 247 with reference to Hoxha's reply to Dept's request regarding treaties (Deptel 109

[72] Apparently sent to Mr. Jacobs at Caserta.

[73] Mr. Jacobs indicated in telegram 207, November 30, 5 p. m., sent after his return to Tirana on November 29, that he considered it undesirable, especially at such a late hour, to take cognizance of the note; that the group making the appeal represented only a small minority and could have submitted its candidates before the Allied notes on recognition were delivered (875.00/11-3045).

Nov 14 [*15*], rptd to Caserta as 977), please communicate in note to Hoxha Dept's views along following lines upon your return to Tirana:[74]

"US Govt has endeavored to expedite establishment of diplomatic relations with existing Albanian regime and accordingly, having taken into account destruction of Albanian archives, modified its original request that validity of treaties and agreements in force between US and Albania on April 7, 1939, be confirmed and asked only for affirmation, pending later examination of specific treaty texts, of established principle of international law respecting continuing validity of treaties entered into by previous Govts and not legally terminated.

Far from involving contractual obligations which are onerous in character or to disadvantage of Albanian people, the treaties and agreements in effect between the US and Albania are consistent with and constitute a basis for Albania's assumption of responsible place within family of nations. It is also pertinent to note that although treaties in question have been temporarily inoperative because of circumstances brought about by the war, the treaty obligations are of such nature as not to be invalidated thereby. If certain provisions in existing US–Albanian agreements or particular agreements themselves require in view of Albanian authorities to be modified, suspended until conclusion of new agreements, or terminated because of changed circumstances or for other legitimate reasons, it is conviction of this Govt that such steps should take place by common accord as result of negotiation or after appropriate prior notice rather than by unilateral act of repudiation. Revision or termination of any agreement, if effectuated in accordance with customary international law, would necessarily involve prior recognition that agreement exists and is presently in force.

In view of considerations outlined above, US Govt does not feel able to proceed with establishment of diplomatic relations with existing Albanian authorities until it has received requested assurances regarding status of treaties and agreements in effect between US and Albania on April 7, 1939. Meanwhile, it is hope of this Govt that you will examine these various instruments, copies of which will be made available to you as expeditiously as possible, and that you will thereafter transmit your reply in a favorable sense through informal American Mission in Tirana at your earliest convenience."

Sent to Tirana for Jacobs, rptd to Caserta.[75]

BYRNES

875.01/12–145 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, December 1, 1945—5 p. m.
[Received December 1—noon.]

208. Handed note to Hoxha this morning in accordance with instructions contained Deptel 115, November 29, 8 p. m. He expressed

[74] Mr. Jacobs returned to Tirana on November 29.
[75] Repeated to Caserta as telegram 1003.

keen disappointment that US had made affirmation of former treaties condition precedent to recognition, especially as British Government had not done so. He said that members regime were extremely suspicious of all treaties negotiated by former Albanian Government; so much so that mere word treaty had become in minds of Albanians a symbol of the sale or gift of Albania's birthright to foreign powers. Until I handed him yesterday (informally pending receipt of certified copies from Department) copies of the four treaties (arbitration, conciliation, extradition and naturalization) he and his regime did not even know what treaties existed between US and Albania.

Hoxha further stated that compliance with our requirement in this matter placed regime in a dilemma. On the one hand, the regime could not agree to continued validity of specific treaties without careful study of such treaties which will require time and accordingly delay recognition by the US; while, on the other hand, it could not affirm with the US the principle of international law respecting continuing validity of treaties without making it difficult to refuse to recognize with other countries the continuing validity of treaties which are detrimental to the interest of the Albanian people. I endeavored to explain Department's viewpoint but got nowhere, although Hoxha said he would reconsider the matter. I fear, however, that insistence upon our position will delay our recognition for some time and lose for US considerable goodwill which should be ours because we have all along been more tolerant of the present regime with respect to recognition than have Great Britain and the Soviet Union which countries will in the circumstances reap the benefit of our efforts. Both of those countries have accepted the assurances of the present regime and are negotiating for exchange of representatives.

I do not know how strongly Department feels with respect to this matter but I suggest for consideration that we modify our position to extent of accepting the assurance with respect to treaties as set forth in Hoxha's note of November 23 (communicated to Department in our 202, November 24) that note indicates willingness upon receipt of copies to examine our treaties in the light of the Permeti resolution after reestablishment of relations. Such examination is not likely to be prejudicial to either the US or Albania. Our note of acceptance on such terms could be so phrased as to state that we expect prompt examination and continuance in force of all such treaties and agreements as are not definitely shown to be detrimental to the interest of the Albanian people.

JACOBS

875.01/12–145 : Telegram

The Secretary of State to the Representative in Albania (Jacobs)

WASHINGTON, December 5, 1945—7 p. m.

118. Reurtel 208 Dec 1. Dept is not disposed, on basis of considerations advanced by Hoxha, to modify further its request for assurances from Albanian authorities regarding continuing validity of treaties and agreements in force between US and Albania on April 7, 1939.

It is desire of Dept, however, that Gen Hoxha should understand clearly that request for such assurances is not to be construed as indicating unwillingness on part of US Govt to entertain proposals which Albanian Govt may subsequent to recognition wish to initiate looking toward changes in or termination of existing agreements or conclusion of new agreements. In this connection it should be noted that most of treaties in question contain articles which set forth specifically procedure to be followed in their denunciation or termination.

If in your opinion above aspects of situation are not fully appreciated by Hoxha, or if you think reiteration of them by way of emphasis would be helpful, please convey to him informally substance of foregoing paragraph.

BYRNES

875.00/12–1145 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, December 11, 1945—2 p. m.
[Received December 12—3 : 21 p. m.]

224. Albanian elections for members Constituent Assembly having been held and complete returns in, I am of opinion that assurances requested Deptstel No. 106, November 8 and given in Hoxha's reply dated November 15 (mytel 198, November 18 [76]) with respect to elections have been fulfilled.

Election was conducted by secret methods without evidence of threats or intimidation and, although opposition presented no candidates, it could have done so.[77] Moreover in absence of opposition candidates regime in order to give opposition opportunity to register

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[76] Not printed; it transmitted a text of Hoxha's message of November 15 to Fultz, p. 71.

[77] Telegram 211, December 4, 4 p. m., from Tirana, reported that news correspondents and Mr. Jacobs and his staff personally visited various polling booths in Tirana and the British Military Mission visited other centers on the day of the election, December 2. A majority of correspondents commented favorably on the friendly reception accorded them to observe elections in Tirana (875.00/12–445). Despatch 136, December 19, from Tirana, reported on the Albanian elections and concluded:

". . . these elections appear to have been conducted in a satisfactory manner and can, therefore, be accepted as an expression of the will of the majority of the people of Albania who took the trouble to express their views in this election. This is not only the opinion of this Mission but also of most of the press correspondents who came to Albania to observe the elections as well as the opinion of the British Military Mission here." (875.00/12–1945)

dissent provided special ballot box for that purpose at every polling booth similar to box for Front candidates.

Of 603,000 registered voters 543,000 or 90% cast ballots 93% for and 7% against Front candidates. Assumes that all 10% abstaining voters were against regime, Front would still have 84% of all registered voters.[78]

Of 111 candidates who ran, 29 of whom were Independents (without Front endorsement but in favor of Front programs) official reports give names of the Treaty of Washington [*sic*] members of future Constituent Assembly, 78 of whom are Front candidates and 4 are Independents. No important Front candidate was defeated. Further performance of 82 elected members reveals 79 men 3 women 56 Moslems (for 70% of population) 22 Greek Orthodox (for 20% of population) and 4 Catholics (for 10% of population).

Ten correspondents were in Albania for week before and during election and majority of them generally speaking favorably impressed with what they heard and observed.

There remains Department's condition with respect to treaties concerning which I expect to see Hoxha and Nishani shortly and emphasize aspects mentioned in Department's telegram 118, December 5.

Sent to Department as 224, repeated to Caserta as 263.

JACOBS

875.01/12–1845 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, December 18, 1945—11 a. m.
[Received December 24—9 : 25 p. m.]

239. Deptel 118, December 5, 7 p. m. Saw Hoxha December [?] and attempted to make clear that assurances sought by US with respect to treaties and agreements should not be construed as indicating unwillingness on its part to entertain proposals which Albania may subsequent to recognition wish to initiate looking toward changes in or termination such treaties and agreement and/or conclusion new instruments.

Hoxha said he understood but took position that Albanian authorities cannot agree in advance to either State Dept alternative because their hands are tied by decision of anti-Fascist Congress at Permet in May 1944 that all treaties and agreements of former regimes must be abrogated and new treaties negotiated. According to my translator who states that pertinent clause of that decision is poorly drafted, best translation thereof would read:

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[78] Telegram 4239, December 12, noon, from Caserta, gave Brigadier Hodgson's report of complete election returns: Total electorate—637,746; 15 percent did not vote; Democratic Front candidates received 505,842 (79.3 percent), and there were 37,024 for the opposition (5.8 percent) (875.00/12–1245).

"The anti-Fascist Council of National Liberation expressing the will of the Albanian people has decided to examine all treaties and agreements with foreign countries whether political or economic, entered into by the Zog's regime to the detriment of the Albanian people, to abrogate them and to negotiate new instruments."

Hoxha's official reply is being delayed pending arrival copies of treaties and agreements referred to Deptel 109, Nov 15, 9 p. m. On Dec 15 received Dept's instruction 12, Dec. 3, enclosing copies two conventions and two agreements but Dept's instruction 11, Nov 21, transmitting treaties has not arrived.[79] I am awaiting that instruction before giving Hoxha any texts officially.

Hoxha speaks so strongly on this subject I believe official reply will be as indicated above and unless Dept is prepared to accept assurances that existing treaties and agreements will be examined expeditiously after recognition with view to continuance or termination (Hoxha's note Nov 23, our telegram 202, Nov 24, 6 p. m.), perhaps more reassuringly stated in new note, we may have to envisage deadlock and indefinite postponement of recognition. Hoxha makes much of fact that British and Soviet recognition without commitments regarding treaties (knowing that Soviet has none) and that acceptance either our alternatives may lead to complications with France which on basis commitment with US might seek to revive concessionaire treaties. French military representative here has told me he is interested in outcome our difficulty over treaties. That may be reason for delay in French action on recognition.[80]

JACOBS

875.50/12-2145 : Telegram

The Representative in Albania (Jacobs) to the Secretary of State

TIRANA, December 21, 1945—6 p. m.
[Received January 7, 1946—4:36 p. m.]

252. According to sources believed to be reliable Major General Mehmet Shehu of Albanian General Staff who recently returned from Moscow has reported to Cabinet substantially as follows:

(1) Moscow states Albania will receive no reparations from Italy and advises that regime confiscate all private Italian property in Albania;

(2) Moscow expects regime to allow Albania's mineral and oil resources and harbors to be developed by the Soviets.

[79] Neither instruction printed, but see footnote 67, p. 71.

[80] Telegram 255, December 24, 11 a. m., from Tirana, reported that the chief of the French Military Mission in Albania had advised the Albanian Foreign Minister of the French Government's decision to recognize the Albanian Government (875.01/12-2445). Telegram 7366, December 27, 7 p. m., from Paris, confirmed this report (875.01/12-2745).

Reference point 1. Only private Italian property in Albania of any consequence belongs to few firms rendering services in engineering and technical lines for which Albanians have no substitute. Their activities are already supervised by Commissars so that confiscation would merely formalize action already taken unless Italian owners and workers are deported. Mytel 238, December 15, 6 p. m., 1945.[81]

Reference point 2. Shehu's message may be basis of economic agreement sought by Soviets under terms of which Albania's resources will be developed with Soviet aid to pay for Soviet arms grain and other articles yet to be supplied. Mytel 246, December 20, 10 p. m.[82]

JACOBS

865.014/12-2645 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 26, 1945—noon.
[Received December 27—6:55 p. m.]

4194. FonOff has again communicated with me re occupation of Island of Saseno by Albanian forces and has informed me it has requested Allied Commission to investigate possibility of having Allied forces occupy this Island until its ultimate fate is settled by peace treaty. The FonOff further states that AC has now informed Ministry that Albanian occupation of Saseno has been judged "satisfactory" (the substance of Dept's 757 of August 20 to Caserta[83] was communicated to AC Dept 17).

In replying to AC FonOff informed me it had said that provisional occupation and administration of the Island by present Albanian Govt was in contrast with letter and spirit of Italian armistice since it involved forcible occupation by Albanians of an island which has been under Italian administration for over 25 years.

Ministry added in its reply to AC that while noting that Albanian occupation was termed "provisional" it nevertheless requested action from Allied Govts of formal reservations of Italian Govt in this connection.

Sent Dept repeated Caserta 1331 Tirana 19.

KIRK

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[81] Not printed; it recommended that in adjusting Albanian reparations claims against Italy, consideration be given to the fact that of the estimated six billion lira (equivalent to $300 million) in Italian non-military expenditures in Albania during the occupation, much was lost during the occupation, especially from Allied bombings and German reprisals and demolitions, and much of what remained could not be utilized due to a lack of funds and parts (865.51/12-1545).

[82] Not printed; it reported that several Soviet motorships had arrived in Albania where they discharged cargoes of wheat and maize and possibly Soviet artillery, rifles and ammunition and took back copper ingots, copper ore and some hides (661.7531/12-2045).

[83] Same as telegram 7048 to London, p. 52.

AUSTRIA

(See Volume III, pages 559–696)

BELGIUM

ASSISTANCE BY THE UNITED STATES IN THE MATTER OF RELIEF SUPPLIES FOR BELGIUM; MODIFICATION OF THE LEND-LEASE AGREEMENT, AND ARRANGEMENTS MADE ON TERMINATION OF LEND-LEASE AND RECIPROCAL AID

855.48/1–2445

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] January 24, 1945.

Participants: Belgian Ambassador, Count Robert van der Straten-Ponthoz;
Belgian Minister of Supply, Mr. Paul Kronacher;
Acting Secretary, Mr. Grew

The Belgian Ambassador and the Belgian Minister of Supply, Mr. Paul Kronacher, came to see me at their request this afternoon and Mr. Kronacher set forth in detail the serious economic situation in Belgium and the urgent need of relief supplies, going into the subject in considerable detail. I listened to his presentation and then placed him in touch with Mr. Clayton,[1] who proposed to place Mr. Kronacher also in touch with Admiral Land,[2] and Mr. Crowley[3] and others.

I told Mr. Kronacher of our earnest wish to help Belgium in every practicable way, pointing out at the same time our difficult shipping problem and the fact that our war effort must take priority over every other consideration, while recognizing that the sending of relief to Belgium might well be regarded as an important phase in the conduct of the war.

Mr. Kronacher left with me the appended "Memorandum for the United States Government" setting forth the problem which he had outlined to me.

JOSEPH C. GREW

[1] William L. Clayton, Assistant Secretary of State.
[2] Admiral Emory S. Land, War Shipping Administrator and Chairman of United States Maritime Commission.
[3] Leo T. Crowley, Foreign Economic Administrator.

[Annex]

Memorandum for the United States Government

The Belgian Government is well aware that requirements for military operations must have priority over everything else.

However, the Belgian Government thinks it well to draw the attention of the United States Government on the following facts:

1. SHAEF [4] have undertaken to import into Belgium the necessary amount of food to ensure a diet of 2,000 calories, figure considered as a minimum required to avoid disease and unrest. Belgium has been liberated since September and up to the 1st of January SHAEF had imported nothing at all with the consequences that the present ration is still under 1,500 calories, and that as far as food is concerned the position has deteriorated since the liberation.

On the other hand, the Belgian authorities have supplied the Allied Armies with vegetables and fruits at the rate of one thousand tons a day during December. These deliveries, entirely paid by the Belgian Government, represent a serious loss in calories and vitamins to the civilian population.

2. The effort required from the population, especially the working class, increases day by day.

Approximately $225,000,000. worth of goods, services and currency were supplied by the Belgian Government to the Allied Armies and entirely paid for by the Belgian Treasury during the last four months.

A detailed memorandum on the financial aspect of our problems is being handed to the United States Government to-day.[5]

The population has been undernourished during four years; if the situation does not improve, it should not be expected that we shall be able to continue this maximum effort. Neither indeed must we overlook the danger of troubles arising, and this should be avoided at any cost in the rear of the fighting zone.

3. In order to avoid the Government's financial plans to be jeopardized, the black market must be stopped; and this is impossible as long as imports of food and goods in general are insufficient.

4. The man in the street is well aware of the fact that we dispose of the most needed items of food in the Belgian Congo, namely fats. He knows that we possess a Merchant Navy which did extremely well during this war; hundreds of boats arrive in Antwerp: none of them carry anything for the civilian population. The popularity of the

[4] Supreme Headquarters, Allied Expeditionary Force.
[5] *Post*, p. 85.

United States and Great Britain, and of the Allied troops, is extremely high; it would be regrettable if this were to change.

5. Belgium has paid practically her whole participation in the war effort out of her own funds up to now.

The Belgian Government, therefore, insists:

a) on SHAEF carrying out their undertaking to provide the country with the food necessary to ensure 2,000 calories and the extra rations for heavy workers immediately;

b) on the United States Authorities giving their agreement to the programme of civilian imports for the 1st and 2nd quarters of 1945—the figures for the 1st quarter are 250,000 tons, for the 2nd quarter, 1,500,000 tons—; and that the necessary ocean tonnage be put at the disposal of the Belgian Government to transport these goods.

Annexed to this document is a note giving the details of the shipping required by countries of origin.[6] That our requests are reasonable is amply shown by the fact that normal prewar imports in Belgium amounted to 7½ million tons per quarter. During the occupation, even the Germans imported an average of 8½ million tons of food and miscellaneous goods per year.

c) on the Military imports' programs to be increased as soon as possible to 2,600 calories. The Belgian authorities have always insisted on the fact that 2,000 calories is insufficient.

855.50/1-2445

The Belgian Ambassador (Straten-Ponthoz) to the Secretary of State

D.8443-6-j
No. 412

The Belgian Ambassador presents his compliments to the Honorable the Secretary of State and has the honor to draw the attention of His Excellency to the attached Memorandum on the situation existing in Belgium as of December 31st, 1944 in relation with Mutual Aid, and on the repercussions arising from the carrying out of this Agreement on the financial situation of Belgium.

This Memorandum embodies the views of the Belgian Government on this matter, to which it attaches the utmost importance.

The Belgian Ambassador should be grateful if the Secretary of State would kindly submit this question to a careful consideration and inform him of the attitude taken by the American Government in this respect.

Additional copies of the above-mentioned Memorandum are enclosed herewith for transmission to other interested agencies of the American Government.

WASHINGTON, January 24, 1945.

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[6] Not printed.

[Enclosure]

MEMORANDUM ON THE SITUATION EXISTING IN BELGIUM AS OF DECEMBER 31ST, 1944 IN RELATION WITH MUTUAL AID, AND ON THE REPERCUSSIONS ARISING FROM THE CARRYING OUT OF THIS AGREEMENT ON THE FINANCIAL SITUATION OF BELGIUM

1. As of December 15th, the value of goods, services and currency delivered under the Mutual Aid Agreements to the Allied Military Forces in Belgium amounts to:

a) currency	*7. 000. 000. 000
b) orders placed through the office of Mutual Aid	1. 070. 000. 000
c) contracts for prompt delivery	400. 000. 000
d) contracts for delivery 5/7 months	300. 000. 000
Total	8. 770. 000. 000

Are to be added to this amount the values of the:

a) requisition of premises—real estate—billets.
b) goods and services locally procured.
c) transport by railroad—inland transport.
d) requisitioned labor.
e) stevedoring and unloading expenses—Antwerp, Brussels, Ostend.
f) deliveries of coal.
g) purchases of fruit and vegetables.

A rough monthly estimate can be made for items *a*, *c*, *e*, *f*, and *g*, which may total together up to 700 to 800 million francs a month (*a*, estimated 100 millions; *c*, 150 millions; *e*, 150 millions; *f*, 100 millions; and *g*, 200 millions).

Considering that items under *b* and *d* have to a great extent been paid with the currency put at the disposal of the armies and, at the same time, that part of the 7.000.000.000 of currency was still held, unexpended, by the armies, we are led to believe that *for a period of four months* extending up to December 31st, a total at least equal to:

10.000.000.000 Belgian francs

has been spent under the aforesaid agreements, or an amount roughly equal to Belgium's annual prewar budget.

Of this amount, only a small portion shall be reimbursed in Pounds Sterling of Dollars as payments for the currency used by the armies for the pay of the troops, the reimbursement of the cost of those supplies calling for reimportation, or of those purchases made in Belgium and which do not fall under the terms of the above-mentioned agreements.

*This item has increased by 2.500.000.000 as of January 20th, so as to reach the figure of 9.500.000.000 Belgian francs. [Footnote in the original.]

For the future, a monthly rate of expenditure by the Belgian Government under the Mutual Aid Agreements of:

2.000.000.000 francs

seems a reasonable approximation.

It is to be noted in this connection that no figures were available on December 20th, in Brussels, allowing for a division of the amount quoted under 1 between the United States and United Kingdom Forces.

These figures do not include the financing of orders placed or requisitions made in the Grand Duchy of Luxembourg.

2. Whilst the Belgian Government is putting services, goods and currency at the disposal of the Allied Forces, Belgium, up to the present time, has not benefitted under lend-lease of imports of any kind (with the exception of a very small amount of war material delivered during the war to the Belgian Congo).

3. The Belgian Government, by the laws it has enacted in October and November 1944, has tried to restore health to its monetary system and balance the means of payment available in the country with the needs of its economy.

The means of payment existing as of October 9, 1944, amounted to:

183.000.000.000 Belgian francs.

The means of payment existing as of November 15th, 1944 amounted to:

59.000.000.000 Belgian francs

The difference between these two figures gives the measure of the drastic effort made by Belgium in carrying out a sound financial policy.

4. With respect to the more specific aspect of banknote circulation, the latter which on October 9, 1944 was of 100.000.000.000, and as of October 12, decreased to 25.000.000.000, has increased since then and reached 33.000.000.000 on December 18, 1944. Of this amount, 7.000.000.000 or 22% has been put at the disposal of the Allied Forces.

5. The financing of the expenses made or to be made in Belgium under Mutual Aid shall result:

—in an increase of the means of payment put at the disposal of the Belgian economy while no consumer goods are available in the country and while industrial production is at its lowest ebb due to lack of raw materials, thus precipitating an inflation at the very moment when the Belgian Government had checked by stringent monetary laws the inflation created during the occupation of the country by the enemy.

—in an unbearable burden for the country exhausted by a four-year enemy occupation and partly destroyed by the war, by the build-

ing up in Reverse Lend-Lease of a credit situation of abnormal importance towards the United States, the settlement of which is postponed to the future and subject to the terms of Article VII of the Mutual Aid Agreement,[7] while at the same time it is put under the obligation of using its reserves of gold and foreign exchange, badly needed for its rehabilitation and its reconstruction† to finance the importation of food and raw materials—a large part of which shall allow for more services and goods being placed at the disposal of the Allied Forces‡.

6. The figures quoted under (1) above show to what extent Belgium is at the present time contributing to the common war effort. Given raw materials and essential machinery, the Belgian economy is capable of playing a still more effective and important role in the prosecution of the war effort of the United Nations in Europe. Its coal mines, given pit props, can produce the coal needed to put back to work its basic industries. Imports of ore, oil, wool, cotton and other essential raw materials would allow the resumption of work in the following industries:

Steel (3 million tons of finished steel a year)
Glass (window and pane)
Cement
Chemicals
Engineering (repairs of rolling stock, locomotives, railroad bridges, etc . . .[8])
Textiles (wool, cotton, rayon . . .[8])

Using the Belgian productive capacity would mean supplying from a country in Europe many of the essential products that now have to be shipped from overseas. It would lead to an economy in shipping and inland transportation; it would help solving the problem of the lack of manpower in the United States and the United Kingdom. It would have a far-reaching influence on the social situation in that liberated country.

7. In view of the fact that considerable amounts of currency, goods and services are put at the disposal of the Allied Forces and that, under the present application of the Mutual Aid Agreement, no deliveries are made to Belgium under Lease-Lend; considering the extensive contribution of the civilian population to the war effort, and that Belgium's productive capacity can be used to a greater extent for the

[7] For text of preliminary agreement between the United States and Belgium regarding principles applying to mutual aid in the prosecution of the war against aggression signed at Washington, June 16, 1942, see Department of State Executive Agreement Series No. 254 or 56 Stat. (pt. 2) 1504.

†It is to be noted that part of this gold and foreign exchange is needed for the financing of Belgium's participation in the United Nations Monetary projects. as all information is available. [Footnote in the original.]

‡Details of Belgium's exterior balance of payments will be handed as soon as all information is available. [Footnote in the original.]

[8] Omission indicated in the original memorandum.

prosecution of the war, the Belgian Government requests the American Government to consider the possibility of deciding that consumer goods such as food, clothing, medical supplies, etc., and machinery and raw materials, for civil and military uses, delivered or to be delivered to it, shall be supplied as Reciprocal Aid under the terms of the Mutual Aid Agreement.

8. The figures quoted under (1) above are global figures, the break up of which into the categories mentioned in the Supplementary Letter of January 30th, 1943 [10] to the Mutual Aid Agreement, has not been made. Neither has the Belgian Government exercised in this respect its right of final decision in the light of its potentialities and responsibilities.

855.24/1-2545

The Assistant Secretary of State (Clayton) to the Belgian Ambassador (Straten-Ponthoz)

WASHINGTON, January 25, 1945.

MY DEAR MR. AMBASSADOR: I wish to advise you of the agreed views of the respective United States and United Kingdom authorities concerning the shipment of supplies to Belgium during the first six months of 1945.

The Supreme Commander, Allied Expeditionary Forces,[11] has signified his willingness to allocate to the Belgian Government certain port facilities and inland clearance for the Government import program separate from and additional to the military program.

I understand that a Four-Party Committee, consisting of representatives of the Belgian Government, the governments of the United States and United Kingdom and Supreme Headquarters, Allied Expeditionary Forces, has reviewed and recommended an import program put forward by the Belgian Government. The United States and United Kingdom agencies concerned will, as necessary, facilitate through the established procedures, procurement against this program so that supplies will be readily available for shipment.

Subject to military necessity, the following ships have been allocated against the Belgian Government import program for January, February and March loading from North America as follows:

January	*February*	*March*
1	2	2

[10] For text of Supplementary Agreement between the United States and Belgium regarding principles applying to the provision of aid to the armed forces of the United States effected by exchange of notes signed at Washington, January 30, 1943, see Department of State Executive Agreement Series No. 313 or 57 Stat. (pt. 2) 920.

[11] Dwight D. Eisenhower (SCAEF).

The Theater Commander, the Combined Boards and the departments and agencies concerned of the United States and the United Kingdom governments are being notified of the action above agreed to. I understand that the determination of port and inland clearance capacity will be certified to by the Theater Commander.

Sincerely yours, W. L. CLAYTON

855.24/2-1545

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[WASHINGTON,] February 15, 1945.

Monsieur Kronacker, Minister of Supply of Belgium, came in to see me this morning and left with me a copy of a note the Belgian Ambassador is leaving this morning with Mr. Clayton.[12] This note reiterates the needs of Belgium for urgent supply of food and raw materials for industrial production.

I informed Mr. Kronacker that all the officers of the State Department, right up to the highest, were well informed on the Belgian needs and were not only sympathetic to these needs but were deeply concerned over the necessity for furthering in every way the furnishing of the food and materials needed by Belgium at this particular time. I said that our reasons for favoring action along these lines were many, running from our desire to support stable economy in Belgium and thus aid in the maintenance of a stable government through the sentimental reasons of our sympathy and attachment to the Belgian people to the need for stability behind the lines of our fighting fronts in the war against Germany and the maintenance of order and organization in the lines of communication and supply behind the Allied armies. I told the Minister that we were doing everything possible to push forward the compliance with the Belgian requests and that there was nothing whatever which had a greater priority to these needs than the actual requirements of our fighting forces. I said that this Department had expressed in the strongest terms our conviction that the needs of Belgium and the liberated countries should be met and the considerations we have brought forward were given full account by the authorities dealing with the subject of supply and shipping. I said that in my own opinion the only reason why we were not meeting fully the needs of the civilian populations in the western European liberated countries was the lack of shipping caused by the enormous drain on transportation required for our armies in France and our vast military operations in the Pacific.

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[12] Not printed.

I asked Mr. Kronacker whether any consideration had been given to the saving of tonnage by drawing upon the stockpiles in Great Britain. He said that this question had come up from time to time and he had raised it himself in England before coming over here, but that he had been told that the decision with respect to such a matter could not be made anywhere else except in Washington as the drawing upon England for supplies would depend entirely whether shipping would be available for their replacement. I remarked at this point that in view of the emergency—the difficulty of obtaining sufficient shipping to haul the goods needed all the way from the United States to Belgium—some alleviation of the situation might be accomplished by cross channel shipment from the United Kingdom to Belgium, but Mr. Kronacker seemed to think that this was a matter which could not be decided in Great Britain but would have to be decided in Washington because of the involvement of the shipping question in the whole matter.

Before leaving I again assured Mr. Kronacker of the entire sympathy and disposition of this Department and the United States Government to do everything that could humanly be done to meet their needs.

JAMES CLEMENT DUNN

855.24/6–1945

The Assistant Secretary of State (Clayton) to the Counselor of the British Embassy (Marris)

WASHINGTON, February 19, 1945.

DEAR MR. MARRIS: I am very pleased to have the information in your letter of February 15 [13] on the progress of the supply situation in Belgium.

The American Ambassador has since early December been actively urging the combined military supply authorities in Belgium to carry out the target programs of imports to meet civilian requirements. The Department has similarly emphasized to the armed forces the importance of maintaining the civilian economy in Belgium within the limits of military necessity. I agree with you that the decisions reached by SHAEF including those mentioned in your letter, are timely and necessary, if the country is to avoid acute distress and disorganization. With the military reducing the local requisitioning of perishable foods until the spring crops and with the expected improvement in distribution of imports the situation should improve

[13] Not printed.

somewhat. General Erskine's[14] recent broadcast reflects a gradual increase in military civilian imports. Later word from the American Ambassador indicates the February target up to schedule.

I have been much interested in encouraging supplementary imports by the Belgian Government and expect that the first ships from here in such a program may soon be under way. I am sure the British authorities will do everything in their power to facilitate the lifting of those Belgian supplies located in the United Kingdom, the Congo and elsewhere. Shipping is, of course, the principal problem with which the supplying countries have been faced and I have hoped it would be possible to draw upon stockpiles in the United Kingdom to a greater degree in order to provide immediate relief. I am happy to learn that as a result of an urgent recommendation of SCAEF progress in that direction is being made.

Sincerely yours, W. L. CLAYTON

855.24/2-2445 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, February 24, 1945—7 p. m.
[Received February 25—3:30 p. m.]

213. While America suffers from manpower shortage, Belgium suffers from lack of employment. It appears to those of us here familiar with the need of the Belgian economy for raw materials that a partial solution to this need can come from materials obtainable near the Belgian border in occupied Germany. It is difficult for us to see why certain raw materials which I understand have been discovered by our occupying troops in industrial plants in occupied Germany cannot be utilized by factories here in Belgium. I am informed that the condition of these materials including thoroughly modern machine tools is deteriorating rapidly and that if action is not taken immediately, certain important machinery will be useless either in Germany or elsewhere. I am told that the army now in Germany may feel obligated to renew industry in Germany as a part of its job to secure supplies for the army and unless instructions are issued on very high levels, all of this material and machinery may be utilized in Germany for the benefit of the Germans rather than transferred to Belgium where the same products for the army can be manufactured with Belgian labor and to the improvement of the Belgian economy. In addition to this, I feel there is an important issue involved—shall we

[14] Gen. George W. E. J. Erskine, British Chief of the SHAEF Mission to Belgium.

rebuild Belgium, our Ally, or shall we be a party to aiding in the rebuilding of Germany, our enemy? May I suggest that the military authorities be requested to contact me and the proper Belgian authorities in an effort to work out this partial solution of the Belgian supply problem.

SAWYER

855.24/2-2445 : Telegram

The Acting Secretary of State to the Ambassador in Belgium (Sawyer)[15]

WASHINGTON, March 6, 1945—9 p. m.

159. Combined Chiefs have recently been advised by SHAEF that limited deliveries of German goods to national authorities in liberated areas against quantity receipts are being undertaken in the case of commodities essential to the basic economy of the liberated areas and whose movement is justified by their direct or indirect contribution to military operations (see SCAF[16] 195 of January 31). Approval of this policy has been obtained on the U.S. side in Washington and the matter will shortly be considered in CCAC.[17] (Reurtel 213 February 24)

SHAEF has also expressed the belief that decisions regarding more extensive exports from Germany should not be a military responsibility but should be made by some official body established for the purpose. This view is accepted here. The Department believes that such exports should be undertaken only after consultation with the Russians and will urge early consideration of an interim program in the Reparation Commission at Moscow.[18] For the implementation of such a program the Department would favor the creation of an *ad hoc* body representing all the European Allies in addition to the occupying powers in Germany. Meanwhile it is hoped that SHAEF's present action, though necessarily limited by military considerations during the period of hostilities, will be of significant assistance to liberated areas. It is suggested that you consult with the SHAEF Mission in Brussels concerning the present status of their plans.

GREW

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[15] Repeated to Moscow as 517 and to London as 1717 for Robert D. Murphy, United States Political Adviser for Germany, Supreme Headquarters, Allied Expeditionary Force.

[16] Supreme Commander, Allied Forces.

[17] Combined Civil Affairs Committee.

[18] Concerning the establishment of this Commission, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 971; for documentation on German reparations, see vol. III, pp. 1169 ff.

855.24/3–2045 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, March 20, 1945—6 p. m.
[Received March 21—10:02 a. m.]

340. Referring to subject of supplies in Germany (see my 213 of February 24, Department's 159, of March 6 and my 318 of March 15 [19]) continual reports are coming through that food supplies there are excellent. If quantities of food supplies are uncovered in Western Germany can we not through military channels bring some of them to Belgium? I am told that SHAEF has determined that Germans should receive not more than 1,500 calories until liberated areas have received the 2,000 calories originally intended. In my opinion this represents too slight a distinction between our Allies and our enemies. Until recently Belgians have in many cases had considerably less than 1,500 calories. There is a growing suspicion here that as the war comes to an end the Allies will be inclined to forget the crimes of the Germans and also the sacrifices of the liberated countries. This contributes to a certain lack of enthusiasm for the Allies which is manifesting itself in some quarters.

SAWYER

855.24/3–2045

The Counselor of the British Embassy (Marris) to the Assistant Secretary of State (Clayton)

WASHINGTON, 20 March 1945.

DEAR MR. CLAYTON: I am writing to acknowledge your letter dated February 19, 1945, about the progress of the supply situation in Belgium.

His Majesty's Government are of course anxious to do everything they can to facilitate the lifting of Belgian supplies located in the United Kingdom, the Congo and elsewhere as far as shipping can be made available. As regards the possibility of drawing upon stocks in the United Kingdom nearly 800,000 tons of food, apart from raw materials and large quantities of coal, have already been made available or earmarked for the use of SHAEF, National Government and UNRRA [20] programmes. The particular case of emergency steps taken to meet SHAEF's deficiency of food for arrival in Belgium in March and April has already been dealt with in exchange of telegrams between the Prime Minister and the President.[21] His Majesty's Gov-

[19] Telegram 318 not printed.
[20] United Nations Relief and Rehabilitation Administration.
[21] For text of President Roosevelt's telegram dated February 28 and Prime Minister Churchill's reply in telegram 902, March 2, and the President's 712, March 10, 1945, to the Prime Minister, see vol. II, pp. 1072, and 1076.

ernment are meeting a large part of this deficiency from United Kingdom stocks as there is no time to meet the demand from any other source but in some cases immediate replacement of foodstuffs and provision ships to carry them will be required.

As you are aware, the requirements of the European Liberated countries and occupied Germany for food supplies are increasing rapidly. The problem of transport of these requirements is a very large one. How far and in what manner they can be met from our combined resources will call for high policy decisions on the part of the two Governments.

Yours sincerely, A. D. MARRIS

855.24/2-1445

The Department of State to the Belgian Embassy

MEMORANDUM

The Department of State has considered the memorandum of January 23, 1945 received from Mr. Paul Kronacker, Minister of Imports of the Belgian Government, and the memorandum enclosed with the informal note of February 14, 1945 from the Belgian Ambassador.

(1) The Department notes the indications in the memoranda under reference of improvement in the imports of civilian supplies into Belgium by the military since the first of the year. The Department is pleased to learn that a further increase in military civilian imports into Belgium has been accomplished at the instance of the Supreme Commander, Allied Expeditionary Forces, by the diversion of supplies from stockpiles existing overseas.

(2) The Department notes the discussion in the memoranda under reference, of shipping tonnages allocated to the Belgian Government's supplementary import program, more especially the request for additional tonnages in March 1945. The Department is glad to note that the shipping authorities have been able to make available for March and April, additional ships beyond those thought possible earlier in the year. The Department recognizes, however, that the problems of the Belgian Government do not end with the allocation of ships. There remain the problems of procurement, the preparation of requisitions, the placement of orders for supplies, and the movement of cargoes to seaboard at a time when transport facilities are overtaxed by the military for direct war purposes. No doubt the Belgian Government will expedite these steps to the utmost, in order that shipping presently assigned may be fully utilized. The Department urges that the representatives of the Belgian Government concerned with procurement, be authorized to take the maximum advantage

of wartime supply availabilities including the acceptance of substitutes where more full specifications cannot be met.

(3) The Department notes in the memorandum of January 23, 1945 the desire of the Belgian authorities that the military civilian import program be increased beyond the target of 2,000 calories daily. This is, of course, an eventual objective with which the Department is in full accord. However, military import programs for civilian use have been based upon estimates of total supplies at the disposition of the supplying countries after military operational requirements have been met and upon estimates of the over-all requirements of all of the claimant countries. When total supplies available permit an over-all increase, the Department expects that the military authorities will revise their estimates accordingly.

(4) The shipping authorities have recently made tentative allocations for the second quarter of 1945 and it is unfortunate that the tonnages assigned are below the programs presented by the Belgian Government. This has, no doubt, been due to the general shortage of shipping available for national import programs after providing for direct military needs and the Department believes that the principle of equitable distribution among claimants is being strictly followed. It seems clear, however, that under these circumstances every effort should be made, in the selection and procurement of supplies, to achieve maximum efficiency in the utilization of the reduced tonnages available. To this end the Department and the other civilian agencies will cooperate fully with the Belgian authorities.

WASHINGTON, March 26, 1945.

855.24/3-2945

Memorandum of Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] March 29, 1945.

Participants: Baron de Gruben, Counselor of the Belgian Embassy, M. Goffin, Counselor of the Belgian Embassy, and Mr. Matthews

Baron Gruben called this afternoon at his request in order to present his successor (Gruben has been transferred back to Brussels). Baron Gruben soon brought the conversation around to pending negotiations for a Belgian lend-lease agreement. He spoke with a little bitterness along the following lines: Belgium had furnished the Allied armies the equivalent of some $400,000,000 in supplies and services in the nature of reverse lend-lease since our military opera-

tions in Belgium began. In return for this, Belgium had received no lend-lease and had been unable to obtain from our War Department any accounting of the amount to be credited her as troop paid dollars. (This data was promised for March 15 but has now been put off, Gruben said, by the War Department until June 15 without explanation.) Negotiations for a lend-lease agreement were begun on January 15, but so far without result. The Belgian Embassy well understood our desire to deal with the French negotiators first, on the theory that the French agreement might establish a model for our agreement with Belgium. The French agreement, however, was signed on February 28 [22] and still there has been no action on our side to expedite the Belgian negotiations. However, said Gruben, if the French Agreement is a precedent, the Belgian agreement will not be retroactive, and with the war drawing so close to its end it is difficult to see what benefits Belgium will acquire. He emphasized his claim that Belgium's $400,000,000 contribution to the Anglo-American armies mentioned above was considerably in excess of the French total and that Belgium was getting far less generous treatment than France. All of this, he said, would have a particularly unfortunate effect on the psychology of his country in face of the serious difficulties confronting it. However unjust it may appear, a Belgium liberated by the Allies, in contrast to the last war, is now associated in the people's minds with far worse material conditions than there were existing under German occupation. This, he said, was bound to have an unfortunate effect.

I told Baron Gruben that I had been away for some weeks until recently, and was not familiar with the Belgian negotiations but would be glad to make inquiries. In reply to my question as to reasons for the delay, he said that although none had been given him officially, he gathered it was due to a difference of views as to the terms of the agreement between State, FEA [23] and Treasury. I said in conclusion that while I could well understand and sympathize with the feelings of his Government, I could not but point out that the return Belgium has received for the $400,000 he mentioned is not inconsiderable: his country has been liberated and defended by American soldiers, many of whom have lost their lives, and I felt that this all-important factor should not be lost sight of. He readily admitted the truth of this, adding that this was of course putting the matter "on an entirely different level".

H. F[REEMAN] M[ATTHEWS]

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[22] For text of Agreement, see Department of State Executive Agreement Series No. 455, or 59 Stat. (pt. 2) 1304; for documentation regarding negotiations leading to the Agreement, see *Foreign Relations*, 1944, vol. III, pp. 748 ff.

[23] Foreign Economic Administration.

855.24/4-245

Memorandum by the Acting Secretary of State, the Secretary of the Treasury (Morgenthau) and the Foreign Economic Administrator (Crowley) to President Roosevelt

[WASHINGTON,] March 29, 1945.

We have been discussing lend-lease and reciprocal lend-lease with representatives of Belgium and the Netherlands.[24] Having signed the 3-C agreement with France,[25] we feel that political considerations make it desirable to have agreements on similar lines with Belgium and the Netherlands. In each case the gold and dollar position, the future balance of payments, and the volume of reciprocal aid would be taken into account.

We have worked out a Belgian-Luxembourg proposal of a relatively smaller amount than the French agreement. The proposal contemplates $325 million for the remainder of the calendar year and follows in general the pattern of the recent French agreement, with no item for transfer of title to ocean shipping. We are also examining proposals for the Netherlands. In each case the nature, extent and duration of lend-lease will be determined by the contribution which such aid will make to the prosecution of the war and we shall provide for periodic review of the program in the light of the changing war situation. Consideration is also being given to an arrangement with Norway.

If you approve, we shall immediately move forward with the representatives of Belgium and the Netherlands and possibly Norway looking towards early conclusion of such arrangements.

We do not intend to conclude any of these agreements until Congress has approved the extension of the Lend-Lease Act.

JOSEPH C. GREW
Acting Secretary of State
HENRY MORGENTHAU, JR.
Secretary of the Treasury
LEO T. CROWLEY
Foreign Economic Administrator

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[24] For text of mutual aid agreement between the United States and Netherlands signed at Washington April 30, 1945, see Department of State Executive Agreement Series No. 480 or 59 Stat. (pt. 2) 1627.

[25] Reference to Lend-Lease Agreement with France February 28, 1945; see footnote 22, p. 96. 3-C is reference to Section 3(*c*) of the Lend-Lease Act, approved March 11, 1941, 55 Stat. 31, as amended by Acts of March 11, 1943, 57 Stat. 20, and May 17, 1944, 58 Stat. 222. Subsequent amendment occurred in Act of April 16, 1945, 59 Stat. 52.

855.24/3-2045 : Telegram

The Secretary of State to the Ambassador in Belgium (Sawyer)[26]

WASHINGTON, April 3, 1945—11 a. m.

247. The Department appreciates the force of the considerations regarding exports from Germany presented in your recent telegrams (Reurtels 318, Mar. 15 [27] and 340, Mar. 20). However, we understand that SHAEF, under its present policies, is authorizing exportation from Germany of commodities, including civilian supplies, (1) when such exportation to liberated countries will contribute, directly or indirectly, to military operations, or (2) in some other cases, when title or right is claimed by the government or nationals of a liberated country. Although considerable delay has been encountered in formulation of CCS [28] reply to SHAEF telegrams setting forth these policies, we are confident that, in their basic essentials, they will receive CCS approval.

As understood here, these principles allow considerable latitude for exportation of commodities urgently needed by liberated countries as well as for specific return of other goods when such goods have been taken by Germans. The Department believes that any further substantial broadening of these principles would be undesirable at present. Establishment of a Restitution Commission to deal with return of identifiable property taken by Germans is being discussed in EAC,[29] and we expect early consideration by Reparation Commission at Moscow of interim program and machinery for reparation exports. Meanwhile we are eager to retard crystallization of independent policies in advance of agreement with Russians, because the whole nature of the European settlement will be influenced to an important extent by the uniformity, or lack of uniformity, in Allied policies with respect to treatment of German resources. We are sure you will appreciate the fundamental importance of this consideration.

In practice much depends upon manner of detailed application of SHAEF's general policies. We believe that better results will be achieved if any inadequacies in application of these policies are taken up with SHAEF by our diplomatic missions in liberated countries, as you have done, rather than by pursuing the issue in Washington. We are informed that deficiencies in local supplies have prevented maintenance of 1500 calorie dietary in most German towns and cities. However, we wholly agree that SHAEF's attention should be called to the need for putting to effective use any local surpluses in

[26] Repeated to London as 2548, to Paris as 1309, and to Moscow as 775.
[27] Not printed.
[28] Combined Chiefs of Staff.
[29] European Advisory Commission.

particular communities. Since local variations from SHAEF's standard rations are so considerable, both in liberated countries and in Germany, we consider that problem is rather one of improved administration of existing policies than one of revising the present general formula.

STETTINIUS

855.24/4–945 : Telegram

The Secretary of State to the Ambassador in Belgium (Sawyer)

WASHINGTON, April 9, 1945—4 p. m.

270. On April 5 Department FEA and Treasury handed Gutt, Boel and De Gruben proposed lend-lease papers consisting of (1) 3-c Agreement with Schedules I and II attached (2) Memorandum explanatory of the Agreement and (3) Reciprocal Aid Agreement.[30] These documents are similar to French Lend-Lease Agreements with following major exceptions: (*a*) Period of 3-c Agreement has been shortened and extends only from April 1 to December 31, 1945 with reductions in Schedule I to $217,500,000 and Schedule II to $105,000,000 (*b*) Price formula has been simplified and adjusted along lines now requested as modifications in French Agreement (*c*) Paragraph inserted authorizing Belgium to transfer Lend-Lease articles to Luxembourg.

Belgian representatives requested certain modifications among which following have been accepted: (*a*) Terms of 3-c Agreement are made applicable to supplies not transferred as of February 28 which corresponds to date in French Agreement (*b*) Addition of item in Schedule I to cover prisoner-of-war supplies (*c*) Civilian agencies will use best efforts to terminate Plan "A" under which supplies are to be paid for in cash at earliest practicable date bearing in mind, however, that this is largely a matter between the Belgians and SHAEF and termination date will depend in part on degree of implementation of civilian import program. Belgian representatives have referred proposals as modified to Belgian Government and expect reply early next week which if favorable will permit immediate execution of papers. Certain minor modifications are still under consideration. Belgians press strongly for expansion of schedules to bring them in line with French agreement. We have informed them unlikely agreement can be reached on this point and that in any event reconsideration will result in delay which might seriously jeopardize entire agreement.

STETTINIUS

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[30] None printed; for citation to the final agreement, see bracketed note, *infra*.

[For texts of mutual aid agreements between the United States and Belgium including Agreement Relating to Supplies and Services, signed at Washington, April 17, 1945, with Memorandum of Interpretations signed at Washington, April 17, 1945, and Exchange of Notes signed at Washington, April 17 and 19 and May 19, 1945, and Agreement Relating to Principles Applying to the Provision of Aid to the Armed Forces of the United States effected by exchange of notes signed at Washington, April 17 and 19, 1945, see Department of State Executive Agreement Series No. 481, or 59 Stat. (pt. 2) 1642.]

740.00119 EW/5-1145

The Belgian Embassy to the Department of State [31]

[Translation]

D. 8443-13
No. 2938

The Embassy of Belgium has the honor to transmit herewith to His Excellency the Secretary of State a memorandum concerning the urgent character of the arrangements to be made with a view of seizing, in the sections of German territory controlled by the Armies of the United Nations, raw materials, equipment and products of all kinds necessary for the restoration of the economy of Belgium with a view to its more effective participation in the common war effort.

WASHINGTON, May 11, 1945.

[Enclosure—Translation]

MEMORANDUM

The Belgian Government, in full agreement with the Provisional Government of the French Republic, the Luxembourg Government and the Netherlands Government, has the honor to invite the attention of the Governments of the United States and Great Britain to the urgent character of the arrangements to be made with a view to seizing, in the sections of German territory controlled by the Armies of the United Nations, raw materials, equipment, products of all kinds, particularly necessary for the re-establishment of the economy of the liberated countries, with a view to their more effective participation in the common war effort.

Belgium, whose economy, like that of France, Luxembourg and the Netherlands, has been ruined by the plundering of the enemy and

[31] Similar notes were received from the French and Netherlands Governments.

the devastation resulting from military operations, is, indeed, for the same reasons as those three countries, anxious to avail herself of every occasion which may present itself to hasten the re-establishment of her economy and to relieve the sufferings of her people.

Now, notwithstanding the bombings and the destruction which the Germans themselves were able to carry out, it has been ascertained that considerable quantities of raw materials, of products of all kinds and of equipment are in the zones of German territory under Allied control. The Belgian Government feels that, within the limits permitted by military necessity, such raw materials, products and equipment ought immediately to be listed and divided among the neighboring Allied countries, the needs of which are very great and which can receive from overseas only a very small proportion of the merchandise necessary to meet those needs.

The Belgian Government wishes to state explicitly that the seizures in question should not in any way prejudice the general rule which will be adopted subsequently either in the matter of the restitution of pillaged property or in that of reparations. It is of course understood, however, that an account would be kept of the seizures in question, in order that they might be deducted later from the total amount of reparations to which each of the countries which will be the beneficiaries thereof will have a right.

After having examined the question, and in full agreement with the Provisional Government of the French Republic, the Luxembourg Government and the Netherlands Government, the Belgian Government proposes that technical missions from the four countries concerned be immediately detailed to the S.H.A.E.F. with a view to:

1) Acquainting the competent Allied Military Authorities with the most urgent needs of their respective countries and receiving all pertinent information on the condition of the stocks existing in Germany.

2) Determining with the Allied Military Authorities the seizures to be effected and the methods of transportation.

3) Keeping an account of such seizures. Furthermore, the Belgian Government declares itself ready to establish when necessary, with the Governments concerned, a provisional inter-Allied organization which could later be substituted for the technical missions mentioned above, in case the latter should no longer respond to the circumstances.

The Belgian Government does not doubt that this question will form the subject of a comprehensive examination on the part of the American and British Governments and it expresses the hope that a positive decision will shortly be made.

WASHINGTON, May 11, 1945.

855.48/5-3045

The Belgian Embassy to the Department of State

NOTE CONCERNING THE END OF THE CIVIL AFFAIRS PERIOD IN BELGIUM

Following a proposal of "Supreme Headquarters, Allied Expeditionary Forces", the Belgian Prime Minister,[32] in the name of his Government, accepted, as of August 31st, the entire responsibility of supplying Belgium, thus taking over the obligations which the military had heretofore assumed.

In accepting the proposal, the Prime Minister, aware of the peculiar difficulties of the present moment, emphasized that his Government could not assume this responsibility without the assurance that necessary facilities available to the military would be granted to the Belgian Government.

Belgium should be provided with shipping equal to the amount required by the military for the same supply purpose. Modifications in the details and operations may, of course, be expected, but assurance should be given that the overall situation will remain at least basically the same.

The Combined Boards should grant allocations of foodstuffs and raw materials equal to those granted to the military, so that the Belgian Government may effectively take over the military responsibility for imports.

So that full advantage may be taken of shipping and material allocations, adequate procurement facilities should also be granted.

Clearance facilities should be provided in Belgian ports. While the military authorities have informally indicated that no difficulty is expected in this regard, formal confirmation might well be given.

Because the Belgian Government cannot dispose of quite the same facilities as the military (such as different systems of transport priorities), it is important that the Government be enabled to establish stockpiles of food equivalent at least to one month's consumption.

The Four Party Supply Committee recognized that this wish of the Belgian Government was a justified one, and that imports of foodstuffs should be increased to provide for the stocks. It was also recognized that this obligation would necessitate additional food shipments, during June and July, equivalent to one month's imports. It is understood, of course, that the Belgian Government does not intend to use the existence of stocks to increase food rations above the miniumum where they may reasonably be held, especially since the Government accepted months ago, the principle that the British ration should not be exceeded. At the present time, this question is, of course, only a theoretical one.

[32] Achille van Acker.

There is a last consideration regarding imports which is of some importance to Belgium first for internal reasons, and also in cases where neighboring countries are concerned.

This is the tendency to distinguish between items intended for "Relief" and items intended for "Rehabilitation". The result is, in moments of stress, that rehabilitation items are sacrificed to the benefit of those intended for relief.

While the distinction has some justification, it should not be applied as a principle; rather each concrete case should be examined on an *ad hoc* basis. In many cases, it has been found that the reduction of "rehabilitation" items involves almost automatically an increase in "relief" items.

Since political and social considerations have become attached to this problem, its importance should not be underestimated.

WASHINGTON, May 30, 1945.

855.48/5-3045

The Acting Secretary of State to the Belgian Ambassador (Silvercruys)

The Acting Secretary of State presents his compliments to His Excellency the Ambassador of Belgium and has the honor to refer to the note of Mr. Paul Kronacker, Minister of Supply, dated May 30, 1945, concerning the end of the civil affairs period in Belgium.

On June 19, 1945 the Combined Chiefs of Staff decided to terminate military responsibility for provision and distribution of relief supplies for various countries including Belgium and Luxembourg upon the completion of August loadings, and the Supreme Commander, Allied Expeditionary Force, has been so informed. Responsibility for the provision of petroleum, oil and lubricants and coal will be the subject of separate consideration.

The Acting Secretary is advised that while the Combined Military Authorities will do everything possible to ship all approved requirements up to and including August loadings, they cannot remain responsible after the termination of military responsibility for shipment of any approved requirements which for supply reasons were not available by that time.

It is understood that the shipping authorities are considering the transition of supply responsibility to the Belgian Government and will endeavor to make available as nearly as possible an equivalent amount of tonnage. At the same time, the military authorities in conjunction with the Combined Boards expect to make such adjustments in existing allocations and procurement arrangements as may be necessary to insure a proper sharing of the total supplies allocated

for liberated areas. No difficulty is anticipated in the provision of clearance facilities in Belgian ports.

The Acting Secretary has every reason to believe that the transition of supply responsibility to the Belgian Government will be carried out effectively, that shipping and allocations of supplies will be adjusted as far as possible within the over-all limitations and that the equitability of such arrangements will not be prejudiced by the procedural terminology applied to the various categories of supplies. To this end the agencies of the United States Government will lend every possible assistance and the Acting Secretary urges that the Belgian Government appropriately instruct its supply and procurement officials concerning the responsibility to be assumed.

WASHINGTON, June 26, 1945.

740.00119 EW/5-1145

The Department of State to the Belgian Embassy

The Department of State refers to the Belgian Embassy's Memorandum No. 2938 of May 11, 1945, reference D.8443-13 proposing that certain arrangements be made with a view to removing from Germany materials necessary for the restoration of Belgian economy.

The United States Government has carefully examined the question of deliveries of stores of raw materials, equipment and products of all kinds necessary for the restoration of the economy of Belgium. The importance of this question is recognized, as well as the desirability of establishing machinery which would permit such a flow of products without prejudice to final settlement on either reparation or restitution account. Although the problem of deliveries is currently complicated by the redeployment of troops as the occupying powers become established in their final zones of occupation, and the question of devising appropriate Allied representation is tied up with the change in military command now in progress, the United States Government hopes that procedures for an interim flow of goods on reparation and restitution account will quickly be developed and put into operation.

WASHINGTON, June 28, 1945.

740.00119 EW/5-1145

The Department of State to the Belgian Embassy

The Department of State has further reference to the Belgian Embassy's memorandum no. 2938 of May 11, 1945 proposing that certain arrangements be made with a view to removing from Germany materials necessary for the restoration of the Belgian economy.

As a step in the establishment of procedures for an interim flow of materials and products from Germany, the United States Government has informed other occupying powers of its concern to secure the maximum possible increase of German coal production and to furnish for export the whole quantity over and above minimum German needs and has proposed that instructions be issued to military authorities to take immediate action to this end in their respective zones of occupation.

Since the rehabilitation of transportation systems is of prime necessity in general economic reconstruction, consideration is also being given by this Government to methods of determining the availability of transportation equipment in Germany with a view to the transfer of locomotives and rolling stock urgently required in the liberated countries.

WASHINGTON, July 19, 1945.

855.24/8–1445 : Telegram

The Secretary of State to the Ambassador in Belgium (Sawyer)

WASHINGTON, August 22, 1945—6 p. m.

749. Yurtel 1042 of August 14 [33] is appreciated. Copy of broadcast press release [34] referred to being sent by pouch. Fact that Belgian food situation, although still modest, covers basic needs is precisely result of Army deliveries after January 1945. These deliveries, together with civil imports now approximate some three quarters million tons. If imports of this magnitude provide only modest rations for Belgians, then one million tons monthly for all Europe is no more than minimum import need. With reference to last paragraph yurtel policy re feeding Germans has already been outlined to you in previous messages. For Germany only such imports as are necessary to maintain low subsistence standard after maximum possible exploitation of indigenous resources and interzonal exchange are contemplated. All such imports are to be paid for, not given to Germans. You and your Staff including Press, Labor and Cultural Attachés should seize every opportunity to correct serious misapprehensions concerning our policy which you indicate exist in Belgian minds on these points.

BYRNES

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[33] Not printed; in this telegram Ambassador Sawyer expressed opposition to sacrifices by the United States in order to supply food to Europe, especially to enemy countries.

[34] Press release of August 11, 1945, giving text of radio discussion by Joseph C. Grew, Under Secretary of State, Archibald MacLeish, Assistant Secretary of State, and Willard Thorp, Deputy to Assistant Secretary of State William L. Clayton, on United States relief policy for Europe, Department of State *Bulletin*, August 12, 1945, p. 242.

855.24/9-1445

The Belgian Embassy to the Department of State

No. 6142

MEMORANDUM

As a consequence of President Truman's decision to put an end to the Lend-Lease System,[35] the Belgian Government is faced with several problems, the prompt solution of which presents, in their opinion, the utmost interest. The main questions arising from these problems are listed below. In this connection, it seems expedient to:

1. Determine, in agreement with the United States Government, the goods and services to be delivered to Belgium by virtue of the Agreement of April 17, 1945, and the conditions of their delivery.

2. Determine the regime applicable after V–J Day [36] to the reciprocal aid furnished by Belgium up to this date under "reverse lend-lease".

If the American Government so desires, the Belgian Government is ready to continue such aid so far as it is requested and in accordance with its possibilities. Conditions of payment will be determined by mutual agreement.

3. The extension of reciprocal aid by Belgium since the liberation of its territory until V–J Day had unexpected results. Such aid to the United States is approximately 120 million dollars higher than lend-lease aid supplied to Belgium by the United States. This discrepancy is due in part to the fact that Belgium has lived up to its commitments in full conformity with the political aim of the agreement and without regard to the amount of reciprocal aid received during the same period.

This situation entails considerable dangers for Belgium notably in the monetary and budgetary fields. Immediately after its liberation, Belgium has followed a drastic monetary policy with a view to resorbing war inflation and avoiding devaluation of its currency. Yet, the financing of "mutual aid" to the United States and Great-Britain has resulted, to a certain extent, in an unavoidable inflation. In the course of one year, Belgium has spent 370 million dollars for "mutual aid" expenses and has lent more than 350 million dollars to the American and British Governments for the pay of their troops. Considering the economic conditions prevailing in Belgium, which were seriously shattered by the war and four years of occupation, such amounts are not negligible. Belgium's financial effort exceeds the limits of a sound policy and its only justification is the will of the country to share fully in the war effort of its allies. It seems equitable to take this situation into account.

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[35] See documents of August 18, 19, and 20 printed in vol. VI, first section under United Kingdom.

[36] Victory in Japan Day.

4. Examine how to maintain the flow of American exports to Belgium and the conditions of their financing.

5. Release the Belgian blocked assets in the United States.

6. Expedite the reimbursement of advances used for the pay of American troops.

7. Study the frame of the economic and financial relations of Belgium and the United States.

The Belgian Delegation presently in Washington,[37] wishes to discuss with the American Government the various aforementioned points—which, in its view, are to be considered as a whole—and is ready to start negotiations beginning next week.

WASHINGTON, September 14, 1945.

855.24/9-1945

The Assistant Secretary of State (Clayton) to the Director of the Office of Financial and Development Policy (Collado)

[WASHINGTON,] September 19, 1945.

Mr. Crowley, Walter Thayer[38] and I had a meeting this afternoon with Secretary Patterson[39] and General Somervell,[40] and the following decisions were made:

1. Reverse lend-lease ceases on the same day that lend-lease ceases. However, for any services such as rent, transportation, etc., furnished us by lend-lease countries after September 2, payment should be made by giving them credit on their 3(*c*) obligations or in surplus property.

2. We are to tell Belgium that we recognize the obligation to balance the lend-lease account with them and will do so in some way, probably by delivery of surplus property.

W. L. CLAYTON

855.24/9-2245 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 22, 1945—noon.

8342. Secdel 102. For the Secretary.[41]

US Proposes Using Surplus Property in Lend Lease Settlement with Belgians. At the second session of the Financial and Trade dis-

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[37] Belgian delegation, headed by Foreign Minister Spaak, opened their discussions with the representatives of the United States Government on September 19. For text of press release regarding composition and purpose of delegation, see Department of State *Bulletin*, September 23, 1945, p. 446.

[38] Walter Thayer, General Counsel of Foreign Economic Administration.

[39] Robert P. Patterson, Secretary of War.

[40] Gen. Brehon Somervell, Commanding General, Army Service Forces.

[41] The Secretary of State was in London for the First Session of the Council of Foreign Ministers.

cussions with the Belgians held Friday morning[42] tentative figures, still subject to minor changes when accounting is completed, were submitted as follows: Straight Lend Lease to Belgium as of September 2, $53 million; Freight charges for 60-day period after V–J Day, $5 million; Defense aid to Belgium and Congo under Master Agreement, $5 million; Plan A deliveries for July and August from US sources absorbed by Lend Lease, $25 million; Total, $88 million. To be tranferred to Belgium under 3–C terms,[43] $41 million; reverse Lend Lease from Belgium, $177 million, of which $82 million accrued between V–E and V–J days.

The Belgians are making no specific claim that straight Lend Lease and reverse Lend Lease accounts should be balanced, but they hope that some equitable adjustment may be possible by increasing the Lend Lease account or decreasing reverse Lend Lease. On the latter point, they suggest payment by the military for that portion of the $82 million above mentioned which went for army-of-occupation purposes. They also raised again a point which was reserved by them at the time of the 3–C agreement that reverse Lend Lease items that could only be replaced by importation should be replaced in kind or paid for in cash. This is estimated at about $5 million. The Belgians indicate that they may have further suggestions regarding the treatment of 3–C items.

The US side proposed that, pending further discussion of adjustment, the possibility of utilizing surplus property in any settlement which may be agreed upon should be considered. The Belgians did not oppose this in principle. A subcommittee is meeting this afternoon on this matter with McCabe.[44]

When the Belgians asked for transfer of additional Plan A supplies to Lend Lease, it was explained that termination of Lend Lease left no funds which could be committed for this purpose.

A meeting on reimbursement for advances for Army pay will take place Monday.[45] A meeting between Treasury officials and the Governor of the Bank of Belgium, who has now arrived, on unfreezing Belgian blocked assets will take place next week. General conversations will be resumed Tuesday afternoon.

ACHESON

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[42] September 21.

[43] See agreement between the United States and Belgium relating to supplies and services under Section 3(*c*) of the Lend-Lease Act signed at Washington, April 17, 1945; Department of State Executive Agreement Series No. 481 or 59 Stat. (pt. 2) 1642.

[44] Thomas B. McCabe, Army-Navy Liquidation Commissioner. He was appointed Special Assistant to the Secretary of State and Foreign Liquidation Commissioner in October 1945.

[45] September 24.

855.24/10-1845

Memorandum by the Secretary of State to President Truman[46]

WASHINGTON, October 18, 1945.

Up to VJ-Day, Belgium provided at least $90 million more in goods and services as reverse lend-lease than it had received from the United States under lend-lease. This excess of reciprocal aid is largely the result of the very cooperative attitude of Belgium in unstintingly furnishing from its own limited resources whatever was requested by our armed forces after liberation. The goods and services which the Belgians provided went directly to U.S. troops. This aid was an important factor in the prosecution of the war against Germany, in the support of the U.S. occupation forces in Germany, and in the redeployment and evacuation of U.S. troops and equipment from Europe. The Belgian Government has agreed to continue to provide such aid for cash payment to the extent that U.S. armed forces may call for it during the coming months until all U.S. forces are withdrawn from Belgium.

The 3(*c*) Agreement between the United States and Belgium contemplated the transfer to Belgium of goods and services for which Belgium had and still has an urgent need up to a dollar value of $325,000,000. As of September 2, Belgium had received goods and services under the agreement at a presently estimated value of about $70,000,000. As of August 17, in conformity with your directions concerning the termination of lend-lease aid, the Belgian Government was informed that it would receive on payment terms, the articles already contracted for under the 3(*c*) Agreement (amounting to about $42,000,000) but that no new contracts would be let to provide the other goods specified in that Agreement. In effect, Belgium has ceased to receive lend-lease aid on straight lend-lease terms, and will in the last analysis received under the authority of the Lend-Lease Act about a third of the total contemplated in the 3(*c*) Agreement.

It should be pointed out that approximately $60,000,000 of the reciprocal aid furnished by Belgium went to American forces of occupation in Germany. Furthermore, the State Department, previous to the signing of the 3(*c*) Agreement with Belgium on April 18 [*17*], 1945, had informed the Belgian Government in writing on October 16, 1944[47] when reciprocal aid arrangements were under discussion, that if reciprocal aid required current replacement by purchase abroad by Belgium, the United States would either replace or refund in dollars the cost of these foreign purchases. In view of the

[46] At the end of this memorandum there appears the stamp, "Approved Oct. 18, 1945" and President Truman's signature.

[47] No record of this document of October 16, 1944, found in Department files.

complexity of administering this provision, it was stricken out of the final agreement, but Secretary Stettinius, in a letter of April 18 [*17*], 1945,[48] to the Belgian Ambassador, stated that final action in regard to replacement of such imported items would be deferred until final settlement was reached. It was understood in the discussion between the U. S. and Belgian representatives at that time, that if direct lend-lease were not in excess of reciprocal aid, some adjustment would be made in accordance with Secretary Stettinius' letter. No replacements or refunds in dollars have been made.

This expectation cannot be realized unless the directive of August 17 is modified in such a way as to reduce the payment obligation of the Belgian Government for lend-lease goods and services transferred after VJ–Day and to permit the further transfer of defense articles to Belgium pursuant to lend-lease authority both in the interest of national defense and in fulfillment of the schedule of the 3(*c*) Agreement with Belgium.

It is, therefore, recommended that, acting pursuant to the powers vested in you by the Lend-Lease Act, you direct that the following steps be taken:

(1) The Belgian Government be assured that its obligations under the 3(*c*) Agreement to pay for the articles transferred to it after VJ–Day in accordance with your Directive of August 17 will be considered to be satisfied by reason of the excess of reciprocal aid.

This step can be taken by virtue of the authority of Section 3(*b*) of the Lend-Lease Act which includes the right to fix or modify the terms on which foreign governments receive lend-lease aid. This step will provide Belgium with supplies valued at approximately $42,000,000, consisting of articles contracted for but not yet transferred to Belgium as of September 2, 1945.

(2) The War Department be directed to transfer to Belgium, pursuant to the authority granted to it in Section 14 of the Military Appropriation Act of 1946,[49] defense articles of civilian utility to Belgium which are no longer required by the War Department for its own uses up to the amount of $48,000,000.

It should be noted that the transfer of such articles will not involve the making of new contracts of procurement under lend-lease authority, and that in large measure such transfer can be made pursuant to the contract for the delivery of such articles contained in the 3(*c*) Agreement between the two governments. The only articles to be transferred, which do not fall expressly within the terms of the 3(*c*) Agreement, are locomotives and railroad rolling stock owned by the U. S. Army and of the type now being used by the U. S. Army in

[48] Text printed in Department of State Executive Agreement Series No. 481, and in 59 Stat. (pt. 2) 1655.

[49] Act approved by President Truman on July 3, 1945; 59 Stat. 384.

Belgium. This equipment is necessary to the functioning of the Belgian railways which have been and continue to be a vital factor in supplying U. S. troops in Germany. Transferring this equipment to Belgium will enable the Belgian railways to continue their support of the U. S. occupation forces, and will, therefore, be in the interest of national defense, and within the scope of the Lend-Lease authority.

JAMES F. BYRNES

855.24/10-1945

The Secretary of State to the Belgian Minister for Foreign Affairs (Spaak)[50]

WASHINGTON, October 19, 1945.

MY DEAR MR. MINISTER: As a result of our discussions with the Belgian Delegation certain problems connected with lend-lease and reciprocal aid, and advances of Belgian francs to our military authorities for troop pay have been given thorough consideration and the United States Government is prepared to take the following action:

(1) To make dollar payments on a monthly basis for franc advances beginning September 2, 1945 by the Belgian authorities to the United States Army. Moreover, an agreement has been reached providing for immediate payment of $61,100,000 on account of net troop pay advances to the United States prior to September 2, 1945.

(2) To make dollar payments for all goods and services furnished by the Belgian Government to the United States Army after September 2, 1945 (V-J Day).

(3) In view of the fact that as of V-J Day the goods and services provided by Belgium under reciprocal aid exceeded by at least $90 million the aid furnished by the United States as Lend-Lease, and since the transfer by the United States of articles in addition to those already transferred is authorized under the authority of the Lend-Lease Act, the United States policy with respect to deliveries to Belgium after V-J Day and the terms of payment therefor is modified as follows:

(*a*) The obligation of the Belgium Government under the 3(*c*) Agreement to pay for articles transferred to it after V-J Day in accordance with the President's Directive of August 17 will be considered to be satisfied by reason of the excess of reciprocal aid.

(*b*) There will be transferred to Belgium under straight Lend-Lease terms additional defense articles of civilian utility in an amount not to exceed $45 million. These will be selected by Belgium from articles no longer required by the United States Army for its own uses, and with limited exceptions, will be of the types specified in the schedule of the 3(*c*) agreement.

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[50] There is a marginal note on this copy in long hand which reads: "Handed to M. Camille Gutt."

I am informed that arrangements are being made between the Belgian Government and the Export-Import Bank for a loan of $100 million and that while the terms have been tentatively agreed upon, they are still subject to revision after further negotiation between representatives of the Belgian Government and officials of the Export-Import Bank.

The arrangements here suggested will clear up certain urgent problems which you have brought to our attention and thus facilitate the conclusion of a final settlement of lend-lease under the Master Agreement.[52] Conversations looking toward such a final settlement, which would include agreed action contemplated in Article VII of the Agreement should be held between our two Governments in the near future.

During our recent negotiations we have also considered questions pertaining to commercial policy and the desire of the United States Government that discussions be held in the immediate future on mutually advantageous measures with a view to the elimination of all forms of discriminatory treatment in international commerce, payments and investments, with the objective of expanding production and increasing employment in all countries. It is understood that the Governments of Belgium and the United States mutually agree to confer together and with other governments in the near future on questions of commercial policy and, pending such a conference, to avoid the adoption of new measures affecting international trade, payments or investments which would prejudice the objective of such a conference. It is also suggested that our two governments should mutually agree to afford to each other adequate opportunity for consultation regarding measures falling within the scope of this paragraph.

I should like to take this opportunity to assure you and the other representatives of the Belgian Government who have engaged in our recent discussions that we have appreciated the friendly and cooperative attitude which you have shown at all times. It is my feeling that the best interest of both Belgium and the United States have been served by the agreements reached in these discussions.

Sincerely yours, [File copy not signed.]

855.24/10–1945

The Secretary of State to the Belgian Ambassador (Silvercruys)

WASHINGTON, October 19, 1945.

EXCELLENCY: I wish to inform you that the United States Government proposes that the civilian supplies from U.S. sources delivered

[52] Reference to the Lend-Lease Agreement of February 23, 1942, between the United States and the United Kingdom; Department of State Executive Agreement Series No. 241, or 56 Stat. (pt. 2) 1433.

to your country by the combined military authorities during the months of July and August 1945 will be furnished to your Government under the lend-lease agreement between your Government and the United States, and that the value of such supplies will be included in the settlement to be reached with respect to lend-lease and reciprocal aid.

The procedure for effectuating the transfer of these supplies on a lend-lease basis will be as follows:

In accordance with a note from the Secretary of State to you dated April 4, 1945,[53] your Government will be billed from time to time in U. S. dollars for the total value of civilian supplies delivered to your Government from all sources by the combined military authorities. Subsequent notifications will indicate what portion of the total amount billed is actually to be paid to the U. S. Treasury in U.S. dollars, and what portions are to be paid in the respective currencies of the other contributing governments which have furnished supplies for delivery by the combined military authorities. Your Government will not, however, be required, at the time of presentation of the bill, to pay such portion of the amounts billed to you for payment in U. S. dollars as is equivalent to the value, as computed by U. S. authorities, of the civilian supplies from U. S. sources delivered to your country in the months of July and August 1945. Accordingly, you will be notified of the value of such supplies, after the bills have been received by your Government.

Civilian supplies received by you from U. S. sources under the auspices of the combined military authorities in July and August will be included in the final lend-lease settlement to be arrived at between our respective countries.

Accept [etc.]

For the Secretary of State:
[File copy not signed]

855.24/10-2245

The Secretary of State to the Belgian Minister for Foreign Affairs (Spaak)

WASHINGTON, November 8, 1945.

MY DEAR MR. MINISTER: I refer to my letter to you of October 19, 1945, which set forth the action which the United States Government is prepared to take with regard to certain problems connected with lend-lease and reciprocal aid and advances of Belgian francs to our military authorities. One of the important elements in the arrangement is described in paragraph (*a*) of Item 3, relating to the obligation

[53] Not printed; for substance, see telegram 1339, April 4, 6 p. m., to Paris, vol. II, p. 1084.

of the Belgian Government under the 3(*c*) Agreement which will be considered to be satisfied by reason of the excess of reciprocal aid. Although our understanding was clear on this point, the letter failed to record the exact amount to be covered by the procedure.

The Presidential directive under which the United States Government is to act on this matter stipulates the amount of approximately $42 million. Before my letter was handed to Mr. Gutt the Belgian Delegation had been informed that the amount involved in this part of the arrangement would be approximately $42 million. You will also have noted that the joint statement by our two governments which was released to the press on October 19 [*20*] [54] mentioned the amount of approximately $42 million in this regard.

I believe that the understanding between our two governments is clear on this point, but I am writing this letter in order to make the written record correspond fully with that understanding.

Sincerely yours, JAMES F. BYRNES

855.24/11-1945

The Assistant Secretary of State (Clayton) to the Secretary of War (Patterson)

WASHINGTON, November 19, 1945.

DEAR MR. SECRETARY: Discussions have been under way between our respective staffs with regard to the implementation of the recent agreement reached between this Government and the Government of Belgium, and particularly with respect to the problem of the transfer of excess Army property to the Belgium Government in accordance with the provisions of that agreement. The Memorandum to the President from the Secretary of State on the subject of Belgian lend lease, which the President approved on October 18, recommends that the War Department transfer to Belgium, pursuant to the authority granted by Section 14 of Military Appropriation Act of 1946, defense articles of civilian utility to Belgium which are no longer required by the War Department for its own uses up to the amount of $48,000,000. The steps outlined in the Memorandum approved by the President on October 18 were made known to the Belgians in the letter from the Secretary of State to the Minister of Foreign Affairs of Belgium, dated October 19, 1945. This letter, however, informed the Belgians that the defense articles to be transferred from the United States Army would be in an amount not to exceed $45,000,000.

The question has been raised as to the valuation to be placed upon the articles to be transferred pursuant to this authority. While neither

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[54] For text of the joint statement, see Department of State *Bulletin*, October 21, 1945, p. 610.

the Memorandum to the President nor the letter are explicit on this point, it was clearly understood in the negotiations with representatives of the Belgian Government that the articles in question were to be valued at the prevailing prices laid down by the Army-Navy Liquidation Commissioner for similar items. Thus, although the transfers to the Belgian Government take place pursuant to the lend lease authority, the articles are to be valued as if they were being disposed of by the Army-Navy Liquidation Commissioner. If the articles transferred were valued at higher prices or if the customary Army surcharge for transportation and handling were added to the prices normally set by the Army-Navy Liquidation Commissioner, the result would be to diminish the quantity of the articles transferred and to fail to carry out the understanding reached in the discussions between the representatives of this Government and the representatives of Belgium.

I am transmitting to you herewith conformed copies of the Memorandum approved by the President on October 18, the Secretary of State's letter to the Minister of Foreign Affairs of Belgium of October 19, and the letter for the Secretary of State to the Belgian Ambassador of October 19.[54a]

Sincerely yours, W. L. CLAYTON

LIBERATION OF KING LEOPOLD FROM GERMAN CUSTODY AND HIS RETURN TO BELGIUM

855.001 Leopold/3-2645 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, March 26, 1945—5 p. m.
[Received 5:41 p. m.]

374. The possibility of King Leopold's early release and the attendant problems were discussed by the British Ambassador,[55] General Erskine [56] and me at length this morning. It was agreed that the problems presented and the procedure to be adopted deserve careful consideration by civil and military authorities.

All feel that it would precipitate serious difficulties if the King were to come immediately to Belgium. In our opinion he should first go to a neutral country perhaps Switzerland where he could be visited by the Prince Regent [57] perhaps the Prime Minister [58] and others before any decisions are made as to the date or manner of his return.

[54a] *Ante*, pp. 109, 111, and 112, respectively.
[55] Sir Hughe Montgomery Knatchbull-Hugessen.
[56] Gen. George W. E. Erskine, British Chief of SHAEF Mission (Belgium).
[57] Prince Charles, Count of Flanders.
[58] Achille Van Acker.

One important question in this connection is—what persons shall be given passports and visas to see him? Several elements are anxiously awaiting the chance to see him first. There are deep differences even in the Royal family and the situation holds dynamite for Belgium and perhaps for Europe. Apparently his accession to the throne would not be automatic even if he should return at once. Procedural as well as substantive questions should be discussed while he is outside the country.

We assume that the demand for the King's return and the procedure immediately thereafter is purely a military question which will be decided by General Eisenhower.[59] Inasmuch, however, as the effect of his decision will be largely political, it was agreed that it would be well for General Eisenhower to discuss the problems involved with the British Ambassador and me as well as General Erskine. Erskine is planning to see him immediately.

While in Washington I was shown the draft of a paragraph involving a demand for the delivery of King Leopold proposed as an insertion in any armistice terms. If this was agreed to, I should appreciate an exact copy of this provision together with any other instructions or suggestions which the Department may care to forward.

My British colleague is sending a similar cable to his home office.

SAWYER

855.001 Leopold/3-2645 : Telegram

The Acting Secretary of State to the Ambassador in Belgium (Sawyer)

WASHINGTON, March 28, 1945—2 p. m.

229. The Combined Chiefs of Staff despatched cable (Facs 92 [60]) to General Eisenhower on October 6, 1944, directing him to prepare an order for the release of King Leopold and the Royal family. The General was further directed to have this order handed to the German authorities as soon as the instrument of surrender was signed "in view of the necessity for the King of the Belgians to be liberated and to rejoin his Ministers at the earliest possible moment."

This is the extent of General Eisenhower's orders, which do not cover the liberation of the king in the course of normal military operations.

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[59] Gen. Dwight D. Eisenhower, Supreme Commander, Allied Expeditionary Force in Western Europe.

[60] Military communication.

Since the directive to SCAEF [61] was prepared at the request of the Belgian Government, we believe that any recommendation for modification thereof should be made only upon receipt of a formal request from the present Government with the assent of the Regent.

Please be guided by the above in your conversations with the British and the military and keep the Department closely informed.

GREW

855.001 Leopold/3-2645 : Telegram

The Secretary of State to the Ambassador in Belgium (Sawyer)

WASHINGTON, March 30, 1945—6 p. m.

239. Redeptel 229. We have seen the British Foreign Office telegram of March 29 (repeated to Embassy here as No. 3029) and are in general agreement with its terms. You are authorized to use as the basis of discussion with the Belgian authorities the suggestion contained in paragraph four thereof, provided that SHAEF [62] agrees. If you have not yet established the liaison with SHAEF contemplated in Deptel 215, March 23,[63] you may request the assistance of Reber,[64] to whom this message has been repeated.

Your guiding principles should be: (1) that no recommendation as to the disposal of the king should be made except at the express request of the Belgian Government, (2) that no recommendation for action on the part of the Allied military authorities involve duress or restraint upon the king's person and (3) that the responsibility as to the king's future rests squarely on the shoulders of the Belgian Government.

We are not presently in favor of the Swiss solution until after members of the Government have seen the king and agreement has been reached on this point.

Please cable such plan of action as you are able to agree on so that recommendation may be made to the Combined Chiefs of Staff.

Code Room: Please repeat to Paris [65] with following opening paragraph:

For Reber: This cable to Brussels concerns suggestions that the return of Leopold to Belgium after his liberation be delayed until his Government has had a chance to confer with him. SHAEF's existing directive is contained in Facs 92, October 6, 1944. Please render such assistance as Ambassador Sawyer may request.

STETTINIUS

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[61] Supreme Commander, Allied Expeditionary Force.
[62] Supreme Headquarters, Allied Expeditionary Force.
[63] Not printed.
[64] Samuel Reber, United States Political Officer at SHAEF.
[65] Repeated to Paris as No. 1261.

855.001 Leopold/3–3145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, March 31, 1945—6 p. m.
[Received 7:08 p. m.]

1583. [To Brussels:] for the Ambassador from Reber. Following General Erskine's visit to forward headquarters, I was informed of the results of his discussions at SHAEF in regard to the return to Belgium of the King. Reference our recent conversation, I have now received a memorandum from the Deputy Chief of Staff stating that SHAEF is charged with the duty of transporting the King from the point where he will be recovered to a place of safety to be designated later. The only other military interest in the operation is that his eventual return to Belgium shall not take place in such a manner and in such circumstances as to abuse [*cause?*] an upheaval that may interfere with the conduct of military operations in Germany or elsewhere.

SHAEF considers that the matter is predominantly a political matter and has instructed General Erskine to remain in touch with both the USA and British Ambassadors in Brussels and to avoid as far as possible any discussion on the subject other than with the Ambassadors.

Inasmuch as the Deputy Chief of Staff has asked me to keep him informed of the situation, I shall acquaint him with the contents of the Department's telegram of March 30 and inquire whether the procedure meets with SHAEF's approval as directed.

Sent Brussels as No. 26. [Reber.]

CAFFERY

855.001 Leopold/4–245 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

[Extract]

BRUSSELS, April 2, 1945—7 p. m.
[Received April 3—4:39 p. m.]

428. Conferred today with Erskine and British Ambassador reference return of the King. Following meeting here the three of us conferred with Spaak.[66] He was requested to inform us promptly if the Belgian Government had any requests or suggestions. He was told that, of course, there could be no duress or restraint upon the King's person by military authorities and that responsibility for the program which would follow King's release would be wholly in hands

[66] Paul-Henri Spaak, Belgian Minister for Foreign Affairs.

of Belgian Government. The British Ambassador stated that there had been discussed, but it was not offered as a suggestion, the possibility that King might remain in Germany until he could be contacted by a Belgian authority. Spaak seemed to think this might be something they would wish to suggest. Spaak's reaction was one of great concern about the entire problem and a desire to be informed by military authorities immediately upon receiving any knowledge with reference to the King. I suggested this request be put into whatever suggestions or requests will be made to us tomorrow after he has consulted with Van Acker. Spaak also suggested that the military authorities keep secret the fact that the King had been found. This seemed to meet with some approval on part of British Ambassador and General Erskine. I pointed out, however, that in my opinion this was unwise and impossible and proper procedure would be to have a plan of action ready to be put into effect when King's whereabouts are discovered and his person obtained. It was agreed finally by all that this was the desirable procedure. Spaak stated he would talk promptly with the Prime Minister and perhaps with Prince Regent and would have ready tomorrow whatever requests or suggestions the Belgian Government might care to make. I will cable again tomorrow after we have received suggestions of Government.

. . . . . .

SAWYER

855.001 Leopold/4–345 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

Brussels, April 3, 1945—6 p. m.
[Received 8 : 44 p. m.]

432. Reference my 428, April 2, 7 p.m. British Ambassador, General Erskine and I met this afternoon with Van Acker and Spaak. They asked us to transmit to our Governments their request (1) that immediately after the military authorities had found the King the Belgian Government be notified; (2) that the King be requested by the military authorities to remain in a place agreeable to him until a delegation representing the Government could call upon him; (3) the delegation which will call on him will consist of the Prince Regent, the Prime Minister, the Foreign Minister and Baron Holvoet. Holvoet is Governor of the Province of Antwerp and is now connected with the Prince Regent's household. He is familiar with matters of protocol and can aid in discussing the detail of necessary arrangements in connection with the King's return. It is understood by all concerned that no one will undertake to exercise any duress whatever upon the King.

This summary of the verbal request will at my request be confirmed in writing this afternoon.[67]

SAWYER

855.001 Leopold/5–245 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, May 2, 1945—8 p. m.
[Received May 2—6 : 32 p. m.]

587. Some weeks ago it was said in Belgium that no subject was more thought about and less talked about than return of King. Today no subject is more talked about. Possibility that he may not be found alive adds to agitation. Spaak, toward whom King has unfriendly feeling, is in San Francisco.[68] Van Cauwelaert, President of Chamber of Deputies, ranking member of Parliament and leader Catholic Party, cancelled proposed trip to San Francisco to be here to deal with problems arising if and when King should return.

As indicated previous reports and particularly in our despatch 157, January 12,[69] substantial body of opinion within and without Government circles unfavorable to Leopold and would view his return Belgium with misgivings. Many persons who share this feeling hesitate, however, advocate Leopold's abdication because they presume he would abdicate in favor of his fifteen-year old son Baudouin. While this would probably lead to continuation of present regency until Baudouin attains his majority at 18 and although there is almost universal satisfaction over Prince Charles' conduct of affairs and attitude there is feeling that Belgian and world affairs in 3 years will be far too complicated entrust to 18 year old sovereign. Because of this many who are personally unfavorable to Leopold may refrain from voicing objection to his return. Opinion practically unanimous, however, certain things are necessary upon King's return. These are:

1. King must dismiss immediately from his entourage at least two men who are believed, if not known, to be strongly pro-Nazi, . . .
2. King must indicate immediately his intention conduct Government in accordance with spirit as well as letter of Belgian Constitution.
3. He must make unequivocal statement as to sympathy with Allies and repudiation of any totalitarian ideology.

Unless this is done he will face serious trouble Socialist Party generally would be pleased if King did not return or if he abdicated. Communist paper *Drapeau Rouge* has openly urged his abdication

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[67] A written request similar to the oral request reported above was transmitted by Ambassador Sawyer in telegram No. 435, April 4, 1 p. m., not printed.

[68] The United Nations Conference at San Francisco was in session April 25–June 26, 1945.

[69] Not printed.

and there are indications that Liberal Party would not feel badly if he said he did not care continue rule. There are deep currents affecting this matter some of which are suspected of being encouraged by certain French elements. King's most bitter opponents are free-thinking Walloons while his most ardent supporters are Catholic Fleming including the Cardinal and it is conceivable that if appropriate formula is not found Walloon extremists will find opportunity convenient speak for secession. It is possibility of such occurrence which would have repercussions far beyond borders of Belgium that is causing thoughtful Belgians to be so concerned about whole question of King and his return.

SAWYER

855.001 Leopold/5–745 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

Brussels, May 7, 1945—8 p. m.
[Received May 7—11 : 05 a. m.]

614. Following is a translation of memorandum handed me today by Acting Foreign Minister: [70]

"In the memorandum which it prepared concerning the terms which should be imposed on Germany following its capitulation, a memo which was handed in due time to the European Advisory Committee, the Belgian Government outlined the very great importance of obtaining without any delay the liberation of His Majesty The King as well as that of the members of his family.

At a time when the end of hostilities appears imminent the Belgian Government expressed the wish that its request that an order in this sense be given to the German authorities be given to the local military authorities as well as to the central German authorities in the event that a general capitulation of Germany should not occur".

Copies of this memorandum were also handed to British and French Ambassadors.

In handing me the memorandum M. Vos explained that the Belgian Government wished to go on record as having done everything in its power to obtain the release of the King as soon as possible in view of the controversy concerning the King's return. The Government is finding it hard to convince the Belgian people that it is still without knowledge of the King's whereabouts.

SAWYER

[70] Herman Vos, Belgian Minister of Public Works.

855.001 Leopold/5–1045 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 10, 1945—9 a. m.
[Received 12:17 p. m.]

2495. From Murphy.[71] Re my 2450 May 7, midnight.[72] Leopold of Belgium was captured May 7 from armed SS [73] guard at his residence near Strobl. With him are his wife, four children, two aides and some servants. A guard has been provided for the protection of the King and his family.

Sent Department as 2495 repeated to Brussels as 43.

CAFFERY

855.001 Leopold/5–1445 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, May 14, 1945—4 p. m.
[Received May 15—9:33 a. m.]

638. Van Acker told me this morning that Leopold has been living under great strain not knowing from day to day whether he would be saved or shot. At times during the conference with Van Acker and the latter's colleagues the King seemed in a state approaching nervous collapse. He spent one entire day alone with Van Acker and seemed to take a sensible attitude toward the situation and to realize the difficulties which confront him and the country. Van Acker is not unaware of the troubles which may lie ahead. He says that the dynasty is in his opinion even as a socialist a necessary amalgam for his country. He made no demands whatever on the King and the suggestion that the King remain out of the country for some time came from the King himself. It is not impossible that he will decide to abdicate giving his health as the reason. He intends to invite some of his advisors to come to see him at his present place of residence and it is of course possible that after talking to these persons he will regain his composure and decide to return to Belgium and resume his functions.

Apparently the conversations between the King and the Regent were friendly and restrained although they were not in the past the most companionable of brothers. The Regent is returning to Brussels today.

Van Acker seems to feel that public opinion may now crystallize and that a more tolerant attitude may be taken by both Leopold's supporters and opponents.

SAWYER

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[71] Robert D. Murphy, United States Political Adviser for Germany, Supreme Headquarters, Allied Expeditionary Force.

[72] Not printed.

[73] Schutzstaffeln, the German National Socialist Elite Guard.

855.001 Leopold/5–1545 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, May 15, 1945—7 p. m.
[Received May 16—8 : 37 a. m.]

651. Extended talk with Prince Charles this afternoon describing trip to Strobl confirmed earlier accounts and indicated Leopold had had no expectation that he would not be welcomed back with enthusiasm by Belgian populace. His continued confinement, his complete lack of information, the imminence of probable death shortly before he was liberated and his own normal tendency to resent advice and suggestions made difficult the task in pursuance of which certain of delegates undertook to acquaint him with difficulties which would follow his return to Belgium. Apparently Charles feels King's wife has great influence with him.

Attitude of Charles is one of complete loyalty to his brother and belief that King may return without real danger to his throne and that while there is considerable talk about demands for abdication these will not really be pressed when King himself returns. Charles says question of royal position is above discussion. Personally I feel this attitude of his is wholly sincere and that he would like to see King return. He is a very wise man, however, and well aware of great dangers which lie ahead if the King does not both in words and actions handle situation with extreme skill. He is in agreement with my feeling that everything will depend upon what King himself does and as Charles says "does within near future". His feeling is the King cannot long delay decision. There is no doubt whatever King's return will present some problems which may be aggravated intensely by unwise speech or action of the King and that if he should not return and Charles should remain Regent the country would breathe a sigh of relief and agitation which has grown to serious proportions immediately subside.

SAWYER

855.001 Leopold/5–1845 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, May 18, 1945—6 p. m.
[Received May 19—6 : 37 a. m.]

668. Period of calm which has settled over the country with reference to King's return is a lull before the storm. When King returns Belgium faces greatest crisis in its history. Opinion is sharply divided along three very definite lines: (1) Along racial lines Walloons are overwhelmingly against the King; Flemish generally favor him. (2)

Along social lines the rich are all in favor of the King; many of the poor are against him. (3) Third line of departure is evident. All those who feel some qualms about their activities during war are anxious to have King back. In a way he typifies their problem and their state of mind. Those who were strongly patriotic and anti-German hope he will never return.

These lines of cleavage are very deep. If King returns revolution is not at all improbable and consequences are difficult to foresee.

Queen and maid leave today to spend one week with King. This indicates his decision will not be immediate or at least that Queen thinks it will not be immediate.

SAWYER

855.001 Leopold/6–1145 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, June 11, 1945—1 p. m.
[Received 4: 30 p. m.]

780. Yesterday King requested Gen Erskine and Col Sherman Chief and Deputy Chief SHAEF mission to Belgium Prime Minister Van Acker and Pirenne,[74] historian, to come immediately to see him. Brit Ambassador and I advised against Erskine and Sherman going. Erskine is handing to PM today a note saying in effect that as Gen Eisenhower does not care to advise or control the decision of the King it appears that no useful purpose can be served by this visit. This note will be delivered to the King by Van Acker. I am told by Brit Ambassador that this point of view is in conformity with the wishes of the Foreign Office.

SAWYER

855.001 Leopold/6–1145 : Telegram

The Acting Secretary of State to the Ambassador in Belgium (Sawyer)

WASHINGTON, June 14, 1945—7 p. m.

502. Department approves action reported in your telegram 780, June 11, 1945. In this connection British Embassy has shown Department extract from telegram from your British colleague to Foreign Office of June 7 reporting conversation between Van Acker and King Leopold. In response to latter's query about attitude of United States and British governments Van Acker said that the Ambassadors had expressed no opinion but that he was convinced for his part that

[74] Jacques Pirenne.

the two governments attached highest importance to the solidity of Belgium and security of the dynasty. Van Acker added that he had not informed his colleagues of this observation which he made under obligation of secrecy to the King.

The Department, of course, does not now contemplate indicating any view positive or negative either about the continuation of Leopold's reign or maintenance of the dynasty.

The British Embassy has presented to the Department an *aide-mémoire* of June 13 with reference to General Eisenhower's cable SHAEF 444 to which you refer in your 781, June 11.[75] The Foreign Office appears to share your disapproval of the suggested course of action. While the Department agrees that any abrupt change in the situation brought about on our initiative would be undesirable, it believes that the King's continued presence in occupied territory is a potential source of embarrassment, since there is a tendency for the contending parties to try to draw the military authorities into the controversy. On the other hand, Department can see no way to terminate this state of affairs or to remove the King to an area not controlled by the Army without appearing to take sides. If, however, the situation of the King is not resolved by July 9 Department will actively consider measures to relieve the Army of the King's presence.

GREW

855.001 Leopold/6–1645 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, June 16, 1945—10 a. m.
[Received 4 : 45 p. m.]

802. King is coming back and will arrive in Brussels early next week, perhaps Monday.[76] He will come alone except for Pirenne, who accompanied Van Acker but remained behind when Van Acker returned last night. This morning Van Acker will ask SHAEF to furnish a plane immediately for King's return.

I talked at length with Van Acker last night shortly after he arrived. Substance of his report is this: King, upon seeing him, said he had made up his mind to return. Van Acker did not attempt to dissuade him. He did review briefly difficulties which he had covered fully on his previous visit. King is prepared to meet them. He has, however, in his mind idea of possible abdication if difficulties prove too great for him to govern. Van Acker feels the influence of King's wife is involved in his decision to return. As I see course of events based on Van Acker's statements of fact and predictions as to future, it will be as follows:

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[75] None printed.
[76] June 18.

King will return and go privately to Royal Palace at Laeken. He will then immediately convoke Parliament and will address them and through them the Belgian people. Pirenne, his former tutor and an historian, is now assisting King in preparing the speech he will deliver. A preliminary draft was shown Van Acker. He said it consisted mostly of generalities. Thereafter King will ask Van Acker to form a Govt. Van Acker will try but will not succeed as Socialists, Liberals and Communists will not participate. King will then call some one else, presumably a Catholic, to form a Govt. If a Govt wholly Catholic results country will be beset with strikes and other troubles and will not function. Troubles will grow in number and intensity. It will appear that King does not have support of country to carry on a Govt. Behind-scenes negotiations will take place with reference to some financial settlement on King and he will then abdicate in favor of his son, Prince Baudouin. Parliament will then immediately meet and reappoint Charles regent. Latter will have automatically ceased to be regent when King arrives in Belgium.

This prediction of Van Acker may not be fulfilled. King may handle matters more effectively than is generally predicted. This we shall see. If King abdicates one of problems will be the education of the young prince. British Ambassador confided to me some time ago that he thought he would probably have the job of finding a school for him in England. He may be taking too much for granted as Van Acker seems to think the young prince should travel and not spend all time in one country.

Van Acker refused give any statement whatever to press. Interest and excitement here is intense.

SAWYER

855.001 Leopold/6–1745 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, June 17, 1945—10 a. m.
[Received 3:23 p. m.]

807. Last night following message was sent to King Leopold by Belgian Govt:

"Message to His Majesty Leopold III, decision of the Cabinet Council of 16 June, 45, at 3 o'clock p. m. The Prime Minister has informed the Council of the intention of the King to come back to Belgium shortly. The Govt cannot take the responsibility of the political events which are inevitably going to occur in the country on the return of the King. In these circumstances it has sent in its resignation to the Regent stipulating that it would be impossible for it to carry on the current business from the moment of the King's return

to Belgium. The current business including necessarily the maintenance of public order and the political responsibility of any words which will be pronounced by the King. Therefore the Govt insists most strongly that the King should form a new Govt before his return to Belgium. In transmitting this decision the Govt insists that the King should let it know as soon as possible the answer he is going to give to it. The Prime Minister draws the attention of His Majesty to the rather unfavorable development of the situation."

It was also broadcast and released to the newspapers.

SAWYER

855.001 Leopold/6–1745 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, June 17, 1945—7 p. m.
[Received June 18—8 : 57 a. m.]

809. Van Acker in personal talk with me today elaborated on substance of my tel 807 June 17, 10 a. m. He stated he had changed his mind since talking with me. He has become convinced the troubles which will result if King returns to Belgium are so great everything possible should be done to prevent it. He says nothing is now important except welfare of country and it's vital to country's welfare that King does not return. He agrees that King cannot form a govt where he is and hopes that King will decide immediately not to come back. Telegram which was sent was approved by every Minister the only absentee being Kronacker [77] who is in the US. All ministers have handed their resignations to Prince Regent who has up to the moment done nothing about them. Everything is awaiting reply from King. At the moment SHEAF has decided to send no plane for King unless requested by govt. Govt will not make such a request. It is conceivable therefore that Allied military authorities may be faced soon with a request from King to furnish him a plane to return to Belgium which request will not come from govt.

I will discuss in morning with Erskine and Brit Amb the best answer to this question. At moment it's hard for me to see how Allies can refuse a simple request for this transportation.

Steering Committee of Socialist Party which met this morning approved unqualifiedly position taken by govt and a meeting of Liberal Party Leaders this afternoon voted a similar resolution. It is rumored that Liberal Socialist and Communist trade union leaders have agreed to call a general strike in event of King's return.

Van Acker planning to broadcast tonight.

SAWYER

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[77] Paul Kronacker, Belgian Minister without Portfolio.

855.001 Leopold/6–1845 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, June 18, 1945—2 p. m.
[Received 3:43 p. m.]

810. Discussions with Brit Ambas and SHAEF result (re furnishing plane mentioned in my 808 [78] and 809, June 17) in desire for instruction. My own opinion is that if King demands plane from military authorities because Govt has refused to ask for one it will be advisable to furnish it. Allies have repatriated over 230,000 other prisoners of war. They have furnished transportation for Prince Regent, Prime Minister and members of Leopold's household to go back and forth from Salzburg to Brussels. It will be difficult to refuse same service to the King himself. If a plane is not furnished King will probably ask for an automobile and even if he is able to obtain an automobile from others, he must ask for gasoline from the military authorities. If they refuse to furnish the plane they should refuse to furnish car or gasoline. As a result King will be a prisoner; having been a prisoner of Germany for one year he will now be a prisoner of the Allies. The charges made by the *Libre Belgique* (see my 799, June 15 [79]) will appear to have confirmation. If the King stays where he is because he has no way to leave he may refuse to abdicate or make any decision, in which event extremely critical condition in Belgium will continue indefinitely. It has been suggested that furnishing a plane to the King would indicate a preference for him in present controversy. Even if such an interpretation is permissible the results in my opinion would be far less damaging than the results of the opposite course.

I respectfully request your suggestions and instructions.

The Brit Ambas is sending a similar cable.

SAWYER

855.001 Leopold/6–1845 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, June 18, 1945—8 p. m.

2828. For Murphy. In the event that King Leopold of the Belgians, acting independently, should make request for transportation into Belgium, it is Department's understanding that request should not be granted pending submission to SHAEF and to State and War Departments. In this connection see Facs 182.[80] On the other hand, it is Department's understanding, subject to SHAEF confirma-

[78] Telegram 808 not printed.
[79] Not printed.
[80] Military communication.

tion, that under existing directives, if similar request is made by Belgian Government in writing to SHAEF, it may be granted. The Department would be agreeable to a solution whereunder King at his own request be furnished transportation to Belgian frontier only. British Embassy is informing London in this sense.

For your information, as to events following King's return, Department considers that any intervention by allied military authorities to maintain order in Belgium should be taken only as a last resort when the commanders are satisfied as to its necessity and not merely on Belgian government recommendation. It considers, however, that this is primarily military matter and is making no recommendation to SHAEF at present in this sense.

Repeated to Brussels.[81]

GREW

855.001 Leopold/6–2145 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

HOECHST, June 21, 1945—9 a. m.
[Received 11 : 10 p. m.]

24. Content of Dept's 2828, June 18, 8 p. m. has been communicated to SHAEF which had already instructed subordinate commands that no transportation for return to Belgium should be advanced locally to King Leopold and party and that any request for such transport must be referred to SHAEF for decision.

In recent discussions of this problem here I have advanced the opinion that it would be both desirable and practicable for SHAEF entirely to avoid any involvement in the matter since the Belgians are presumably in a position to provide air or motor transport for the King at any time they so wish.

May I have the Dept's comments on this view (repeated to Brussels).

MURPHY

855.001 Leopold/6–2545 : Telegram

The Acting Secretary of State to the Ambassador in Belgium (Sawyer)

WASHINGTON, June 25, 1945—5 p. m.

542. Reurtel [*Dept's tel.*] 531.[82] Department greatly appreciates your thorough coverage of the present political crisis. We will continue to keep you informed promptly of any discussion or developments here which may affect the Belgian situation. In this connection

[81] As No. 513.
[82] Not printed.

there has been no occasion for Department to telegraph to London about Leopold. Department's 531 June 22, gives substance of all conversations with British here concerning Meissner and Schmidt.[83]

Department has not tried to anticipate or discuss every type of request concerning Leopold's transportation which may be made to the military authorities, beyond indicating to War Department the broad principle that we do not wish to become involved in a purely Belgian matter and hence would prefer not to transport Leopold beyond the frontier.

Department understands from British that King asked Presidents of Senate and Chamber about views of Allied governments. It is possible that President of Senate may make some approach to you to ascertain our views. You may reply in the sense of Department's previous instructions that this Government remains entirely outside the controversy and regards problem as one for Belgians to settle.

GREW

855.001 Leopold/7-645 : Telegram

The Ambassador in Belgium (Sawyer) to the Secretary of State

BRUSSELS, July 6, 1945—5 p. m.
[Received 10:46 p. m.]

904. Dept in its 502, June 14 stated if intention of King is not resolved by July 9 Dept will actively consider measures to relieve army of King's presence.

As background for this consideration will say that Van Acker is planning to leave for Salzburg tomorrow and requested transportation. He has requested that Irenne [*Pirenne*?], who says that King wants him to come, be given no transportation. Van Acker is prepared to tell King he must abdicate or return immediately. If King decides to do neither he will request military authorities to give no more transportation. SHAEF mission is asking instructions of SHAEF Main covering situation where transportation is requested by friends of King and opposed by Govt.

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[83] Otto Meissner, former German Minister of State and Head of Presidential Chancellery, and Paul Otto Gustav Schmidt, former Chief of the Bureau of the Reich Foreign Minister, interpreter in diplomatic negotiations. The question discussed was the interrogation of these persons by Belgian officers regarding a conversation between King Leopold and Hitler at the Berghof on November 19, 1940; see *Documents on German Foreign Policy, 1918–1945*, series D, vol. XI (Washington, Government Printing Office, 1949), p. 612.

Accounts of this meeting by the King himself and by the former Belgian Ambassador to Germany, Vicomte Jacques Davignon, are printed in *Recueil de documents établi par le Secrétariat du Roi concernant la periode 1936–1949*, pp. 406–409.

Additional documents relating to the investigation by Belgian officials in 1945 regarding this meeting between Hitler and King Leopold are printed *ibid.*, pp. 409–429.

This morning *Libre Belgique* Catholic pro-Leopold paper quoted an order of Commanding General Trier sub area dated June 12 as follows:

"To CO [84] the Belgian Fusilier Battalion. Should the Belgian King be seen by your unit, he is to be detained, and this Hdqs is to be notified immediately. Commanding General Trier sub area (S) Major General Matchett official designation of sender (S) A. Pollick, Capt."

Paper claims Allied military authorities have in effect held King as prisoner and mentions particularly the Americans.

Cor [*Col.*] Sherman who knew about order shortly after it was issued states unfortunately worded order had been promptly countermanded, that of course there was never any intention to imprison King or to restrict his movements in least. He is making statement to that effect today.

I recommend that plan of Dept be carried out. It seems to me that this could be covered by statement to King that Army would refuse to furnish transportation after specific date and that until that date would take him anywhere he wishes to go. If opinion of Dept has not changed this would of course be limited to place adjacent to Belgian border in Germany. I call Dept's attention to fact that this would put King into Brit territory and take him out of American territory.

Rptd to Murphy as 3.

SAWYER

855.001 Leopold/7–1645 : Telegram

The Ambassador in Belgium (Sawyer) to the Acting Secretary of State

BRUSSELS, July 16, 1945—1 p. m.
[Received 4:35 p. m.]

946. For Secretary Byrnes [85] from Sawyer. As a reminder of our conversation of yesterday, in order to carry out plan agreed upon I suggest following:

Eisenhower should receive through his military superiors in Washington authority to tell King US Army will transport him and members of his family and immediate entourage to any destination desired without condition, except that this transportation will not be available after one week from date message is delivered to King. Personally, I would shorten time but in any event would not give him more than one week.

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[84] Commanding Officer.

[85] The Secretary attended the Conference of Berlin, July 17–August 2, 1945.

Meanwhile, I would furnish no more transportation for visitors to King. Furthermore, would tell him if he refuses or neglects to avail himself of this offer by end of period in question we will no longer furnish him with rations and he will be completely on his own to deal freely, of course, with Belgian authorities or others, but with no responsibility of any kind whatsoever on us.

Repeated to Dept as 946.

SAWYER

855.001 Leopold/7–1645 : Telegram

The Acting Secretary of State to the Ambassador in Belgium (Sawyer)

WASHINGTON, July 18, 1945—10 a. m.

638. Following is text of my no. 42 to the Secretary:

"It seems to me from Sawyer's 946, July 16, that we may be being a little precipitate in the matter of King Leopold. This is primarily a Belgian question and one in which I think we should limit ourselves to being as helpful as we can to the Belgian government which is faced with a delicate constitutional problem. Unilateral action on our part, however justified, tends to place us in the position of an outsider interfering in a family quarrel. I agree that the King's vacillation creates a most unsatisfactory situation and that is quite understandable that our military authorities should wish to get him off their hands. I believe, however, that it would be unwise to force the issue unless requested to do so by the Belgian government. I understand that Van Acker is currently taking the matter up with Parliament. If this leads to no clear-cut decision we might then consider the possibility of requesting our Ambassador tactfully to point out to Van Acker and the Prince Regent that King Leopold's continued residence in our zone of occupation and his reliance on American military facilities is a growing source of embarrassment and inconvenience and to inquire whether some such line of action, as suggested by Mr. Sawyer, would be agreeable to the Belgian government."

GREW

855.001 Leopold/7–1945 : Telegram

The Ambassador in Belgium (Sawyer) to the Acting Secretary of State

BRUSSELS, July 19, 1945—6 p. m.
[Received 8:18 p. m.]

961. Reference your 638 and 42 Secretary. I quite agree that nothing is to be gained by being precipitate. It is hard for me to see how it could be claimed we are precipitate. My suggestion (see my 946) was based on long consideration and discussion with interested parties here.

Since King's liberation on May 8 there has been total of 30 airtrips and transportation for 138 people in addition corps at Salzburg and the 106th Cavalry at St. Wolfgang have furnished for King's household rations, gas, local transportation, etc. I have been informed there have been two increases in basic ration issued at King's household so that now they receive more than is authorized for US Army hospitals. In addition he has had sent him by British and American transportation household supplies of various sorts.

It is generally felt after a lapse of two and half months of free transportation and service King will be taking advantage of our good nature if this program continues and that it is now necessary politely but firmly to bring an end to episode. The line suggest[ed] by me will be agreeable to everyone with possible exception of King and as matter of fact it can be presented to King in such a way that he would have no cause for complaint. While it is true question of King's return is purely Belgian one, question of his remaining in our territory and being furnished transportation by American planes is not purely Belgian question. We cannot avoid being involved in matter. Problem is to be involved as little as possible.

Regarding last part your cable suggesting I point out to Prince Regent and Van Acker that King's continued residence, etc., is growing source of embarrassment and inconvenience to us, I can assure you that Prince Regent will certainly not request King to move and think Van Acker will say this is matter for us to decide. Prince Regent has scrupulously endeavored to keep himself out of controversy and I know he will not put himself in position where he is demanding Americans move King out of their zone or telling Americans he wishes them to leave King in their zone. On other hand I know that a message to King such as I have suggested will be acceptable to Van Acker and the government.

As Parliament has now passed bill fixing definitely status of regency which even under King's interpretation will remain until after elections are held in Belgium, the argument for terminating this service is strengthened.

Repeated Murphy for Byrnes as 17.

SAWYER

855.001 Leopold/7–2345 : Telegram

The Secretary of State to the Acting Secretary of State

BABELSBURG, July 23, 1945.
[Received 9:05 p. m.]

Victory 242. To the Department of State and copy to American Ambassador Brussels from the Secretary of State. With the approval of the President, I have informed the US military authorities that in

view of reports that the Belgian Parliament has voted overwhelmingly against the return of the King to Belgium, it would seem appropriate that instructions be given that no transportation by air be furnished King Leopold or the group accompanying him, unless specific request is made therefor by the Belgian Government.

I understand that these instructions have already been issued by order of the Chiefs of Staff here. I am making no arrangements for the State Department to notify King Leopold of this arrangement and it is understood between the Army and ourselves here that USFET [86] will notify King Leopold, should he request transportation for himself or any member of his group.

I do not see any need for Department or the Embassy in Brussels to take any further action on this subject unless some new situation arises, in which case I would request to be informed.

BYRNES

855.001 Leopold/8–1745 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, August 17, 1945—3 p. m.
[Received August 18—3 : 45 p. m.]

317. You are doubtless aware of the contents of KDFET [*USFET?*] signal S–16893 repeated to AGWar [87] and Mission to Belgium, instructing US Second Corps to provide King Leopold with facilities to Swiss border should he decide to move to Switzerland about August 31, as indicated in a message received from the King's secretary. Mission to Belgium has now informed Second Corps that King's aid is leaving Brussels for Switzerland August 18 to make arrangements for King's arrival.

Repeated to Bern as 15, sent to Dept as 317. MURPHY

855.001 Leopold/10–145 : Telegram

The Chargé in Belgium (Patterson) to the Secretary of State

BRUSSELS, October 1, 1945—1 p. m.
[Received 4 : 20 p. m.]

1216. US military authorities confirm King Leopold expected depart Saint Wolfgang for Switzerland 9 this morning. Convoy with baggage and part household actually started journey yesterday morning.

PATTERSON

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[86] United States Forces, European Theater.
[87] Adjutant General, War Department.

BULGARIA

POST-ARMISTICE PROBLEMS OF OCCUPATION AND CONTROL OF BULGARIA; SETTING UP OF ALLIED (SOVIET) CONTROL COMMISSION;[1] APPLICATION TO BULGARIA OF THE CRIMEA DECLARATION ON LIBERATED EUROPE[2] AND OF THE BERLIN (POTSDAM) DECLARATION OF AUGUST 2, 1945[3]

740.00119 Control (Bulgaria)/1–145 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, January 1, 1945—11 p. m.

4. In a separate telegram the Department is repeating to you a telegram to London[4] referring to an exchange of correspondence between Mr. Winant and the Soviet Chargé[5] at the time of the negotiation of the Bulgarian armistice, referring particularly to the application of Article 18 in the period following the conclusion of hostilities.[6]

Mr. Winant had informed his British and Soviet colleagues in the European Advisory Commission[7] that in approving the draft armistice terms for submission to the three governments, he had been directed to state that this Government continues to feel that Article 18 should properly have contained an additional provision to the effect

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[1] Continued from *Foreign Relations*, 1944, vol. III, pp. 481–514.

[2] Signed at Yalta, February 11, 1945, by President Roosevelt, Prime Minister Churchill, and Marshal Stalin; for text see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 968, 971.

[3] See communiqué issued by the Berlin Conference, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1499. For additional documentation relating to Bulgaria, see *ibid.*, vol. I, Index, pp. 1060–1061; vol. II, Index, pp. 1606–1607.

[4] Telegram 25, midnight, *infra*.

[5] For accounts of this correspondence between John G. Winant, U. S. Ambassador in the United Kingdom, and the Soviet Chargé, see telegrams 9077, October 22, 1944, midnight, and 9370, October 30, 1944, 7 p. m., from London, *Foreign Relations*, 1944, vol. III, pp. 472 and 482, respectively.

[6] For documentation regarding negotiations leading to the signing of the armistice with Bulgaria on October 28, 1944, see *ibid.*, pp. 300 ff. For text of armistice agreement signed at Moscow, see Department of State Executive Agreement Series No. 437, or 58 Stat. (pt. 2) 1498.

[7] Sir William Strang, British Assistant Under Secretary of State for Foreign Affairs, and Fedor Tarasovich Gusev, Ambassador of the Soviet Union in the United Kingdom, were representatives of their Governments on the European Advisory Commission (EAC). For documentation on the Commission's work, see vol. III, pp. 1 ff.

that in the period between the conclusion of hostilities against Germany and the conclusion of peace with Bulgaria the Control Commission will regulate and supervise the execution of the armistice according to the instructions of the three governments. Mr. Winant therefore informed his colleagues on the EAC that this Government may find it necessary at a later date to discuss the detailed manner in which Article 18 should be implemented.

In his reply the Soviet Chargé referred to the discussion with Mr. Eden [8] in Moscow and stated that the provision for the Chairmanship signifies that the direction of the Control Commission will belong to the Soviet Command during both periods, although in the second period the leading role of the Soviet High Command will "be limited to a certain degree in favor of the American and British representatives." The reply also expressed the unwillingness of the Soviet Government to agree to a proposal for supplementing Article 18, since this might be interpreted as meaning that the three governments would have an equal share in the practical activity and responsibility although only Soviet troops are in Bulgaria, and the country is not divided into zones of occupation. Such an interpretation, the letter continued, would lead to the elimination of the Soviet Command from the direction of the Control Commission, and in accepting the present form of Article 18 the Soviet Government based its attitude on the necessity for preserving the leading role of the Soviet High Command "although in a somewhat different form, likewise during the second period".

Since the letter closed with an assumption that the American delegation would not insist on a further discussion of this article, the Department has instructed Mr. Winant, as a matter of record, to reaffirm the position taken in his first letter.

It is not the intention of this Government to propose a reexamination of this article at the moment, but the foregoing may be useful to you in connection with the Hungarian negotiations.[9] Sent to Moscow repeated to Sofia.[10]

STETTINIUS

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[8] Anthony Eden, British Secretary of State for Foreign Affairs, accompanied Prime Minister Churchill on a mission to Moscow in October 1944. For documentation on this mission, see telegram 790, October 3, 1944, from London, *Foreign Relations*, 1944, vol. IV, p. 1002, and subsequent telegrams; telegram 3943, October 16, 1944, 11 a. m., from Moscow, *ibid.*, vol. III, p. 457, and subsequent telegrams; also cf. telegram 21, January 26, 1945, to Sofia, *post*, p. 148.

[9] For armistice negotiations in January 1945, see *Foreign Relations*, 1944, vol. III, pp. 953 ff.

[10] As telegram 5 (in paraphrase), January 2, 1945, 7 p.m.

740.00119 EW/10-3044 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 1, 1945—midnight.

25. Reurtel 9370, October 30, 7 p. m.[11] The Department has carefully considered the correspondence between Mr. Winant and the Soviet Chargé d'Affaires relating to the application of Article 18 of the Bulgarian Armistice terms following the conclusion of hostilities.

The considerations advanced by the Soviet Chargé d'Affaires do not afford a convincing reason for the abandonment by this Government of its intention to discuss the question at a later date. You are accordingly requested to address a further communication to your Soviet colleague, stating that this Government has taken note of the observations made in the Chargé's letter of October 28,[11a] but that they do not materially alter the desire of this Government to re-examine, at an appropriate time, together with the Soviet and British Governments, the manner in which Article 18 of the Bulgarian armistice should be implemented during the period subsequent to the conclusion of hostilities against Germany.

You may observe that our position is based not only on the wording of Article 18 but also on the general understanding (alluded to in the Soviet Chargé's letter) that there will be a limitation of the leading role of the Soviet High Command during the second period of the Allied Control Commission's activity, and that the extent of such limitation should, in the opinion of this Government, be a matter of mutual discussion. Sent to London. Repeated to Moscow[12] and Sofia.[13]

STETTINIUS

740.00119 Control (Bulgaria)/1-545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

[Paraphrase]

SOFIA, January 4, 1945—[3 p. m.]
[Received January 5—6:40 p. m.]

5. The time has come I think when the Department should point [out?] to the Russian authorities in Moscow in the most forceful manner possible the imperative need of our delegate on the Allied Soviet Control Commission[14] and of this mission for a weekly courier

[11] *Foreign Relations*, 1944, vol. III, p. 482.
[11a] Not printed.
[12] As telegram 5.
[13] In paraphrase as telegram 5, January 2, 1945, 7 p. m.
[14] Maj. Gen. John A. Crane, U.S.A., Chief of the U.S. military representation on the Allied Control Commission (ACC) for Bulgaria.

plane linking our establishments here with Washington Bucharest and Caserta. We have received one pouch, No. 3, since my arrival. I point out to cite merely one handicap of this situation that we are now receiving telegrams which are undecipherable due to non receipt of cryptographic material.

It is my belief that the Russian authorities should be informed in so many words that we are here as Allies to assist in carrying out terms of the armistice and that we must conclude that the Soviet Government views our presence in an entirely different light if we cannot obtain a blanket permit for a weekly courier plane. The so-called agreement reached between Russian Military authorities in Moscow and the Allied Military Missions there as to procedure covering flights of American and British planes to Sofia is so interpreted by local Russian authorities as to constitute an even greater impediment to the movement of our planes in and out of Sofia than formerly existed. These authorities have explained to the British and to us that requests for clearance under this agreement can be only made here and that each individual request must contain following particulars:

1. Number and type of aircraft;
2. Individual and tailmarkings;
3. Route of flight;
4. Purpose of flight;
5. Passenger list, numbers and particulars with respect to each person, type of cargo and to whom destined;
6. Expected time and date of arrival.

Each request will be transmitted separately to Moscow for decision by the Commissar of Foreign Affairs [15] upon receipt of this information. Russian authorities anticipate a minimum delay of 7 days in the case of each request.

It is obvious to anyone who knows weather conditions here and the inadequate radio installations maintained at the local airfields by Russian authorities that these regulations are calculated to render virtually impossible regular air communications for the British and ourselves.

While the Russians from one point of view might be well pleased to have [us?] shut up shop in Bulgaria, their local representatives are sufficiently intelligent to know that in such an eventuality the reaction locally would gravely affect their long range position in the country. Therefore, I do not believe that it is necessary for us in such matters as the assurance of proper communications to go begging to them with our hat in our hands. The usefulness of our presence will con-

[15] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

tinue at a minimum until this mission and our delegation on the Allied Soviet Control Commission can be assured of a regular means of transport for personnel, supplies and mail.

This is also No. 3 to AmEmbassy, Moscow, and No. 4 to AmPolAd.[16]

[BARNES]

740.00119 Control (Bulgaria)/1-845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 8, 1945—10 p. m.
[Received January 8—7:45 p. m.]

20. Numerous observers of the political scene here see in the National Committee of the Fatherland Front which is dominated by the prison-hardened and Russian-trained female secretary, Zola Dragoicheva, the instrument that is being fashioned to turn Bulgaria into a Soviet state.

The most recent evidence of such designs on the part of the Bulgarian Communists and possibly the Russian authorities is found in articles that have appeared in the newspapers of the Fatherland Front and of the Communist party. These articles are based on resolutions passed at meetings of district committees of the Front at the end of December and elaborate the theme that the people speak through the National Committee of the Fatherland Front, that never before has Bulgaria experienced such a popular mass movement as that which supports the Committee and on which the present government is based.

The January 3 issue of the organ of the FF explains that "special committees" must exist within all Bulgarian institutions and be created at once "to assure" that all useful and vital forces of the nation collaborate in the building of the new state. The article adds that the political work of the special committees should be carried on in such a manner as to so ascertain that all officials and employees of each institution are "gained" to the cause of the FF.

It seems obvious to many of us here that once the Central Committee of the FF becomes the repository of the superior political power of the state, no obstacle will exist to a shift from the present system of collective cabinet responsibility to one of the commissars appointed at will by the political bureau (the National Committee of the FF).

Repeated to Moscow as 10 and to Caserta as 8.

BARNES

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[16] American Political Adviser (Alexander C. Kirk) on the staff of the Supreme Allied Commander, Mediterranean Theater, at Caserta.

740.00119 Control (Bulgaria)/1-945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 9, 1945—10 a. m.
[Received 6 : 42 p. m.]

23. Please see my 46, December 27, 4 p. m.,[17] and No. 5, January 4, 3 p. m. I assume that the Department sees General Crane's telegrams to the Joint Chiefs of Staff and is therefore aware that the Russian authorities here persist in the view that they, and they alone, shall determine the number of our personnel in Bulgaria. Also the recent refusal of the Russians to clear a mail plane and to permit our graves registration personnel to circulate emphasis [*emphasizes*] once again to what extent we are isolated here and restricted in our movements.

If circumstance[s] exist which make it desirable for the American Government to accept such treatment without protest, we, on the spot, are fully prepared to accommodate ourselves to the situation, but both the General and I believe that it should be made clear to us whether such is or is not the case, so that our action locally may always be in line with the views obtaining in Washington. The Department's guidance at this time would therefore be greatly appreciated.

Repeated to Moscow as 12 and to Caserta as No. 10.

BARNES

740.00119 Control (Bulgaria)/1-945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 9, 1945—3 p. m.
[Received 6 : 31 p. m.]

25. Bulgarian Communist Party and Russian fears of British influence in Bulgaria have recently been revealed again in a somewhat striking manner. G. M. Dimitrov has been told by General Biryusov [18] that he must resign as Secretary of the National Committee of the Agrarian Party and possibly go abroad. It has been proposed to Dimitrov that he accept some official mission but at the present time he is not disposed to be that accommodating. If it becomes necessary for him to leave the country he may apply for admission to the United States possibly as a political refugee. Comment by the Department would be helpful in dealing with any such eventuality. So far as the Agrarian Party as a whole is concerned, Dimitrov's

[17] *Foreign Relations*, 1944, vol. III, p. 510.

[18] Col. Gen. Sergey Semenovich Biryuzov, President (Chairman) of the Allied Control Commission for Bulgaria.

past connections with the British have not adversely affected his standing. He is highly respected and considered the outstanding intellectual of the party.[19]

BARNES

740.00119 Control (Bulgaria)/12–2444: Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, January 10, 1945—9 p. m.

67. We are informed that the British Ambassador at Athens[20] recently approached the Greek Government with the proposal that the Greeks undertake to send a mission to Sofia for the purpose of presenting Greek claims against Bulgaria to the Allied Control Commission. The Greeks have been advised to take up this matter directly with the Soviet Government through their Ambassador at Moscow.[21] Clark-Kerr[22] has been instructed to support the Greek request and also to endeavor to secure Soviet agreement that the Greek mission should have direct access to the British and American representatives on the ACC[23] as well as the Soviet chairman thereof. We have been asked to join the British in supporting the Greek request.

You are requested to ascertain from the Greek Ambassador and report immediately to the Department whether he has approached the Soviet authorities in this matter. If he has done so, or when he does so, please inform the Soviet Government of our approval of the proposal and our interest in its rapid implementation. No mention need be made at this time of the question of the Greek mission's access to American and British representatives on the ACC.

In the foregoing connection you should point out to the Soviet Government that we are bearing a heavy burden in effecting relief shipments to Greece and contiguous areas, which problem is complicated by the scarcity of essential supplies and shipping, and that we are seriously concerned by the continued failure to effect Bulgarian shipments to Greece pursuant to the Armistice terms.

Sent to Moscow, repeated to Athens, Sofia and AmPolAd (Caserta).[24]

STETTINIUS

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[19] Telegram 44, January 23, 1945, from Sofia, reported that on January 20, 1945, Dimitrov was replaced as Secretary General of the Agrarian Party by Nikola Petkov, a Minister without Portfolio in the Bulgarian Cabinet. The telegram added that Petkov, a close friend of Dimitrov, was a convinced friend of the Western democracies (740.00119 Control (Bulgaria)/1–2345).

[20] Reginald W. A. Leeper.

[21] Athanaios Politis.

[22] Sir Archibald J. K. Clark Kerr, British Ambassador in the Soviet Union.

[23] Maj. Gen. W. H. Oxley was Chief of the British delegation to the Allied Control Commission for Bulgaria.

[24] As telegrams 37, 8, and 27, respectively.

874.00/1-1245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 12, 1945—4 p. m.
[Received January 13—2:28 p. m.]

30. General Crane and I dined alone with General Biryusov and his wife yesterday eve. Three hours of conversation thru an interpreter served primarily to emphasize once again how deep seated are General Biryusov's suspicions of the British.

The General confirmed his part in the political crisis is over the re-integration of officers and men into the Bulgarian Army as reported in my telegrams No. 11, December 7, 9 p. m. [*a.m.*] and 12, December 8, 3 p. m.[25] and his hostility to G. M. Dimitrov (see my No. 25 of January 9, 3 p. m.). He implied the belief that the British, through the Agrarians probably, had had a hand in the political crisis of early December and expressed the opinion that General Oxley seeks a large leva account under Article Fifteen of the armistice convention to pay Bulgarian agents of British policy and otherwise to support Bulgarian opinion. He quoted Churchill as having stated recently in Athens that British action in Greece seeks to save Greece "from the danger from the north" and added that in the circumstances even if his accumulated distrust of Oxley were eliminated from the situation by the replacement of this particular officer, nothing would be gained as regards the overall picture as it was British policy (action agents) that was the distrusting factor.

Biryusov is obviously inexperienced in political matters. Perhaps in judging British policy he cannot see the woods for the trees, but he is by no means shy on intelligence, alertness or initiative. He is a man of great force of character, a fighting soldier of outstanding leadership, so it is said, and a devotee of "étatism" with a considerable knowledge of the weaknesses of all forms of government except that which his upbringing . . . has caused him wholeheartedly to adore. He told me last night that Russia's roots in Bulgaria were in the Bulgarian people; therefore that even the sacrifice of Bulgarian bourgeois leaders of traditional pro-Russian sentiment to the spirit of the times in Bulgaria was of no concern to him. His only interest in the leaders of the former democratic parties (this seems to include the present leaders of the Agrarian Party) is the fear that they, as bourgeois-minded individuals of prominence, may be susceptible of manipulation by interests politically hostile to Russia.

Biryusov appears not to distrust us as he does the British. How fully appearances reflect his convictions on this point is of course a matter for conjecture. I have been told by Bulgarians who were in

[25] *Foreign Relations*, 1944, vol. III, pp. 498 and 499, respectively.

the Armistice Commission that went to Moscow that Molotov made it clear to members of that Committee that Russian policy accepts Anglo-Saxon solidarity in a crisis as an established fact.

Under the circumstances, it occurs to me that perhaps a most useful purpose might be served if I were authorized to convey to Biryusov in some future informal talk, such as the one of last night, the substance of the October 25, 1944 report to the Policy Committee regarding the United States interests and policy in eastern and southeastern Europe [26] and of the recommendations of October 23, 1944 concerning United States policy with regard to Bulgaria.[27] I realize that in Washington this suggestion may present many angles that are not apparent here. On the other hand, each day brings to those of us in Bulgaria new evidence to the effect that the controlling factor in Russian-British-American relations in this country is the Soviet capacity for suspicion and the extent to which the agents of Soviet policy in Bulgaria are suspicious of Britain's designs in the Balkans.

Sent to Department; repeated to Moscow as 15.

BARNES

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[26] The report by a subcommittee of the Policy Committee, PC-8 (Revised), was prepared by the Assistant Secretary of State (Berle) and the Directors of four area offices. It emphasized "the independent interest of the United States" in the areas concerned and stated: "In Eastern and Southeastern Europe and the Near East, as elsewhere, the United States Government should consistently maintain and actively endeavor to further the following general principles irrespective of the type of territorial or political settlements which may result from the war:

"1. The right of peoples to choose for themselves without outside interference the type of political, social, and economic systems they desire, so long as they conduct their affairs in such a way as not to menace the peace and security of others.

"2. Equality of opportunity, as against the setting up of a policy of exclusion, in commerce, transit and trade; and freedom to negotiate, either through government agencies or private enterprise, irrespective of the type of economic system in operation.

"3. The right of access to all countries on an equal and unrestricted basis of bona fide representatives of the recognized press and information agencies of other nations engaged in gathering news and other forms of public information for dissemination to the public in their own countries; and the right to transmit information gathered by them to points outside such territories without hindrance or discrimination.

"4. Freedom for American philanthropic and educational organizations to carry on their activities in the respective countries on the basis of most-favored-nation treatment.

"5. General protection of American citizens and the protection and furtherance of legitimate American economic rights, existing or potential." (711.00/11-144)

[27] Annex D to PC-8 by the same subcommittee related to implementation of the points in footnote *supra* and stated:

"Briefly, our position is that Bulgaria must withdraw from all Greek and Yugoslav territory. We would favor some subsequent arrangement for free port facilities or other economic arrangement which would meet the more genuine need of the Bulgarians in their famous demands for an outlet to the Aegean.

"In the economic sphere attention must be given to the arrangements under which the Bulgarian Government sets up its export markets with particular reference to tobacco, since this is a product in which American companies will be directly interested on a fairly large scale, expecting to operate on the basis of free enterprise." (711.00/11-144)

740.00119 Control (Bulgaria)/1–1845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 18, 1945—4 p. m.
[Received 8:45 p. m.]

36. I saw this morning for the first time the annexes to the armistice with Bulgaria as they appear in the British secret "print" of October 28, which has just been received by Houstoun-Boswall.[28] I trust that copies of these documents are on their way to this mission as they obviously merit more study by General Crane and myself that [*than*] I was able to give them in a hasty reading this morning. The fact that in his letter of October 15 to Molotov, Mr. Eden said that he would not "insist on the British and American representatives being seated in the Control Commission" before the conclusion of an armistice with Germany, would seem to justify the "Soviet" as distinct from "Allied" character of the operations of the Control Commission in Bulgaria to date; all Molotov's characterizations in his recent reply to Eden's representations in Moscow of about a month ago of the role of the British and American delegates on the Control Commission as primarily that of liaison.

General Oxley has been called to London to assist in the preparation of a reply to Molotov's rebuttal to Eden's representations. He left yesterday before the receipt of the British "print" of October 28. As I read the contents of that document this morning no basis really exists for an effective reply to Molotov's rebuttal, and this is also the view of Houstoun-Boswall who feels very strongly that he and General Oxley have been "let down" by their government through its failure to inform them at an earlier date of what Eden had really agreed to with Molotov in the negotiations that led to the final terms of the armistice. Houstoun-Boswall said to me that it is now clear to him that every thing he and Oxley have done since their arrival here has been counter to the concessions made by Eden in Moscow, and he feels that an explanation is due the local authorities on the grounds that he and General Oxley have been operating in the dark through failure of London to keep them informed.

Under the circumstances I shall be surprised if Oxley agrees to return to Sofia, except perhaps for the express purpose of terminating his mission here. I am sure that the text of Eden's letter of October 15 will prove a bitter pill to him. Houstoun-Boswall telegraphed him last night at Caserta to be sure and familiarize himself with the "print" of October 28 before entering into discussions in London.

BARNES

[28] William E. Houstoun-Boswall, British Representative in Bulgaria.

860H.48/1–1945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 19, 1945—3 p. m.
[Received 8 : 30 p. m.]

37. In public addresses by prominent members of the Fatherland Front parties and through an avalanche of articles in the press, the Bulgarian public is being exhorted to give tangible form to the new Bulgarian policy of "brotherhood with all southern Slavs" [30] by coming to the aid of the suffering population of Yugoslavia with relief supplies [apparent omission] by kind. No such appeals are made in behalf of Greece nor is public mention made of Bulgaria's obligation under the armistice to provide food and other materials for Greece.

My next following telegram (No. 38) [31] reports on this campaign.

BARNES

701.6574/1–2545 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, January 25, 1945—10 p. m.

20. You will have observed the anomaly of establishing normal diplomatic relations between Bulgaria and Italy (Reurtel 13, January 6) [31] and maintaining such relations between Bulgaria and Rumania (Reurtel 22 December 11)[31] at a time when several United Nations Governments are not represented at Sofia and even the principal Allies have only informal representation (reurtel 5, December 2).[31]

We assume that the question of Bulgarian-Italian relations was not considered by the ACC but wish confirmation on this point. If the ACC has considered the matter, does it favor Bulgarian representation abroad during the armistice period? You will note that the subject was not specifically covered in the armistice agreement.

Kirk [32] has reported that there are already Italian representatives in Sofia and Bucharest performing certain functions unofficially on behalf of the Italian Government. We feel that representation of this character would adequately meet Italian needs for the present, and that it is unnecessary and undesirable to permit direct diplomatic relations between enemy states so long as they remain under an armi-

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[30] See vol. v, pp. 1304–1313, *passim*.
[31] Not printed.
[32] Alexander C. Kirk, who was simultaneously Ambassador in Italy and United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater.

stice regime, particularly prior to the resumption of such relations between the enemy states concerned and the United States, Great Britain and the Soviet Union.

The foregoing views have been communicated to the British and Soviet Governments. The British views, which have been communicated to us and to the Soviet Government, appear substantially to be in accord with our own. The Soviet view has not yet been learned.

Sent to Sofia, repeated to Moscow.[33]

GREW

740.00119 Control (Bulgaria)/1–2545: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 25, 1945—10 a. m.
[Received 7:15 p. m.]

47. Re your telegram 13, January 18, 8 p. m.[34] and my telegram No. 36, January 18, 4 p. m. Mr. Churchill's statement in the House of Commons [35] revealing the agreement whereby, for the time being, Bulgaria is to be dominated by the Russian military has helped to clarify Bulgarian opinion with respect to the operations of the Allied Control Commission.

People begin to realize that the Commission's decisions are really Russian decisions and that the British and ourselves are to a great extent merely onlookers. This situation is not to their liking, except in the case of the Communists, but in my opinion it is far better that the local population should know the truth than that it be permitted to continue in the confusion of mind caused by the lack of any sign of influence or interest on our part other than our physical presence in the country. In consequence I believe that the Department should seek an opportunity to make a statement clarifying from our side also that Russia is in full charge here.

While, as in the case of Churchill's statement, for us to emphasize the fact that for the time being Bulgaria is in Russian hands will not be palatable to most Bulgarians, we should, I believe, overlook [*look?*] to the future as well as thinking of the present. The most we can do for the present in my opinion is to urge all currents of democratic opinion in Bulgaria to make themselves known to the Russians and

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[33] As No. 161. A reply from Mr. Barnes (telegram 63, January 30, 1945, from Sofia) reported that the Bulgarian Government had accepted the Italian representative in Sofia as the Italian Minister as of January 3, 1945. Although the matter had not been considered by the Allied Control Commission, it presumably had the prior approval of the Soviet Union and the United Kingdom, the telegram added. (701.6574/1–3045)

[34] Not printed; it requested further reports on Bulgaria.

[35] *Parliamentary Debates*, House of Commons, 5th series, vol. 407, cols. 398–399.

at the same time to urge upon the Russians the wisdom of tapping all sources of cooperation here in contrast to their present preference for the Communists only. If the Communists are foisted on the country thru the device of a polit-bureau or an imposed workers peasant party, the country will be well along the road to civil war.

I believe that these are matters about which we have not only an obligation to concern ourselves, but with respect to which we may possibly perform the useful services enlarging Russian vision, on the one hand, and safeguarding at the same time for future utilization such friendship as naturally exists for United States here in all democratic quarters. I know that many important Bulgarians share this opinion with me and that they are prepared to do their best to work matter out with the Russians if, at the same time, they can count on our interest in the future welfare of their country and on our continued participation in world affairs. To take no active part in seeking as broad a basis as may be possible for mutual understanding between Bulgarian opinion and Russian activity, now that the Russians are here with their army, can only strengthen local fears that again the United States will withdraw within its shell once Germany has been defeated, for a second time.

In connection with the foregoing I still believe that the suggestion made in the final paragraph of my telegram 30 of January 12, 4 p. m., merits serious consideration.

Repeated to Moscow as 18 and AmPolAd as 16.

BARNES

740.00119 Control (Bulgaria)/1-2645 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, January 26, 1945—7 p. m.
[Received January 27—12:15 a. m.]

244. ReEmbs 162, January 17, 5 p. m.[36] Greek Ambassador on January 23 left at the Soviet Foreign Office a memorandum accepting the proposal for the appointment of a Greek representative accredited to the Allied Control Commission in Bulgaria which was made in a letter dated December 18 from Vyshinski [37] to the British Chargé in Moscow.[38]

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[36] Not printed; it reported that the Greek Ambassador had not yet approached the Soviet authorities concerning the proposed Greek mission to Sofia, but that he had prepared a draft note to the Soviet Government on the subject (740.-00119 Control (Bulgaria)/1-1745).

[37] Andrey Yanuaryevich Vyshinsky, Assistant People's Commissar for Foreign Affairs of the Soviet Union.

[38] John Balfour.

I have accordingly written to Molotov yesterday to inform him of our approval of this proposal, in accordance with the Department's 67, January 10, 9 p. m.

The Greek Ambassador's memorandum speaks of a representative who "would have access to the Allied Control Commission whenever it was considering a question affecting the interests of Greece", but since Vyshinski's letter merely proposed the appointment of a liaison officer who would present Greek claims under the Armistice Agreement, and the officer's functions were similarly defined in the Department's 67, I have in my own letter to Molotov referred to the proposed representative as "authorized to submit to the Commission the claims of the Greek Government arising out of the Armistice Agreement with Bulgaria".

The British Chargé, in a letter to Molotov dated January 22, has approached the question on a different basis by asking that the same arrangements be made for the representation of the Greek and Yugoslav Governments with the Allied Control Commission in Bulgaria as have been agreed upon for the Czechoslovak and Yugoslav Governments in Hungary. Balfour states that the British Government does not understand why Molotov was reluctant to take this action at the same time that the Czechoslovak and Yugoslav Governments were invited through their Ambassadors in Moscow to appoint representatives in Hungary, and has instructed him to ask that letters now be sent to the Greek and Yugoslav Ambassadors in Moscow, inviting their governments each to send a representative to Sofia who would have access to the Control Commission on all questions affecting the interests of his government.

The British Government, Balfour adds, takes it for granted that the Greek, Yugoslav and Czechoslovak representatives in Bulgaria and in Hungary will have access to the American and British representatives on the Control Commission.

Sent to the Department as 244, repeated to Athens as 5, Sofia as 7, AmPolAd Caserta as 13 and London for Patterson [39] as 30.

KENNAN

740.00119 Control (Bulgaria)/1–1845 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, January 26, 1945—11 p. m.

21. Reurtel 36, January 18. There are no annexes to the armistice with Bulgaria, unless the four-point protocol (delivery of foodstuffs to

[39] Richard C. Patterson, Jr., Ambassador to the Yugoslav Government in exile.

Greece and Yugoslavia, definition of war material, delivery of vessels, and services and supplies for Allied representatives) may be so considered. Among the related unpublished documents would be (1) the exchange of letters concerning the American intention, if desirable at some later date, to discuss the detailed manner in which Article 18 should be implemented;[40] and (2) the British or Soviet records of that part of the Eden-Molotov negotiations at Moscow dealing with Bulgaria. It is probably these latter documents to which you refer.

The Department had some knowledge of the Eden-Molotov conversations,[41] which covered a variety of subjects and in the course of which, as the Department learned, Eden said that he was obliged to concede to the Soviet Government a predominating influence in Bulgaria in exchange for concessions in Yugoslavia which the Soviets made to the British. It was therefore important that this Government should make it clear that the Eden-Molotov deal should not be binding on us. While we accepted the compromise text of Article 18, we were not party to "interpretations" or "understandings" between the British and Soviet Governments as to the meaning of the word "participation". We felt that during the military period our position on the Control Commission would of necessity be similar to that in Rumania, and similar to the Soviet position in Italy but that, not being bound by any interpretation agreed on by the British and Soviet Governments as a part of their general understandings on Balkan affairs, we could obtain the substance of our requirements under the term participation as it stands in the text. We were particularly unwilling to acknowledge, for the second period, a status where our representatives would have hardly more than observer and liaison functions. Accordingly Mr. Winant was instructed[42] to inform his British and Soviet colleagues in the EAC that he had been directed to state that this Government continues to feel that Article 18 should properly have contained an additional provision to the effect that in the second period the Control Commission will regulate and supervise the execution of the armistice according to the instructions of the three Governments. There followed the exchange of letters referred to above. In the Soviet reply reference was made to the discussions with Eden in Moscow, and the letter continued by stating that the provision for the chairmanship signifies that the direction of the Control Commission will belong to the Soviet Command during both periods, although in the second period the leading rôle of the Soviet High Command will be "limited to a certain degree in favor

[40] See footnote 6, p. 135.
[41] See footnote 8, p. 136.
[42] Telegram 8735, October 21, 1944, 3 p. m., to London, *Foreign Relations*, 1944, vol. III, p. 469.

of the American and British representatives." The reply also expressed the unwillingness of the Soviet Government to agree to a proposal for supplementing Article 18, since this might be interpreted as meaning that the three Governments would have an equal share in the practical activity and responsibility although only Soviet troops are in Bulgaria, and the country is not divided into zones of occupation. Such an interpretation, the letter continued, would lead to the elimination of the Soviet Command from the direction of the Control Commission, and in accepting the present form of Article 18 the Soviet Government based its attitude on the necessity for preserving the leading rôle of the Soviet High Command "although in a somewhat different form, likewise during the second period."

Since the Soviet letter closed with an assumption that the American delegation would not insist on a further discussion of this article, Mr. Winant was directed [43] to reaffirm the position taken in his first letter. He was instructed to say that the considerations advanced by the Soviet Government do not afford a convincing reason for the abandonment by this Government of its intention to discuss this question, and that they do not materially alter the desire of this Government to reexamine at an appropriate time together with the British and Soviet Governments the manner in which Article 18 should be implemented during the second period.

We have reason to believe that the language of the Soviet letter was substantially the same as that used in a letter from Molotov to Eden dated October 15, and while we were informed that Eden sent only a "simple acknowledgment" [44] it may be that his reply, however short, accepted the Soviet position. The important point is that, whether or not the British may have accepted definite restrictions for themselves, the American representation on the ACC is governed by the language of the armistice as published, with such further potential advantages as we may claim under our reservation.

It is realized that in practice the Russians may not find it easy to make distinctions in the treatment of the British and American delegations. Your recent telegrams show your appreciation of this situation. With these considerations in mind General Crane need feel no hesitation in maintaining, as the Department considers he has very capably done thus far, his position for participation in regular and sufficiently frequent meetings of the ACC, for the right to obtain information from its respective sections, and for prior knowledge of important decisions made in the name of the ACC, even though the Soviet element, which retains, at least in the first period, administrative and

[43] Telegram 25, January 1, 1945, midnight, p. 137.

[44] See telegram 8904, October 18, 1944, 9 p. m., from London, *Foreign Relations*, 1944, vol. III, p. 463.

executive power, may not feel obliged to accept his recommendations or advice. We expect that as a result of Harriman's talks with Molotov in connection with the Hungarian negotiations arrangements will be made for better attention to the needs of our missions in Bulgaria.

The foregoing is being communicated to the Joint Chiefs for their information in replying to a telegram from General Crane on this matter. Sent to Sofia; repeated to London, Moscow and AmPolAd.[45]

GREW

740.00119 Control (Bulgaria)/1–3045 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, January 30, 1945—11 a. m.
[Received January 31—10:40 a. m.]

279. I have been somewhat puzzled by statements made in Barnes' telegrams No. 17 (number to Department unknown[46]) January 25, 9 a. m. and No. 47, January 25, 10 a. m. to Department as well as a message from General Crane which was shown to me by our military mission, all indicating that Barnes and General Crane were both under misapprehension as to the position of the American representative on the Bulgarian Control Commission during the first period. I do not know what their original conception was or what documents they have now seen. Our JA [*file?*] is not complete on this subject for the reason that the matter was discussed in a preliminary way only between the British and the Russians on the occasion of the Churchill visit and was finally concluded in EAC. I gather from what the British Chargé tells me that a letter written by Eden to Molotov, in which reference was made to the British and American representatives "not taking their seats" in the Commission before the termination of war with Germany, may have been one of the causes of unclarity.

I should like to say that it was our understanding here that the position of the American and British representatives on the Control Commission in Bulgaria would be the same during the first period as that of their counterparts in Rumania, i.e., that they would take their seats as regular members of the Commission but the Commission would function as stated in the armistice under the general direction of the Allied (Soviet) High Command. In other words, their position would be comparable to that of the Soviet representatives on the Control Commission in Italy (please see Mr. Harriman's 3911, October 12, 7 p. m.[47] repeated to Caserta October 13, and my despatch

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[45] As 634 to London, 175 to Moscow, and 68 to AmPolAd, Caserta.
[46] No. 46, not printed.
[47] *Foreign Relations*, 1944, vol. III, p. 449.

1197 of November 14 [48] giving a review of the armistice negotiations in Moscow).

Since drafting the above I have received the Department's telegram sent to Sofia [49] and repeated to this Mission as 175, January 26, 11 p. m. and am glad to note that the Department's understanding checks entirely with ours.

With respect to the possible effect of the Hungarian arrangements on Soviet treatment of our needs in Bulgaria mentioned in the last sentence of the next to the last paragraph of the Department's message, I may say that two days ago the British Chargé acting on instructions of his Government [50] expressed to Molotov the hope that the arrangements worked out for the Hungarian Commission would apply in the case of Bulgaria as well. Molotov's reaction was instantaneous and highly negative. He maintained that these matters had no connection, that the concessions which the Russians had made with respect to the Hungarian Control Commission applied only to Hungary and that the United States position in Bulgaria was governed exclusively by the documents and conversations relating specifically to that country.

I personally believe that in giving this answer Molotov had in mind only the British and I do not think that his statement need discourage General Crane in any way from maintaining the position outlined in the next to the last paragraph of the Department's telegram.

Repeated to Caserta as 15 and Sofia as 8 and London as 37.

KENNAN

740.00119 Control (Bulgaria) /1–3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, January 30, 1945—3 p. m.
[Received 8 : 10 p. m.]

61. The documents referred to in my telegram No. 36, January 18, 4 p. m. are:

1. Eden's text to Molotov of October 15 confirming agreement between the two on the main points that were outstanding in the text of the armistice prior to meeting between the two on October 14 and enclosure which set forth British compromise proposal to assure that Bulgarian resources are conserved in interest on [*of?*] reparations. Paragraph 7 of that letter consists of following significant statement:

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[48] Not printed.
[49] As 21, *supra*.
[50] See also telegram 280, January 30, 1945, 2 p. .m., from Moscow, *Foreign Relations*, 1944, vol. III, p. 983.

"I also do not press my suggestion that the protocol should contain a reference to our present understanding that the British and American representatives will not take their seats on the Control Commission until the conclusion of hostilities with Germany. We can, as you prefer, leave this to be understood between us." The closing sentence of the letter is "It is, of course, clearly understood between us that the agreement which we have reached here at Moscow does not bind the United States Government, who are represented in this matter by their delegate on the European Advisory Commission."

2. Molotov's reply of October 16 declining definitively the British proposal for the safeguard clause with respect to conservation of Bulgarian assets, declaring equality of position between the three Allies with regard to Bulgarian supplies for war industries in Allied countries and agreeing to publication of the protocol and early submission of draft armistice and protocol to European Advisory Commission "for the purpose of obtaining the approval of the United States Government."

3. Eden's reply of October 17 regretting Molotov's inability to accept compromise proposal to assure that Bulgaria does not dissipate her resources, noting Molotov's statement on Bulgarian supplies for war industry and agreement on publication of protocol and stating that text of armistice and protocol have been telegraphed to London for submission to EAC.

4. Letter to Eden from Molotov dated October 15 which was referred to in Department's telegram 5, January 2, 7 p. m.[51] and in Department's unnumbered telegram [52] of January 26, 11 p. m.

5. Eden's brief acknowledgement of document No. 4 above.

6. Winant's note of October 22 to acting Soviet representative on European Advisory Committee. While this letter reserves our right to discuss at a later date with the two other Allied Governments the implementation of Article 18 of the armistice during period subsequent to the conclusion of hostilities against Germany, it contains no reservation to any other points in the Eden-Molotov exchange of correspondence and especially no reservation to "our personal understanding that the British and American representatives will not take their seats on the Control Commission until the conclusion of hostilities with Germany."

7. Reply to document No. 6 above by Soviet Chargé d'Affaires.

8. Strang's acknowledgement of Winant's letter of October 22.

There has been no meeting of the Allied Control Commission, that is, as between the Russians and the British and American representatives since December 28 and it is the view of General Crane that further

[51] Not printed; it paraphrased telegram 25, January 1, 1945, midnight, to London, p. 137.
[52] Telegram 21, p. 148.

734-362—68——11

meetings are unlikely before the termination of hostilities with Germany in view of points outlined above from the Eden-Molotov exchange of correspondence. In the meantime as reported in my current telegrams, important decisions with respect to Bulgaria have been taken by the Russians without prior or subsequent communication to the British and American representatives to the Commission and there is no reason to expect any sudden change in the state of affairs. It is for these reasons that General Crane and I continue in the views expressed in my telegram No. 47 of January 25, 10 a. m.

Repeated to Moscow as 20; to AmPolAd as 19 and to London.

BARNES

874.00/2-145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 1, 1945.
[Received February 2—7:49 p. m.]

66. First and second divisions people's courts Sofia, in sentencing this evening former Regents,[53] Cabinet Ministers [of] Filov,[54] Bojilov,[55] Bagrianov [56] and Muraviev [57] governments, and King's counsellors, far exceeded severity of penalty demanded by public prosecutors, thus giving a cue to the innumerable people's courts now sitting or soon to sit throughout the country. The Sofia courts have condemned one hundred to death and twenty-nine to life imprisonment. If the provincial courts follow in this footpath, many hundreds, perhaps thousands, will be disposed of. Today's sentences follow: Condemned to death—ex-Regents Prince Kiril, Filov and General Mihov; ex-Ministers Bojilov, Bagrianov, Gabrovsky, Mitakov, Daskalov, Zagorov, Kushev, engineer Vasilev, Goranov, Iotsov, Partov, Zahariev, engineer Petrov, Shishmanov,[58] Docho Hristov, General Rusev, Ivan Vazov, Ivan Beshkov, Purvan Draganov,[59] Dr. Stanishev, Staliisky and Boris Kolchev; court counsellors Sevov, Lulchev, Pomenov, Hanjiev, Kostov, Gruev, General Zhechev and Genchev; and 67 former National Assembly Deputies including Professor Tsankov now in Germany.

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[53] Prince Cyril (Kiril), brother of the late King Boris III; Prof. Bogdan Filov, and Lt. Gen. Nikola Mihov, from September 9, 1943, to September 9, 1944.

[54] Bogdan Filov was Prime Minister from January 1, 1941, to September 9, 1943.

[55] Dobri Bozhilov (Bojilov) was Prime Minister from September 14, 1943, to June 1, 1944.

[56] Ivan Bagryanov was Prime Minister from June 1 to September 2, 1944.

[57] Konstantin Muraviev was Prime Minister from September 2 to 9, 1944.

[58] Dr. Dimiter Shishmanov was Minister for Foreign Affairs, October 18, 1943–June 1, 1944.

[59] Purvan Draganov was Minister for Foreign Affairs, June 13–September 2, 1944.

Condemned to life imprisonment—ex-Ministers Arnaudov, Rusi Rusev, Muraviev and Dimov; counsellors Morfov and Balan; and 23 deputies. Lighter prison sentences are: ex-Ministers Hristo Vasilev and Savov, 15 years; Mushanov, Gichev and Burov,[60] 1 year; Gerginov, Pavlov, Popov and Daskalov, 1 year suspended sentence; and 26 deputies with sentences from 1 to 15 years. Confiscation of property of deceased ex-Ministers Ivan Popov,[61] Radoslavov and Slaveiko Vasilev; and that of 9 deceased Deputies. Three deceased Deputies were declared innocent.

BARNES

874.00/2-245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 2, 1945—9 a. m.
[Received 9 : 30 p. m.]

67. My British colleague and I asked the Minister for Foreign Affairs[62] last night to give us the benefit of his interpretation of the severity of the penalties imposed yesterday by the People's Courts of Sofia (please see my 66, February 1). The public prosecutors had asked for death in the case of 22 [*25*] Regents and Ministers, 25 [*67*] Deputies and 5 Chancellors [*8 Counselors*].

The Minister left no doubt in our minds that he considers that the courts went far beyond what sane public opinion demanded, particularly in the case of the Muraviev Cabinet, the Deputies and to some extent in the case of the King's Counsellors and the Bagryanov Cabinet. However, what's done is done, he said. It is obvious that the non-Communist elements of the Government are not going to create any political crisis over the decisions.

Perhaps the most glaring bit of evidence revealing political objectives in the decisions, and that the accusations were not merely "war crimes" but all political activity against the "left" since the time of Stamboliisky[63] came at the sentences of one year's imprisonment for Burov and Mushanov (one is 70 years old and the other 75). The Communists are determined to eliminate all potential democratic opposition and yesterday's decisions further paved the way for them.

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[60] Nikola Mushanov, former Prime Minister, leader of Democratic Party, and Minister without Portfolio, September 2–9, 1944; Dimitri (Dimiter) Gichev, leader of Agrarian Party and Minister without Portfolio, September 2–9, 1944; and Atanas Burov, former Minister for Foreign Affairs and leader of People's Party, Minister without Portfolio, September 2–9, 1944.

[61] Minister for Foreign Affairs, January 1, 1941–April 11, 1942.

[62] Prof. Petko Stainov.

[63] Alexander Stambulisky, leader of the Peasant (Agrarian) Party and Prime Minister, 1919–1923; he was assassinated.

The limits to which the Communists have gone in mounting their macabre tableau are indicated, for example, by the fact that Burov's son (now a soldier) was compelled to demonstrate at the moment of reading of the sentence shouting "death for all", all soldiers, lesser public functionaries and state employees in Sofia area were required by orders of the Fatherland front, inspired by the Communists, to participate in this demonstration of "the people's wrath".

The excessive nature of yesterday's decisions is bound to exert an influence in support of similar action by the many provincial courts that have been or are now being set up to try "Fascists". The ultimate effect, I fear, will be further to strengthen in Bulgaria the German contention that anything is better than a "Red victory in Europe". Democratic opinion here continues to ask "why have we been delivered over to the Russians by the Anglo-Saxon Powers".

Executions will probably take place today, if they have not already been carried out.

Repeated as number 24 to Moscow and No. 22 to AmPolAd.

BARNES

874.00/2–1045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 10, 1945—3 p. m.
[Received 7 : 45 p. m.]

78. Now that some days have passed since those charged before the first and second divisions of the People's Tribunals of Sofia were sentenced and 100 executed. (Please see my telegrams Nos. 66, 67 and 68.[64]) No room for doubt left that the effect has been to spread consternation and fear throughout the classes that have dominated Bulgarian political and economic life in the past. There is a feeling that the non-Communist elements of the government showed great weakness in bowing without protest to the severity of the sentences and that they have become more completely than ever prisoners of their Communist colleagues.

Responsibility for the excesses is collective.

While perhaps it would be unfair to say that the government is deliberately seeking to shift some responsibility on to the Allies and the Allied Control Commission, nevertheless, comment to the effect that the People's Tribunals are carrying out the intention of article VII [*VI*] of the Armistice Convention and that the representatives

[64] No. 68 not printed.

of Great Britain, Russia and the United States did not protest against the sentences was a widespread act to justify the suspicion of some official[s?].

Whether inspired or not the comment is sufficiently widespread to impose itself upon our notice. We must also take into account the probability that the effects of the decision shall carry far into the country's political future. Under the circumstances, I believe that the Department may wish to consider the issuance of a statement making the point that so far as we are concerned the ACC and the People's Tribunals are in no way connected.

The provincial People's Tribunals continue their way with severity (please see my No. 73 February 6 and 76 February 7 [65]). Yesterday's press announced the imposition of 35 death sentences (13 in absentia) by the Tribunal of Botevgrad; 32 were sentenced to imprisonment for periods from one year to life.

Repeated to Moscow as 27 and AmPolAd as 31.

BARNES

811.91274/2–1045 : Telegram

The Acting Secretary of State to the Chargé in the Soviet Union (Kennan) [66]

WASHINGTON, February 10, 1945—8 p. m.

293. On February 5 Associated Press carried story from Rome quoting public relations officers at Allied headquarters as saying that prolonged negotiations had failed to gain access for American and British correspondents as a group to any Balkan country except Greece.

Queried at press conference if Department had participated in negotiations for such right of entry, Acting Secretary replied affirmatively, adding was policy of Department to support applications vigorously.

Meanwhile word received from Barnes at Sofia of receipt of telegram from PRO Caserta urging he expedite application correspondents at Caserta seeking entry Bulgaria. Only name mentioned by Barnes was that of Clay Gowran of *Chicago Tribune*. *Tribune* has queried Department regarding Gowran asking its good offices.

Requests have also been received by Department from Overseas News Agency regarding Constantine Paulos now at Athens seeking entry into Bulgaria and Henry H. Frank seeking entry into Hungary

[65] Neither printed.

[66] Repeated to Caserta as 124, to Athens as 126, to Sofia as 34, and to Bucharest as 68.

Please bring these applications to attention of Foreign Office and keep Department informed of developments. In view of the increasing concern in American press circles at the exclusion of American correspondents from Balkan areas under Soviet control, and considering the statement of the Acting Secretary referred to above, these and other applications by American correspondents should, at your discretion, be pressed with vigor.

GREW

740.00119 Control (Bulgaria)/1–1945 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, February 15, 1945—7 p. m.

37. Reurtel 37, January 19. Bulgarian apathy regarding relief deliveries to Greece is deeply deplored here. Reurtel 16 January 6,[68] Section 2, Caserta reports in A–12 of January 18 [68] that question of unauthorized Bulgarian reparations to Yugoslavia was discussed in December 28 meeting of ACC and that, in spite of concurrence in Oxley's suggestion that Commission express to Bulgarian Government its disapproval of General Terpeshev's [69] statements promising relief goods for Yugoslavia, it was believed no adequate representations would be made.

On all appropriate occasions please express our desire for constructive action in this matter. You may indicate that Bulgarian policy in this respect has produced a distinctly unfavorable reaction here. You should stress our heavy commitments in effecting relief shipments to Greece and adjacent areas and the legal and moral obligation of the Bulgarian Government to direct its relief shipments impartially between Greece and Yugoslavia, to which latter country we are also extending relief. You may also indicate the possible adverse effect on American public opinion and sympathy for Bulgarian problems of Bulgaria's present attitude. Sent to Sofia; repeated to Athens [70] and Caserta.[71]

GREW

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[68] Not printed.

[69] Lt. Gen. Dobri Terpeshev, Bulgarian Minister without Portfolio and Communist Party member.

[70] As No. 137.

[71] As No. 145. In telegram 2409, May 30, 6 p. m., the Ambassador in Italy (Kirk) reported from Caserta that the Bulgarian authorities had handed over to Greece at the frontier the following in payment for reparations: 17 mules and 85 horses in extremely bad condition (740.00119 Control (Bulgaria)/5–3045).

740.00119 Control (Bulgaria)/2-1645 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, February 16, 1945—9 p. m.

348. Barnes at Sofia has reported [72] that notwithstanding the assurances of the Bulgarian Prime Minister [73] concerning the safety of the Queen Mother and her two children whose security is a question of Bulgarian "national honor" the Queen appears still to be somewhat anxious regarding the personal safety of her children. She has therefore raised with the Regents the question of immediate departure with her children for a month's visit to her family in Italy. Kirk has just telegraphed [74] that King Victor Emanuel, the Queen's father, has sent a representative to him to request that the President intercede together with Stalin and Churchill in behalf of Queen Joanna, this appeal coming not "from a former chief of State but from a father and grandfather." Kirk's message is being communicated to the White House, for the President's information upon his return.

Meanwhile, Barnes has been authorized [75] to inquire whether the matter has been presented to the ACC at Sofia and if so to request General Crane to indicate to General Biryusov that this Government would concur in favorable action. He will keep you informed. In its instruction to him the Department has said that it thinks that the Bulgarian authorities might properly be expected to make suitable arrangements for the Queen, her children and appropriate suite to travel freely from Bulgaria to visit her relatives in Italy. Upon learning from Barnes that the question is before the ACC you may inform Mr. Molotov of our attitude toward the question, and request that if the Soviet Government concurs it so inform General Biryusov.

The substance of the foregoing is being communicated informally to the British Embassy here, which will inquire whether the Foreign Office will authorize the British representative at Sofia to support action along these lines.

GREW

740.00119 Control (Bulgaria)/2-1945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 19, 1945—2 p. m.
[Received 5:15 p. m.]

93. Please see my 36, January 18, 4 p. m. General Oxley is back from his visit to London. He is no more hopeful of real three-way

[72] Telegrams 71, February 5, 1945, 5 p. m., and 88, February 16; neither printed.
[73] Kimon Georgiev.
[74] Telegram 393, February 14, 1945, 10 p. m., from Rome, not printed.
[75] Telegram 39, February 16, 1945, not printed.

cooperation on the Allied Control Commission than he was at the time of his departure; perhaps even less so, as it does not appear that he learned anything in London indicating a willingness on the part of the Russians to budge one inch from the position taken by them that the Eden-Molotov exchange of correspondence, summarized in my No. 61 January 30, 3 p. m., fixed definitively for the time being the manner in which the Allied Control Commission in Bulgaria should operate. Molotov's dismissal of the British representatives, seeking application here of arrangements similar to those worked out for the Hungarian Control Commission (reported in Moscow's 279 [76] to the Department), appears to be Russia's last word on the subject for the period before an armistice with Germany. More than three weeks have passed since that report, and in the interim nothing has occurred so far as General Crane and I have observed, to support the view expressed in the final paragraph of Moscow's No. 279 that in giving his answer Molotov had in mind only the British. The decisions of the Control Commission remain exclusively Russian decisions, without prior or subsequent notice to ourselves or the British, unless some occasion arises for a specific inquiry, and then such replies as we do receive are usually fragmentary and therefore unsatisfactory. Bowing to necessity General Oxley is reducing his "military personnel from about 150 to presumably the limit of 50 set by our Russian partner".

Repeated to Moscow as No. 29 and to Caserta as No. 36.

BARNES

740.00119 Control (Bulgaria)/2–2245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 22, 1945—2 p. m.
[Received 7:08 p. m.]

98. General Crane and I shall on all appropriate occasions express the Department's concern over the failure of Bulgaria to make relief deliveries to Greece and will continue to press for such deliveries, but I feel that I should go into it once again in connection with the Department's telegram No. 37, February 15, 7 p. m., that while we do not know precisely what Russia herself is taking from Bulgaria we do know that great quantities of Bulgarian produce are being consumed by the Russian troops here and are also being made available to meet Russian needs elsewhere. We therefore feel that the presentation here in support of Bulgaria's commitments with respect to Greece and Greece's

[76] January 30, 1945, 11 a. m., p. 151.

needs for Bulgarian supplies cannot be effective without change in directives from Moscow to the Russian command in Bulgaria. The following somewhat offhand comment on the Bulgarian foodstuff situation is made in a recent letter from General Biryusov to General Crane, "The work is being done to establish the extent of foodstuff resource in Bulgaria and the possibility of supplying the troops of the Allied (Soviet) command with them."

To GMTU [*sic*] Moscow as No. 32 and to AmPolAd as No. 41.

BARNES

874.00/2–2245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 22, 1945—4 p. m.
[Received February 22—3 : 55 p. m.]

100. In connection with second paragraph of my telegram No. 78, February 10, 3 p. m., I believe the Department will be interested to know that in a written reply from General Biryusov to a request made by General Crane for a statement on the fulfillment of the Bulgarian armistice terms to date, the following passage appears:

"The Ministry of Foreign Affairs has officially announced that all the criminals responsible for the war and the fascist regime have been arrested. Among them were the former members of the Regency council, the Royal advisers, the Minister's Royal Cabinets from 1940, deputies of the National Assembly as well as the leaders and members of fascist organizations. The trials took place in Sofia resulting in decisions that are well known to you. At the present time trials are being held in numerous districts and regions."

It would seem obvious from this that the Russians view the people's tribunals as directly connected with article 6 of the Armistice Convention (article 6, and not article 7 as stated in my 78, is the correct reference).

Repeated to Moscow as 34 and to AmPolAd as 43.

BARNES

740.00119 Control (Bulgaria)/2–2445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, February 24, 1945—4 p. m.
[Received February 25—4 : 07 a. m.]

541. Copy of telegram of British Foreign Office to British Embassy, Washington of February 21, concerning Bulgarian Control Commission has been made available to me by British Ambassador here. I

note that British Embassy, Washington is instructed in that message to seek support of our Government for a further approach to the Russians on this subject.

I wish to make the following observations on these British suggestions:

(*a*) I do not feel that it would be wise for us to try to use the arrangements arrived at in the case of Hungary as a lever for improvisement [*improvement?*] of treatment of our representative on the Bulgarian Control Commission. If we are dissatisfied with the treatment General Crane is getting (and the telegrams received from Sofia seem to indicate that we still have cause to be) let us take the matter up firmly with the Russians on its own merits without reference to Hungary, in the light of discussions that preceded conclusion of Bulgarian armistice, and insist on what we consider ourselves to be entitled to. I think we should do this independently of the British. When we negotiated with the Russians the terms to be presented to Hungary we were envisaging specifically the situation in that country and we did not take position with the Russians that any arrangement we might make with respect to Hungary would automatically become valid for other countries. I think that it would be inappropriate and add to unavailing argument if we were now to attempt to claim for the Hungarian arrangements applicability to the situation prevailing in another country. (Please see in this connection Embassy's 279, January 30, 11 a. m.)

(*b*) I do not have a copy of the British proposals for the second period contained in the note circulated to American and Soviet delegations at Yalta.[77] I see no reason, however, why we should not demand that during the second period, regardless of presence of Soviet troops in Bulgaria, no policy decisions should be taken by the Commission without concurrence of our representative, leaving to the Soviet chairman the exercise of executive power.

Sent to Department as 541, repeated to Sofia as 14.

HARRIMAN

740.00119 Control (Bulgaria)/2–2445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 24, 1945—6 p. m.
[Received 8:20 p. m.]

1936. The Foreign Office today informed us of a telegram regarding the Allied Control Commission in Bulgaria sent yesterday to the British Embassy at Washington for communication to the Depart-

[77] Circulated on February 10, *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 889.

ment. The official with whom we discussed this matter emphatically characterized British interest in the matter as "lively". The British and American positions on the Commission, he said, were most unsatisfactory, especially as regards facilities to obtain local exchange and in limitations on circulation of Anglo-American personnel. The Foreign Office instructed the British Embassy to inform the Department that the British Government would be grateful for the support of the United States Government in proposing to the Soviet Government that the Allied Control Commission in Bulgaria function along the lines of that which has been agreed upon for Hungary.

Sent Department as 1936; repeated Moscow as 64.

WINANT

740.0011 E. W./2-2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 27, 1945—10 a. m.
[Received 2:09 p. m.]

106. Re my telegram 94, February 21 [*20*], 3 p. m.[78] Since the appearance in the local press of the Crimean declarations [79] hardly a day has passed that some prominent Bulgarian, frequently a member of the Government or a leading military figure, has not asked me one or more of the following questions [:]

1. Does the US really intend to make its influence felt in this part of the world and, in particular, will it actively seek to assure a free expression of Bulgarian opinion in the forthcoming elections? This question is invariably posed in the form of an expression of hope that henceforth we will make our influence felt in Bulgaria and the rest of the Balkans.

2. Was the subject of Bulgarian co-belligerency discussed at Yalta and why is it that the Anglo-Saxon powers appear so churlish with respect to Bulgaria in comparison with Russia's professed friendly interest in the country, thus surrendering to Russia the "key to the Balkans", which most Bulgarians consider their country to be in view of its geographic position and the vitality and tenacity of its population?

3. What is the formula to be applied in determining which states will be and which states will not be invited to the San Francisco Conference? [80]

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[78] Not printed.

[79] The communiqué signed February 11 at Yalta was released to the press on February 12; for text, see *Conferences at Malta and Yalta*, p. 968.

[80] See telegram Argonaut 147, February 11, from Secretary of State Stettinius at Yalta to Acting Secretary of State Grew, *ibid.*, p. 943. For documentation on the United Nations Conference on International Organization, held at San Francisco, April 25–June 26, see vol. I, pp. 1 ff.

At first thought it may appear easy to dispose of these questions merely by reference to Bulgaria's past record and the fact of her location in an area of great interest to Russia. Considerations of the future, however, argue against such a cursory dismissal of these questions, which are asked in all sincerity by prominent people deeply preoccupied over the future of their country and who have risked much to impose upon Bulgarian policy [*upon Bulgaria a policy?*] in line with the war aims of the Allied Powers. In any event, it would prove most helpful to this mission if the Department could supply it with information on these points.

Repeated to AmPolAd as 46 and Moscow as 38.

BARNES

740.00119 Control (Bulgaria)/2–2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, February 27, 1945—2 p. m.
[Received 4:33 p. m.]

107. General Crane and I strongly support the views set forth in Ambassador Harriman's telegram No. 541, February 24, 4 p. m., sent to the Department. Our views with respect to minimum requirements for effective American participation in the Allied Control Commission here are set forth in telegram No. 1254, February 26, top secret, from General Crane to the Joint Chiefs of Staff.

We believe that it would be most useful if we were supplied with the text of the British proposals for the period after an armistice with Germany referred to in paragraph (*b*) of Ambassador Harriman's telegram No. 541.

Repeated to Moscow as No. 39.

BARNES

740.00119 Control (Bulgaria)/2–2845 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, February 28, 1945—1 p. m.
[Received 1:33 p. m.]

580. ReDepts 279, February 9, 5 p. m.[81] I have received a letter from Vyshinski dated February 26 in reply to Kennan's letter to the

[81] Not printed; it instructed the Embassy to endeavor urgently to obtain blanket permission for a weekly American Air Transport Command plane to fly from Bari to Athens, Sofia, Belgrade, Bucharest, Budapest, and return carrying official passenger traffic including American diplomatic couriers and official mail (740.00119 Control (Bulgaria)/2–945).

Foreign Office requesting permission for a weekly Air Transport Command flight from Bari to Budapest via Athens, Sofia, Belgrade and Bucharest. Vyshinski says that because of war conditions and to avoid any misunderstandings or accidents the Soviet Command thinks it necessary to maintain the present procedure, whereby flights of American planes carrying service personnel or official mail are individually cleared with the Soviet Command on the basis of the established procedure.

HARRIMAN

671.7431/3–145 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, March 1, 1945—4 p. m.

51. 1. Communication has been received from British Embassy requesting Dept's views on resumption of Bulgarian foreign trade and stating that Bulgarian officials have "requested ACC to obtain the lifting of governmental bans on exports to Bulgaria of goods of British and American origin." British Embassy has informed Dept that Foreign Office views are to be conveyed to US representatives by British representatives ACC Bulgaria.

2. Discussions revolving around specific commodity transactions (ReDeptels 6 and 17 of January 5 and 25 [82]) are deemed more likely to enlist ACC support for the desired resumption of Bulgarian foreign trade than an approach on general terms. Please report your recommendations about preferable approach to ACC.

3. However, if you consider it necessary to indicate US approval of the principle, you are authorized to request General Crane to discuss the resumption of trade on general basis with the head of Soviet Economic Section, ACC, after discussion with your British colleague. It is preferred, however, that you defer discussion with Soviets until Dept receives and considers your reply to Deptel 17 and to this and immediately following telegram [83] and develops basis for specific transactions.

4. In discussing resumption of Bulgarian foreign trade, the following general points should serve as a guide:

A. Permission for correspondence, excluding transactional communication, between US and Bulgaria is under discussion here but no definite date for reopening can be given.

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[82] Neither printed.

[83] No. 52, not printed; it requested information on exportable commodities (874.00/1–945).

B. It is believed FRB[84] would be reluctant to establish accounts for the Bulgarian Central Bank without certification by Dept under Section 25*b* [*25*] of the Federal Reserve Act.[85] Such certification by Dept would presumably have to await the reestablishment of diplomatic relations between the two countries. US commercial banks may also prefer such certification although this is less certain; however, certification question does not arise for Bulgarian commercial banks. Transactions in accounts in US banks for Bulgarian banks would require appropriate Treasury licenses. Currently no arrangements for a dollar-lev rate are being made though a rate could be set whenever financial conditions permit. Dollar proceeds might be subject to Bulgarian past and present due obligations payable or collectable in US. Possibly some arrangements might be made for holding part of the credits accruing from US or Allied purchases of commodities for Bulgarian purchases abroad.

C. Concerning the Bulgarian request in paragraph 1 above for lifting bans on exports to Bulgaria, it would be difficult to export high priority goods to Bulgaria. For the present, extension of credits to Bulgaria for the purpose of its importing goods would be unlikely and extremely difficult to arrange.

D. Dept prefers trade on private basis. However, as far as US participation is concerned, only trade on governmental basis might be feasible at present. This point will be discussed more fully here to determine the most appropriate method.

E. Greece and Yugoslavia should have prior claim on any available Bulgarian commodities which are stipulated in the Armistice with Bulgaria.

F. There is no objection in principle to trade between Bulgaria and other countries if transactions with statutory listed or black listed firms are not involved. Imports of goods of enemy origin or interest would be prohibited by requiring certificates of origin and interest.

5. Immediately following telegram refers to commodities and facts pertinent to possible development of trade on specific transaction basis. Similar telegrams sent to Bucharest as Nos. 96 and 97.

GREW

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[84] Federal Reserve Board.
[85] Approved December 23, 1913; 38 Stat. 251, 273.

874.00/3-245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 2, 1945—2 p. m.
[Received March 3—1:35 p. m.]

110. See my 94, February 20, 3 p. m.[86] Since Yugov's [87] prediction of early elections, I have found occasion to discuss the election problem with most of the Bulgarian political leaders including Sola Dragoycheva, Secretary General of the National Committee of the Fatherland Front, who with "Major General" Terpeshev (see my 12, December 8 [88]), Yugov and Georgi Dimitrov, Secretary General in Moscow of the Comintern, constitute the real instrument of concealed Russian policy in Bulgaria, which is to make of this country a Soviet satellite.

These talks have served to strengthen my conviction that if the Communists are successful in imposing joint FF lists of candidates against the desire of others, particularly the Agrarians, for individual party lists, the Bulgarian people will once again be deprived of the right to express their will in general elections, and a new clique this time the Communists, instead of the Palace Camarilla and the Fascists, will have tricked the people into ceding their sovereign rights.

There can be no doubt that the FF enjoys great popular support throughout the country. It overthrew the hated regime that had subordinated the country and people to Germany, that had perpetrated racial and class cruelties, and that had ousted the Peasant Government of the early 1920's and had brutally killed the peasant leader, the now almost legendary Stambolisky.

The FF might be likened to a pyramid, the basic mass of which is constructed of the stones of peasant enthusiasm for their political organization, the Agrarian party. Certainly in any free election today, this party would poll at least 60% of the vote. It might be said that the middle structure of the pyramid is composed of the stones of the small Social Democratic party and of the professional groups associated with that party such as the school teachers, the postal and telegraph employees and the participants in the rather highly-developed cooperative movement of the country. The upper structure of the pyramid is composed of Zveno, representing the anti-monarchical element of the army and Bulgarian intellectuals, and the Communist party which claims 250,000 adherents out of a total population of approximately 7,000,000.

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[86] Not printed.
[87] Anton Stanov Yugov, Bulgarian Minister of Interior and member of the Communist Party.
[88] *Foreign Relations*, 1944, vol. III, p. 499.

Sola Dragoycheva has told me that present circumstances require the preservation of the FF; therefore, that joint lists of candidates must be the formula adopted for the elections. She says that all "rightminded" people are supporters of the FF. She divides those Bulgarians who oppose the front into two categories, the Fascists who must be destroyed, the Nationalists who must be reeducated. She is willing that the Nationalists shall constitute the "free opposition" during the period necessary for their reeducation, but she does not admit the right of anyone within the FF to place individual-party allegiance above allegiance to the front FF.

A national congress of the Front has been called for March 9. Its object is to exploit for election purposes the popularity that has accrued to it through the overthrow of the old regime and to establish a "just basis for the proportion of participation in the joint lists by the four parties constituting the Front. As the Communists have gained a superior position in the local and district committees of the FF so shall the Communist delegates to the National Congress be the most numerous. From that point to predominance on the joint lists, too, should prove an easy path if the Agrarians can be held in line. The Agrarian Party leaders tell me that they will not knuckle down to this Communist maneuver under the slogan of "preservation of the Front." This remains to be seen. Certainly the Agrarians are most anxious for signs from us and the British that it really was intended at Yalta to assure elections in ex-satellite countries that would permit the democratic elements of each country freely to express their will. I myself believe that it is infinitely more important to permit the Bulgarian peasantry to elect candidates desired by it than to perpetuate the FF. The backbone of this country is the peasantry and its Agrarian Party. Also important in the country's life is the Communist Party because of its energy and determination. However there is no natural bond between the two and there is no justifiable reason why the former should be compelled by regard for preservation of the movement that overthrew the Fascist regime to cede supremacy to the latter in the parliament that will convoke the Grand National Assembly and that in effect will determine the future form of government for Bulgaria. At the present time it appears that the Communists are seeking a formula that would assure to them from 50 to 60 percent participation on the joint lists and accord only from 20 to 30 percent for the Agrarians and from 10 to 20 percent for Zveno and the Social Democrats.

Repeated to Moscow as 41 and to AmPolAd as 48.

BARNES

740.0011 E.W./3-345 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, March 3, 1945—6 p. m.

55. The Department expects to see with respect to the former Axis satellite countries full implementation of the Crimea Declaration on Liberated Europe, announcing mutual agreement among the three principal Allies to concert their policies in helping these former enemy states to solve their pressing political and economic problems by democratic means and, where in their judgment conditions require, to assist these states to form interim governmental authorities broadly representative of the democratic elements.

Procedures for the application of this agreement will be determined by direct consultation among the three Governments. We believe that meanwhile, although we would hope to see an immediate reflection of the Yalta spirit in the work of the Commissions, our representatives should not seek to reinforce their positions on any basis other than the respective armistice documents and, in the case of Hungary and Rumania, the agreed statutes, particularly since the respective Soviet chairmen can scarcely be expected materially to alter existing working arrangements except in the light of new instructions from Moscow.

Sent to Bucharest, Moscow, Sofia and Caserta.[89]

GREW

740.00119 Control (Bulgaria)/3-645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 6, 1945—4 p. m.
[Received 4:45 p. m.]

116. General Crane and I realize that to accede to Bulgaria's request for the status of co-belligerency (please see General Crane's telegram No. 1280 of March 6 to the Joint Chiefs of Staff) would no doubt evoke reactions in Greece and Turkey which we, of course, are in no position to estimate or evaluate with any accuracy; also that public opinion both at home and in the British Empire are factors that must be taken into account in deciding the matter. Basing our judgment entirely upon considerations within the scope of our limited horizon, it seems to us that the status should be accorded. Obviously the Russians favor the proposal or they would never have brought up the matter with the British and ourselves. They are quite

[89] As Nos. 102, 480, 55, and 186, respectively.

capable of granting the status unilaterally, thus strengthening the hand of the local Communist party, and further belittling the role in local affairs of those Bulgarians who still count on the sympathetic interest in their country of the United States and Great Britain. Should they not act alone but place responsibility for the refusal on the United States and Britain, the effect on the local political situation would be much the same. In this connection, please see my telegram No. 110, March 2, 2 p. m. It is our feeling that if there are no other controlling factors, the decision should be taken on the basis of serving our present and future position in Bulgaria as best possible.

Repeated to Moscow as 44 and to Caserta as 51.

BARNES

874.00/3–745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 7, 1945—3 p. m.
[Received March 7—1:05 p. m.]

119. In my telegram 110 of March 2, 2 p. m., I pointed out the purpose and significance of the Fatherland Front Congress. Having noted from Deptel No. 55 of March 3, 6 p. m. that it expects full implementation in Bulgaria of Crimean Declaration on Liberated Europe and from Department 54 of March 2, 8 p. m.,[90] that there exists an agreed policy of consultation among the three principal Allies before acting in matters affecting Bulgarian affairs, I feel that I should point out once again that the FF Congress will open on March 9. The assumption in second paragraph of Deptel 55 that there will be no change in Russian action here in absence of new instructions from Moscow to Soviet Chairman of the ACC is certainly correct. Therefore if there is to be any prior consultation between the three principal Allies with respect to elections in Bulgaria immediate action to this end is indicated.

Repeated to Moscow as No. 47 and to Caserta as 54.

BARNES

874.00/3–945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 9, 1945—6 p. m.
[Received March 9—3:18 p. m.]

123. See my 119, March 7, 3 p. m. and preceding telegrams. The national congress of the Fatherland Front opened this morning.

[90] See telegram 473, March 2, 1945, to Moscow, vol. v, p. 1308.

Yesterday afternoon I had a conversation with the Minister for Foreign Affairs at the outset of which I said that I had no instructions to seek him out and that I was talking to him merely as an old friend and on a purely personal basis. I then told him that I thought that I had perceived in communication received from Washington since the Yalta Conference a more direct interest on the part of the Department in Bulgarian affairs than had formerly been the case. I told him it was my understanding that the Declaration on Liberated Europe had been made by the three principal Allied Powers in all sincerity and that it was the expectation of Washington that it would be carried out in its entirety in Bulgaria. I also said that I had the impression that there now existed an agreed policy of consultation among the three principal Allies before acting in matters affecting Bulgarian foreign affairs. The Minister said that this was information which he should have even if only on a personal basis before the opening of the FF congress and he thanked me for the interest I had shown in communicating my views to him.

Repeated to Moscow as 50 and AmPolAd as 57.

BARNES

874.00/3-945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 9, 1945—6 p. m.
[Received March 10—2:35 p. m.]

124. Perhaps the most revealing commentary yet on the Fatherland Front's attitude toward democratic processes and the Communists Party's determination to use the FF as a means of acquiring permanent power in Bulgaria is the decree law announced yesterday on eve of the opening today of National Congress of the FF. It is called the "decree law for the defense of the people's authority". Briefly stated, its outstanding provisions are:

"To be punished by death or life imprisonment" (1) whoever founds or leads at home or abroad an organization of Fascist ideology for the purpose of overthrowing, undermining or weakening the power of the FF; (2) saboteurs of military or state installations or materials including public food supplies; (3) whoever, inspired FF [*by?*] Fascist ideology, attempts a *coup d'état*, a revolt, mutiny, terroristic acts or similar crimes of general danger; (4) whoever leaves his residence and joins an armed group to aid crimes (crimes are defined in 3 above although such is exactly what the patriots who overthrew the Government on September 9 did); (5) whoever causes loss of life to a military person, military employee, militia man or person mobilized in Bulgarian army or militia or persons of an Allied or

friendly country; (6) whoever seeks to destroy the economy or supply of the country or to bring confusion to a community or hinders public authority or who hides, damages or destroys materials or machine equipment shall be punished by solitary confinement. "(1) Whoever at home or abroad spreads rumors or approves in any manner whatsoever any of the foregoing acts; (2) whoever seeks to weaken the fighting spirit of the Bulgarian army or to divert it from its tasks; (3) whoever assists organizations or supports the reaction on behalf of organizations mentioned in first subsection of this decree.

Persons condemned under this decree law shall be deprived of their political and civil rights and be subject to partial or complete confiscation of property."

Repeated to Moscow as No. 51 and to AmPolAd as No. 58.

BARNES

740.00119 Control (Bulgaria)/2-2745: Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, March 10, 1945—7 p. m.

63. Reurtel 107, February 27. The following is a paraphrase of the British proposals regarding the basis on which the Allied Control Commissions for Bulgaria and Hungary should operate during the period following the termination of hostilities with Germany:

1. American and British representatives should take their places as full members in the Commissions, having the right to be present at all meetings thereof and participating fully in consideration of questions before the Commissions. They should have also the right of direct access to the authorities of the respective countries.

2. The name and authority of the Allied Control Commissions should be used only when there is agreement among its three members, decisions of the Commissions to be unanimous. Should the Soviet High Command, being in *de facto* control in the satellite countries, insist upon issuing directives to the local governments or taking measures which the American and British representative do not approve, it should act unilaterally in its own name.

3. The degree to which American and British members will take part in the administrative and executive work of the Commissions will be determined on the spot. They must certainly have, however, the right to membership in any subcommittee or "executive rights and property" (*sic*).

4. Detailed implications of the foregoing proposals should be worked out on the spot between the Soviet Chairman and the American and British members.

The Department has under consideration the foregoing British proposals for the commissions in Bulgaria and Hungary in the sec-

ond period and would welcome any comment you may wish to make thereon.

Sent to Sofia; repeated to Moscow.[91]

GREW

740.00119 Control (Bulgaria)/3-1345: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 13, 1945—9 p. m.
[Received March 14—3:50 p. m.]

134. The British proposals for the post-German armistice period set forth in Department's No. 63, March 10, 7 p. m. meet with full approval of General Crane and myself. We believe that two additional conditions are also essential to effective participation by United States in ACC; namely, unrestricted movement in and out for our aircraft and necessary personnel, and freedom of movement within Bulgaria for our personnel.

It may well be that by the time hostilities have ceased with Germany general elections will have been held in Bulgaria. If we accept the results of these elections and satisfactory arrangement for our effective participation on the ACC have proven impossible, we could, of course, take a page from the Russian book in Italy and recognize the Bulgarian Government. I believe myself that the Russians may make any such course unnecessary by recognizing the Bulgarian Government before we do. In any event should the Bulgarian Government be recognized by the Russians or by all three of us the ACC could no longer constitute in fact the executive organ of control that it now does. However, the Russians would doubtless maintain the fiction such a role for it as a stumbling block to ourselves and the British. Ultimate recognition of the government and Russian desire in that event to use the Control Committee as an obstacle to United States and the British are possible developments that we should keep in mind in shaping our thoughts with respect to the second period of armistice with Bulgaria.

We also feel strongly that negotiations with respect to the second armistice period should be tripartite and that the British should not carry on discussions in our behalf as well as for themselves.

Repeated to Moscow as 57 and AmPolAd as 65.

BARNES

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[91] As No. 563.

874.00/3-1445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 14, 1945—9 a. m.
[Received 2:30 p. m.]

135. It has just come to my attention that G. M. Dimitrov, recently dismissed on orders of General Biryusov from the post of Secretary General of Agrarian Party, was violently attacked in a speech before Communist Party Congress by Secretary General of that party. Dimitrov was charged with the crimes of disloyalty and opposition to the Fatherland Front and with being in relation with Fascist elements. There is every reason to bear [*fear?*] that this attack was based on knowledge that the decree law for defense of the people's authority (see my 124 of March 9, 6 p. m.) would shortly be promulgated. My British colleague has told me in strict confidence that he will talk to the Minister for Foreign Affairs about his apparent plot against Dimitrov today or tomorrow. Dimitrov continues to be the most popular figure with the general run of Agrarian Party voters. Since his dismissal, illness has kept him confined to his home. Even if he were not ill, common sense would impose similar precautions from other dangers even more fatal than disease. The treatment of Dimitrov by Russians and by Bulgarian Communists is on a par as a revelation of present day democratic processes in Bulgaria with the decree "in defense of the people's authority".

Repeated to Moscow as 58 and AmPolAd as 66.

BARNES

874.00/3-1445

The British Embassy to the Department of State

PARAPHRASE OF TELEGRAM RECEIVED FROM THE FOREIGN OFFICE, DATED MARCH 11TH, 1945

Houstoun Boswall's telegrams show that there is little likelihood of fair elections taking place in Bulgaria but he suggests that the British and American Governments should put out a statement showing the interest which they take in the proposed election in the hope of influencing the situation to some extent. It seems to us that we could hardly put out any such statement concerning a country subject to Russian military control without the Soviet concurrence, which would in the present circumstances almost certainly not be forthcoming; while to dispense with Soviet concurrence would lay us open to a bitter reproach from the Soviet Government and perhaps to retalia-

tory action in regard to Greece and Italy and other territories. In these circumstances we do not think that it would be wise to adopt Houstoun Boswall's proposal.

Nevertheless, it is impossible to disguise the fact that the situation in Bulgaria is unsatisfactory. Apart from the prepared electoral law which seems designed to ensure a Communist dictatorship, purge shows signs of being carried to such lengths that there is a danger of such a vacuum being created in the political life of the country by the elimination of possible opponents of the existing regime, that development of a single-party Government into a dictatorship would be greatly facilitated.

Please communicate the gist of Houstoun Boswall's reports to the State Department,[92] in particular the proposal contained in paragraph three of his telegram No. 266, together with my comments as set out in the preceding paragraph, and enquire their views as to action which should be now taken.

WASHINGTON, March 14, 1945.

740.00119 Control (Bulgaria)/3-645: Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, March 19, 1945—midnight.

74. Reurtel 116, March 6, Crane's message 1280, March 6, and related correspondence. The Department is informing the Soviet and British Governments of its view that the question of according cobelligerent status to Bulgaria is a matter on which no action should be taken except after consultation among the three Allied Governments which were parties to the Armistice.

For your and Crane's information we are not necessarily opposed in principle to the idea of granting Bulgaria the status of a cobelligerent. We believe, however, that such action should be taken only by joint decision of the three Allied Governments and after Bulgaria has taken further steps in fulfilment of its obligations under the Armistice. The Bulgarians have not, for example, shown any genuine inclination to discharge their commitments regarding reparation, restitution and relief deliveries to Greece, thus creating for our Government a serious problem of supply and shipping.

We would in any case wish to defer consideration of Bulgarian cobelligerency pending discussions on the situation in Rumania, the Department having meanwhile informed the Soviet and British Gov-

[92] Attached texts not printed.

ernments of its opinion that no decision should be made regarding Rumanian cobelligerency except after Allied consultation.

Sent to Sofia; repeated to London and Moscow.[95]

ACHESON

874.00/3-2145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, March 21, 1945—4 p. m.
[Received 4:55 p. m.]

152. The Mission's telegrams in general deal with highlights of developments here. Now and then brief references to lesser happenings are desirable to fill out the picture for Department's benefit. For example:

1. An American Sergeant was badly beaten by 2 Russian drunks, one an officer. When finally taken to a military hospital, the Russian nurse observed: "What am I supposed to do with this American bastard?" Such conduct on the part of lesser Russian military personnel brings forth no apologies or expressions of regret from higher Russian personnel.

2. After long and unexplained delays, clearances for departure and entry of planes are granted under circumstances which render at least 50% of permissions useless. As clearances are granted only for a specific time, the whole procedure has to be started anew.

3. On March 1 I applied in writing to Russian Minister Lavrishchev (Political Adviser to President of ACC) for permission for auxiliary Foreign Service Officer Black to proceed to Istanbul for a throat operation and return to Sofia. I have since taken the matter up in person with the Minister on two occasions but the permit has not yet been granted nor has any explanation been forthcoming.

Even in personal conversation Russian officials are able to refrain from any response to direct questions without the least feeling of embarrassment being apparent.

4. I explained to Lavrishchev a week ago our urgent need for two clerks waiting as [*at?*] Caserta to join my staff. No clearance for them has yet come through and probably won't for some time to come no matter how insistently the matter is pressed.

To summarize, being an ally at close quarters with the Russians might be likened to something in the nature of matrimony with a good

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[95] As Nos. 2136 and 650, respectively.

provider but whose personal habits and disregard for the sensibilities of the other member of the union grate constantly on one's nerves. Inability to modify the partner's character and manners can in time lead only to a suffused sense of frustration and impotence, or separation. I have yet to see any signs of our having modified either the character or manners of the Russians we have to deal with here.

Repeated to Moscow as 66 and to AmPolAd as No. 77.

BARNES

740.00119 Control (Bulgaria)/3-2345: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 23, 1945—10 a. m.
[Received 11:40 a. m.]

870. British Ambassador wrote to Molotov on March 11 and again on March 20 to urge that the Soviet Government give early and favorable consideration to the memorandum on Greek claims in Bulgaria which Eden circulated to the American and Soviet delegations at Yalta.[96] In his second letter, Clark Kerr said that Yugoslavia had been allowed by the Control Commission to send representatives to Bulgaria who negotiated direct with the Bulgarian Government on economic matters and were understood to have arranged for substantial deliveries from Bulgaria to Yugoslavia. As Greek representatives had so far not been permitted to enter Bulgaria in connection with reparation deliveries, an unsatisfactory situation had developed in which one of the chief claimants to reparation was receiving highly preferential treatment. The British Government considered that the Control Commission should be instructed at once to see that the deliveries to Greece specified in the armistice agreement and the protocol began without further delay.

Clark Kerr added that the British Government had noted with satisfaction the assurances of the Soviet Government that the recent Moscow negotiations with Bulgarian trade delegation concerned Bulgarian deliveries of strategic war materials to the Soviet Union in exchange for certain industrial supplies, and that these negotiations did not affect the foodstuffs to be delivered to Greece and Yugoslavia.

We have had no reply to the letter which Kennan wrote to Molotov on January 25 with regard to Greek representation in Bulgaria and Bulgarian deliveries to Greece (ReEmb's 244, January 26, 7 p. m.) or to a letter which I wrote to Dekanosov[97] on March 8, referring to

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[96] Presented at meeting of Foreign Ministers on February 10; *Conferences at Malta and Yalta*, p. 891.

[97] Vladimir Georgiyevich Dekanozov, Assistant People's Commissar for Foreign Affairs of the Soviet Union.

Kennan's communication and requesting information regarding the status of these two related questions.

HARRIMAN

740.00119 Control (Bulgaria)/2-2645 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 23, 1945—10 p. m.

693. This message sent to Moscow and Athens [98] for action. Repeated to Sofia and Caserta [99] for information.

Paragraph 1. British Embassy has informed Department that on February 28 Foreign Office instructed Clark-Kerr to notify Soviet Government of British concern regarding Greek claim against Bulgaria, specifically requesting that Soviet Government: (1) accede to Greek request of January 23 for facilities in Bulgaria similar to those granted to Czechoslovakia and Yugoslavia in Hungary; (2) instruct ACC Bulgaria to arrange for immediate deliveries to Greece on basis of list already presented to Soviet Government; (3) give immediate consideration to question of fixing total Bulgarian liability to Greece and Yugoslavia, if necessary in terms of money, to be payable in commodities over a period of six years, as has been done in implementation of Rumanian, Finnish, and Hungarian armistices.

(Reference Department's 67 to Moscow, 37 to Athens, 8 to Sofia, 27 to Caserta, all of January 10, and Moscow's 162, January 17, to Department [1] repeated to Athens, Sofia, and Caserta).

Paragraph 2. British memorandum embodying these views, with which Department is in substantial agreement, was originally prepared for Crimea Conference but was not discussed there. On February 11 it was transmitted to Department by Eden with proposal that it should be taken up through diplomatic channels. Moscow is hereby authorized again to invite the attention of the Soviet Government (ReDeptel 67, January 10) to the urgency which we attach to having Bulgaria take effective action regarding shipments to Greece; to urge prompt and favorable action on Greek desire for representation to ACC Bulgaria (ReUrtel 244, January 26); and to request effective steps to implement restitutions as provided in Article XI of Armistice and determination of amounts of reparations, in terms of money if necessary, as provided in Article IX of Armistice and Section One of Protocol. As regards the Yugoslav Military Mission's dealing directly with Bulgarian Government on reparations matters, the Department thinks that such transactions, for both Yugoslavia and Greece,

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[98] As No. 256.
[99] As Nos. 79 and 249, respectively.
[1] Telegram 162 not printed.

should be handled through official representatives empowered to present claims to ACC Bulgaria.

Paragraph 3. British delegation on ACC Bulgaria, believing Crimea Conference has made Russians more receptive to reparations deliveries, recommends that Greek Government be urged (1) to appoint representative(s) pending Russian decision; (2) to make provisional but official arrangements for receipt of deliveries at two or three obvious points on Bulgarian frontier; (3) to send immediately to British delegation in Sofia official list of claims in regard to material and property appropriated by Bulgaria. (Reference Caserta's 706, February 26.[1a])

Paragraph 4. Athens is hereby authorized to make suggestions to Greek Government along lines of Paragraph 3, (1) and (2). Greek Government should be urged to prepare list referred to in Paragraph 3, (3); but, although Department has no objection to such a list being sent to both British and American delegations in Bulgaria, it would seem advisable to postpone formal presentation to ACC Bulgaria until direct Greek access to Commission is implemented.

GREW

874.00/3-2945 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 29, 1945—8 p. m.

735. See Sofia's 38, February 27;[2] 41, March 2;[3] 47, March 7;[4] 50 and 51, March 9,[5] and 58, March 14.[6] We agree with Barnes that the operation of democratic processes in Bulgaria and the principle of representative government will meet a major test in the forthcoming elections. Our concern with this question now passes beyond the historical interest of Americans in the progress of the Bulgarian people and our rights and obligations under the armistice, and becomes a responsibility which this Government together with the Soviet Union and Great Britain has publicly proclaimed in the Crimea Declaration.

The trend of developments as Bulgarian groups prepare their plans for the election campaign already demonstrates the need for the principal Allied Governments to arrange for consultation in order to discharge the responsibilities they have jointly agreed on for just such situations as, in our opinion, we now find in Bulgaria. We see

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[1a] Not printed.
[2] Same as telegram 106, p. 163.
[3] Same as telegram 110, p. 167.
[4] Same as telegram 119, p. 170.
[5] Same as telegrams 123 and 124, pp. 170 and 171, respectively.
[6] Same as telegram 135, p. 174.

grave danger in the insistence by minority elements in the Fatherland Front that only a single FF list be presented to the electorate against the desire of others, notably the Agrarians, for individual party lists. The importance of these procedures cannot be overemphasized in view of the fact that any election which may be held will return members to the Sobranje which will in turn not only determine the future governmental structure in Bulgaria but also have the constitutional power of confirming the decree laws by which the FF is now governing the country, including those establishing the electoral procedures.

We consider that all political parties within the framework of the FF or other democratic political groups which might desire to put forward a program should have full freedom to bring their individual platforms to the attention of the electorate and to present their separate lists of candidates for the voters' choice. There should also be full safeguards to protect the rights of the electorate in the period preceding the elections and in the conduct of the polling, and to ensure absolute secrecy of ballot. We think that firm advice to this effect should be communicated to the Bulgarian Government in the name of the three principal Allies.

Please inform the Soviet Government that our information regarding Bulgarian electoral plans contains clear indications that the Bulgarians are not able without assistance to hold "free elections" by which governments can be established which will be "responsive to the will of the people." We accordingly believe that the three Allied Governments should now take steps to ensure that whatever elections are held in Bulgaria conform to the principles already agreed upon as applicable to the former Axis satellite states. In order to make certain that the Bulgarian people shall have the benefit of truly free elections, we would suggest (*a*) that the three Governments promptly agree to apply in Bulgaria policies and procedures such as those indicated in the preceding paragraph and (*b*) that in order to ensure the application of these policies and procedures a committee be formed in Sofia, independent of the ACC, composed of the American and British political representatives in Bulgaria, together with the representative to be designated by the Soviet Government, for the purpose of advising the Bulgarian Government in electoral matters and reporting to the three Governments on all developments related to the holding of elections, including recommendations as to the most equitable timing of the elections. Alternatively we would be willing to participate in a special tripartite commission to be sent into the country for this purpose. We suggest that the Bulgarian Government be immediately informed that discussions are in progress on the subject between the three Governments pursuant to the Yalta pronouncements, and be requested meanwhile to abstain from

making any definitive arrangements or public announcements with respect to the date of the elections or the electoral procedure to be followed in connection therewith. We are acquainting the British Government with the substance of this instruction and requesting an expression of its views and an indication of the action it contemplates taking.

You should stress the importance of timely action and indicate the intense interest of the American public in developments of this nature in their relation to the accomplishments of the Crimea Conference.

Sent to Moscow; repeated to London and Sofia.[7]

874.50/4-345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 3, 1945—noon.
[Received 2:53 p. m.]

176. A substance of paragraph one of Deptel 77, March 21, 5 p. m.[8] was communicated by *aide-mémoire* to the Ministry for Foreign Affairs. An acknowledgement has now been received stating that

"the Bulgarian Government was pleased with the communication the US Embassy in Ankara had been instructed by the US Government to inform interested Turkish firms that they might deal in goods of American origin freely with Bulgaria provided they did not knowingly violate any control established by the Government of Bulgaria in conjunction with the ACC. Taking note of this communication and expressing its gratitude to the US for this act of confidence, the Bulgarian Government has the honor to declare that it will take, in conjunction with the ACC, all precautionary measures against the reexportation of [*to*] enemy countries of American goods obtained in this manner."

BARNES

874.00/4-545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 5, 1945—9 a. m.
[Received 11:43 a. m.]

183. As predicted in my 165, March 25, [*24*], 4 p. m.,[9] the People's Courts are rapidly winding up their activities. It is high time. To

[7] As Nos. 2448 and 84, respectively.

[8] Not printed; it stated the Department's position in regard to a Bulgarian request of February 20 for lifting of United States and United Kingdom restrictions on trading with the enemy in the case of Bulgaria, with special references to importation from Turkey of goods of American and British origin (874.50/2-2845).

[9] Not printed.

say that these courts have subjected the country to a blood bath is not too exaggerated. Of course, they are not responsible for the killings by the militia without benefit of judicial sanction since September 9. These are conservatively estimated at 20,000 at least. But unsanctioned killings and those carried out in the name of the People's Courts are lumped together in the minds of most Bulgarians who are not protagonists of the leftist trends that have dominated the Fatherland Front to date. Domestic disquiet and concern abroad over the extent to which the Bulgarian populace has been "purged" finally brought forth an official statement at the end of March by the Minister of Justice [10] that no new trials by the People's Courts will be started after March 31 and that all trials under way would be wound up promptly. On March 21 the prosecutor of a Sofia People's Court summed up the case against the accused without demanding wholesale death.

Penalties not yet reported are as follows: Sofia court trying those accused of persecution of Jews, to death 2 (in absentia) and 3 others (also in absentia) to life, 21 others to lesser terms of imprisonment; Turgovishte, to death 25, to imprisonment 62; Karlovo, to death none, to imprisonment 35; Vratza, to death none, to imprisonment 28; Starazagora, to death 28, to imprisonment 77; Kustendil, to death 33, imprisonment 95; Sevlievo, to death 41, imprisonment 77; Rustchuk, to death 6, imprisonment 22; Silistra, to death 7, imprisonment 2; Isperich, to death none, imprisonment 24.

Repeated to Moscow as 81 and to AmPolAd as 92.

BARNES

740.00119 Control (Bulgaria)/4-545: Telegram

The Ambassador in Greece (MacVeagh) to the Secretary of State

ATHENS, April 5, 1945—2 p. m.
[Received April 6—7:25 a. m.]

338. I have communicated informally to the Minister for Foreign Affairs [11] the suggestions contained in paragraph 4 of the Department's 256, March 23, 10 p. m.[12] but I have not so far received any definite reply, though Mr. Sophianopoulos has expressed to me verbally his pleasure at this evidence of American interest.

In the meantime, the British Embassy, after receipt of similar instructions, has discussed the matter with the chief of the Political Department of the Ministry of Foreign Affairs, who is said to have expressed apprehension lest the Greek Government, in following the

[10] Mincho Neichev, member of the Communist Party.
[11] John Sofianopoulos.
[12] Same as telegram 693, March 23, 1945, 10 p. m., to Moscow, p. 178.

American and British suggestions, suffer Soviet rebuff. The British Embassy has informed London, Washington and Moscow in this sense and has requested further elucidation of the reasons which prompted the British delegation on the ACC to propose that this action be taken by Greece in advance of Soviet approval—a proposal which it may be noted, the British Embassy seems to be under the impression originated with the British Ambassador in Moscow.

MacVeagh

740.00119 Control (Bulgaria)/4–545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 5, 1945—2 p. m.
[Received April 6—8:40 a. m.]

1047. Writing to Molotov on April 2 British Ambassador expressed confidence of his government that with requisite atmosphere of collaboration, acceptable arrangements could be reached between British and Soviet Governments which would remedy unsatisfactory position of British representatives on ACC in Bulgaria.

Clark Kerr referred to his February 25 letter to Molotov regarding right of British representatives to unhampered movement in Bulgaria. He hoped that he might be appraised of Soviet attitude on this issue in time to repeat it to London before April 11 when British Foreign Minister would be questioned in Parliament on the subject.

Pre-Yalta correspondence between Molotov and Eden on difficulties facing British ACC representatives in the first period was mentioned by Ambassador. He also referred to exchanges at Yalta concluding with Eden's suggestion to Molotov that further discussions be continued through diplomatic channels. Clark Kerr stated that almost two months had elapsed since the conference and that Foreign Minister had instructed him to request an early response to the British proposals.

Ambassador pointed out that with the imminent defeat of Germany, the second period of the Bulgarian Armistice was approaching. He continued that the British proposals circulated at Yalta looked to obviating the difficulties which had become evident in the first period and providing for positive American and British participation in the operation of the ACC during the second period, this concretely implementing article 18 of the Bulgarian Armistice. Clark Kerr stated his Government felt that British proposals would, without infringing on proper Russian interests, provide for reasonable position in Bulgaria of British representatives.

Sent to Department as 1047, repeated to Sofia as 24.

Harriman

740.00119 Control (Bulgaria)/4-545: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 5, 1945—5 p. m.
[Received 5:38 p. m.]

184. I have not failed to note the Department's view that our present participation in the ACC in Bulgaria is defined by the armistice with Bulgaria and is not modified by any agreement that Mr. Eden may have reached in Moscow. Nevertheless, I have on several occasions pointed out in my telegrams that the last meeting (it was the second) of the Commission as a body of representatives of the three principal Allied powers was held December 28 and that I doubted very much that another meeting would be held before the termination of hostilities with Germany.

At the middle of March Generals Crane and Oxley wrote separately to General Biryusov listing a fairly large number of subjects that were outstanding for discussion between the three representatives of the Allied powers on the Control Commission and requesting a meeting of that body. General Biryusov, after nearly three weeks delay, has now replied that he does not believe it will be possible for him to hold a meeting of the Commission at an early date, but that the American and British representatives may individually see him personally or write to him about any pending matters. In the meantime, the Commission goes its Russian way with ourselves and the British left completely in the dark as to what its activities really are.

Repeated to Moscow as No. 82 and AmPolAd as 93.

BARNES

711.74114A/4-745

The War Department to the Department of State

WASHINGTON, 7 April 1945.

MEMORANDUM FOR SPECIAL WAR PROBLEMS DIVISION, DEPARTMENT OF STATE

Atn: Mr. E. Tomlin Bailey [13]

1. There has come to hand your third person note of 2 April 1945, SWP 711.74114 A/3-2345,[14] inclosing a dispatch from the American

[13] Mr. Bailey had been Assistant to the Department representative on the joint State and War Department mission to liberated prisoner-of-war and concentration camps in Europe and became Assistant Chief of the Special War Problems Division (SWP) on May 1.

[14] Not printed.

Diplomatic Mission, Sofia, Bulgaria,[15] which inquires as to the views of the War Department and the Joint Chiefs of Staff concerning the trial of Bulgarian Army personnel accused of mistreating American prisoners of war.

2. The Commanding General, Mediterranean Theater of Operations,[16] on 17 March 1945 recommended that the cases of all Bulgarian nationals charged with the commission of war crimes against American prisoners of war be remitted to the Bulgarian authorities for immediate trial.

3. On 24 March 1945 the War Department directed the theater to press for an expedited disposition of these trials and asked for a report to the War Department as to the approximate date when these cases may be brought to trial.

4. The foregoing action conforms to the policy theretofore established in coordination with representatives of your Department, for turning the trial of these cases over to the Bulgarians.

R. W. Berry
Brigadier General, GSC
Deputy, AC/S, G-1 [17]

874.00/4-1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

London, April 13, 1945—1 p. m.
[Received 10 p. m.]

3776. ReDeptel 2447, March 29, 8 p. m.[18] The Embassy has received a letter dated April 10 from the Foreign Office stating that the British Government for its part agrees with the US Government's views concerning the situation in Bulgaria and it has instructed its Ambassador at Moscow to inform the Soviet Government accordingly and to urge the latter to agree to the proposals for dealing with the situation made by the US Government.[19]

Winant

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[15] Telegram 160, March 23, 1945, 5 p. m., not printed.
[16] Lt. Gen. Joseph T. McNarney, U.S.A.
[17] Personnel Division, War Department General Staff.
[18] Not printed; it instructed the Embassy to inform the British Foreign Office of the contents of telegram 735, March 29, 8 p. m., to Moscow, p. 179.
[19] In telegram 1238, April 18, 1945, 5 p. m., from Moscow, the Chargé in the Soviet Union (Kennan) reported the British Ambassador's note of April 12 associating his Government with that of the United States with respect to elections in Bulgaria (874.00/4-1845).

874.00/4-1545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 15, 1945—midnight.
[Received April 16—12:20 p. m.]

1182. ReEmbs 1056, April 5, midnight.[20] Molotov has written me under date of April 11 in the following sense:

The Soviet Government is unaware as to what motives have provoked the American proposal, as set forth in your letter, especially as, according to its information, there is no intention to carry on elections in Bulgaria in the near future.

Should the Bulgarian Government have in mind, however, to conduct Parliamentary elections, then in that case according to Soviet opinion there would be no need for foreign interference in the holding of such elections just as there was no need for such interference in the recent Finnish elections.[21] The Soviet public would be dumbfounded if such interference were found necessary in Bulgaria especially after the successful conducting of elections in Finland without any foreign interference.

The Soviet Government believes all the more that there are no reasons for interference in the holding of the Bulgarian elections since Bulgarian troops are now helping Soviet troops in the struggle against the common enemy—Germany. Bulgaria has not deserved the mistrust which runs through the proposal in your letter of April 5. Bulgaria in any event does not evoke any greater mistrust than Finland, where elections were carried on without outside interference.

It would be appreciated if you would bring these views to the attention of your government.

Sent to Department as 1182, repeated to Sofia as 28.

HARRIMAN.

740.00119 Control (Bulgaria)/4-1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 16, 1945—11 p. m. [*a. m.*]
[Received 5:05 p. m.]

205. A note from the ACC states the Commission (the Russians, I assume, because neither the American or British delegate has been consulted) has found it necessary to close the direct radio link Sofia, London and Postal and Radio communications between Bulgaria and Portugal and Bulgaria and Spain; also all Postal telegram and tele-

[20] Not printed; it reported delivery of a letter in compliance with Department's telegram 735, March 29, 1945, 8 p. m., p. 179.

[21] See pp. 598 ff., *passim*.

phone communications between Bulgaria, Switzerland, Sweden, Rumania, Turkey and Yugoslavia, will in the future be restricted to use of government departments and foreign missions. All messages to and via London are hereafter to be routed via Moscow.

Repeated to Moscow as 92 and to AmPolAd as 100.

BARNES

840.51 FC 74/4–1645 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, April 16, 1945—6 p. m.

97. From State and Treasury. (1) Postal and telecommunication service between the United States and Bulgaria was resumed on March 30, 1945.[22] Similar action was taken with respect to Rumania on that date, although telecommunication service is not yet available with Rumania.

(2) As you know, Bulgaria is included within the definition of enemy territory contained in Treasury's General Ruling No. 11, which prohibits any form of business or commercial communication or intercourse between persons subject to the jurisdiction of the United States and persons in Bulgaria. However, simultaneously with the resumption of communications with Bulgaria and Rumania, Treasury amended Public Circular No. 25 to include these two countries. Such public circular exempts from the provisions of General Ruling No. 11:

(*a*) Any communication of a financial, commercial, or business character with any person within any part of the territory of Italy, Bulgaria or Rumania controlled or occupied by the military, naval, or police forces or other authority of any of the United Nations;
(*b*) Any act or transaction involving any such communication;
(*c*) Any act or transaction for the benefit or on behalf of any such person.

Bulgaria will continue to be regarded as enemy territory under General Ruling No. 11 in view of her declaration of war against the United States, even though communications with Bulgaria are exempted from the special restrictions of the General Ruling. Bulgaria and nationals thereof will continue to be subject otherwise to the freezing orders and the regulations and rulings issued thereunder. Accordingly, Treasury licenses will no longer be required for business

[22] Telegram 7, January 4, 1945, noon, from Sofia had reported that the Allied (Soviet) Control Commission on December 31 had granted permission for the reestablishment of such communications with Allied countries and that the Bulgarian authorities had telegraphed the Postmaster General in Washington requesting that such communications be reestablished (740.00119 Control (Bulgaria)/1–445).

and financial communications limited to the exchange of information and the ascertainment of fact. Outgoing transactional communications to Bulgaria will continue to require Treasury licenses, as will all financial or property transactions involving the interests of Bulgaria or nationals thereof.

(3) The public circular prohibits the use of General Licenses Nos. 32 and 33 for support remittances to individuals within Bulgaria. However, with respect to remittances for living expenses or for the protection and maintenance of property in Bulgaria please refer to our No. 61 of March 10, 1945.[23]

(4) In general, it will be Treasury's policy to authorize persons and firms in the United States to send transactional communications to Bulgaria for the preservation, maintenance and management of their property in Bulgaria, including the sale of such property.

(5) A substantial part of Bulgarian assets in the United States have been vested by the United States Government. As indicated above, those assets not so vested are blocked and cannot be used except pursuant to Treasury license.

The United States Government has not as yet reached any decision with respect to the ultimate disposition of vested or blocked pre-liberation Bulgarian assets in the United States. Consequently, Treasury will not in general authorize any transaction the effect of which would be to deplete such blocked assets. However, Treasury will permit Bulgarian assets which have not been vested to be managed, maintained, and preserved by private persons acting pursuant to authorizations or instructions from the Bulgarian owners. It is suggested, therefore, that the authorities in Bulgaria should consider taking appropriate steps to prohibit the sending to the United States of transfer orders, payment instructions, and transactional communications in general other than those having to do with the maintenance, management and preservation of blocked Bulgarian assets here. It should also be noted that the importation into the United States from Bulgaria of currency, securities, checks, drafts and other negotiable instruments will continue to be specifically prohibited by General Rulings Nos. 5 and 5A. Please inform us of the restrictions which are in effect in Bulgaria, or are contemplated, for controlling the exportation and importation of currency, securities, checks, drafts and other negotiable instruments, particularly those designated in currency other than Bulgarian.

Sent to Sofia; repeated by airgram to London.

STETTINIUS

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[23] Not printed.

874.00/4–1745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 17, 1945—2 p. m.
[Received 3 : 28 p. m.]

206. See my 173, April 2, 3 p. m. and 190, April 10, 5 p. m.[24] Communist determination to dictate Agrarian Party action through Fatherland Front leadership seems about to precipitate a cabinet crisis. The Communists are infuriated with the Agrarian youth organization, which at Aceceni Congress expresses enthusiasm for G. M. Dimitrov. The Communists have given the Agrarians 10 days in which to subordinate themselves more fully to FF doctrines as they interpreted it. Yesterday Sisrue of the Communist Party organ bitterly attacked Dimitrov and accused all those who support him of being enemies of the FF. Communist concern over the persistent popularity of Dimitrov and a recent British démarche on his behalf (fearing the Communists were plotting to try him as a Fascist under the decree law for the defense of the people's rights) are important factors in the situation. The Communists have asked the Agrarian Ministers, Petkov and Bumbarov,[25] to publish articles against G. M. Dimitrov which they have refused to do.

The four Agrarian Ministers, Petkov, Bumbarov, Pavlov[26] and Derzhanski,[27] have offered their resignations to the Prime Minister and they appear determined not to compromise further. Petkov will shortly see General Biryuzov and will try to convince him that the Agrarians are entirely loyal to Russia and have every desire to remain the FF Cabinet so long as this does not require sacrificing their party and they are treated as trusted friends. Zveno members of the front are most anxious to avoid a showdown and are urging the Communists to restrain themselves and the Agrarians to be conciliatory in the interest of preserving the FF. Prime Minister Georgiev was recently described as spending most of his time "putting out fires".

If the present Agrarian Ministers do withdraw from the Cabinet it is not unlikely that the Communists can find other Agrarians, less determined in their support of the party than in the pursuit of their own individual interests, to join the government. Alexander Obbov, Stefan Tonchev, Georgi Dragnev and Stefan Simov are names that come to mind in this connection.

Repeated to Moscow as 93 and to AmPolAd as 103.

BARNES

[24] Neither printed.
[25] Boris Bumbarov, Minister of Public Works.
[26] Asen Pavlov, Minister of Agriculture.
[27] Angel Derzhanski, Minister of Railways.

740.00119 Control Bulgaria/4–1945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 19, 1945—2 p. m.
[Received 2 p. m.]

211. Bulgarian official circles and public opinion in general are considerably upset by the decision reported in my No. 205, April 16, 11 a. m. The Minister for Foreign Affairs intends to protest to General Biryusov on the grounds that this decision will put an end to all plans for the resumption of some form of commerce with countries other than Russia. Under the circumstances the contents of the Department's No. 97, April 16, 6 p. m. may have little practical effect. Our efforts on behalf of some form of trade between the United States and Bulgaria may also be adversely affected. I shall, of course, keep the Department informed of developments.

It is only natural that the sudden restriction of communications with foreign countries has brought forth a new crop of rumors about impending trouble with Turkey and possibly with Greece.

Repeated to Moscow as No. 97 and to AmPolAd as 106.

BARNES

740.00119 Control Bulgaria/4–1945

The Ambassador in Greece (MacVeagh) to the Secretary of State

No. 903 ATHENS, April 19, 1945.
[Received May 2.]

Subject: Greek Desire for Representation to the Allied Control Commission in Bulgaria.

SIR: With reference to my telegram No. 342 of April 5, 7 p. m.[28] on the above subject, I have the honor to transmit herewith a copy of the communication mentioned therein which was addressed to me by the Acting Minister on April 10, 1945.[29]

The Department will note that the Acting Minister, while expressing the warm gratitude of the Greek Government for evidence already given of American interest, and assuring the United States Government that everything possible is being done to ascertain the true extent of the damage caused to Greece by the Bulgarian occupation, in effect solicits the continued help of the United States Government to secure a prompt reply from the Soviet Government in con-

[28] Printed in vol. VIII, last section under Greece; the telegram dealt with Yugoslav pressure for early reconditioning of its free zone in Salonika and repair of railroads between the port and the Yugoslav border.

[29] Enclosure not printed.

nection with the question of Greece's representation to the Allied Control Commission in Bulgaria.

Respectfully yours, LINCOLN MACVEAGH

740.00119 Control Bulgaria/4–2045

The United States Representative in Bulgaria (Barnes) to the Director of the Office of European Affairs (Matthews)

SOFIA, April 20, 1945.

DEAR DOC: I am writing this to send with General Crane who departs tomorrow to confer in Washington.

You may find him a little more sanguine with respect to the possibility of our working things out with the Russians than I am. This will not be because of any real difference of views between us, but because perhaps he is less politically-minded than I am.

As I see matters here, we are now going through the 1944 Bulgarian version of what began to happen in Russia in November 1917; or, to put it another way, September 9, 1944 in Bulgaria picked up the threads of the Stambuliisky régime, broken by the *coup d'état* of June 1923. Here we are in full revolution. In 1923 the revolutionary régime which then seemed to be so solidly ensconced was overthrown, I might even say eradicated throughout the country, in the short period of four hours by a *coup d'état* engineered by army officers, former politicians and intellectuals. This time the Communists are, or think they are, in charge, and they propose to sink deep foundations. All that is opposed to them is "fascist", and must be excavated for those deep foundations. The Russians agree in principle, and even look upon the Agrarians with askance.

The one hopeful factor in the situation is that while everything bourgeois is "fascist", nevertheless, our Bulgarian Communists are seeking only, in fact, to assure for themselves the advantages and security that the bourgeois system in Bulgaria has in the past conferred upon those who now constitute the hated and dreadful "fascists". The pendulum will swing, but in the meantime we should not delude ourselves into believing that three-cornered collaboration here is going to pay dividends, that is, dividends as we understand the term. Our Russian friends are by nature too suspicious to believe that either we, or, and particularly, the British, could keep our eyes on the ball of higher objectives than selfish national or Anglo-Saxon interests.

I am enclosing for your information and Cannon's,[30] a copy of a

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[30] Cavendish W. Cannon, Chief of the Division of Southern European Affairs, was appointed on April 18 as First Secretary of Embassy in Portugal.

memorandum that I have given to General Crane on my views about our continued participation in the A.C.C.

Sincerely yours, MAYNARD B. BARNES

[Enclosure]

Memorandum by the United States Representative in Bulgaria (Barnes)

UNITED STATES PARTICIPATION IN ALLIED (SOVIET) CONTROL COMMISSION, BULGARIA

SECTION I

The Allied Control Commission in Bulgaria exists, according to Article 18 of the Armistice, "to regulate and supervise the execution of the armistice terms under the chairmanship of the representative of the Allied (Soviet) High Command and with the participation of representatives of the United States and the United Kingdom".

The "participation" to date of the United States and United Kingdom representatives has been limited by Russian action to what Molotov once described in a communication to the British Ambassador in Moscow as substantially that of liaison. They have participated in no decisions of the Commission, and they are only infrequently informed of decisions; in fact, they have not even been afforded the opportunity of effective liaison with the Commission, namely, full knowledge of the Commission's activities.

They know of course that hostilities ceased on September 9 between Bulgaria and the U.S.S.R., and that relations were severed by Bulgaria with Germany and Hungary (Article 1, Paragraph A of the Armistice).

They know that no German armed forces exist in Bulgaria and that the nationals of Germany and her satellites have been interned. (Article 1, Paragraph B).

They know in general that Bulgarian forces are serving under the Soviet High Command in the war against Germany. (Article 1, Paragraph C).

They have no knowledge of the plans for the demobilization of Bulgarian forces on the conclusion of hostilities against Germany. (Article 1, Paragraph D).

They know that Bulgarian forces and officials have been withdrawn from Yugoslav and Greek territories, except as otherwise required by the Soviet High Command in the case of Yugoslavia where Bulgarian forces are operating against the German army; also that all legislative and administrative provisions relating to the annexation

or incorporation into Bulgaria of Greek or Yugoslav territory have been repealed. (Article 2).

They know nothing in detail about the movement of Soviet forces over Bulgarian territory, nor of the facilities, services and supplies made available by Bulgaria for these forces. (Articles 3, 15 and 17).

They know that Allied prisoners of war and internees have been released and that the same is the case with respect to persons formerly held in confinement for activities or sympathies in favor of the United Nations; also that anti-Jewish legislation has been repealed. (Articles 4 and 5).

They are of course aware of the extent to which the Peoples Courts have gone in dealing with members of the former régime. (Article 6).

They have been informed that all Fascist political, military, paramilitary, etc. organizations have been dissolved and that control measures exist against the resumption of activities by such organizations. (Article 7).

They know that Soviet control over literature, the press, the theatre, the cinema and communications facilities is being exercised and that these controls have facilitated the dissemination of U.S.S.R. information, but have not operated to any noticeable advantage to United States and United Kingdom informational services. United States and United Kingdom correspondents are not welcome. (Article 8).

They know virtually nothing of what is being done about the return of Greek and Yugoslav property, or of what is envisaged in the way of reparations in favor of these countries. They understand that the rights and interests of United Nations nationals have been restored but they are unable to obtain entry for their nationals who desire to regain legal possession of their interests in Bulgaria. They know of no final and legal act of the restoration of United States and United Kingdom property. (Articles 9 and 10).

They possess no details of the restitution of United Nations property removed from United Nations' territory by Germany or Bulgaria. (Article 11).

They possess no real knowledge concerning booty handed over to the Soviet High Command. (Article 12).

They possess no knowledge of the property belonging to Germany or Hungary or to their nationals that is being held for ultimate disposition by the Commission. (Article 13).

They possess no real knowledge of United Nations vessels handed over under Article 14, nor do they know about Bulgarian merchant vessels subject to the operational control of the Soviet High Command. (Article 16).

They know of no steps looking to the determination of reparations on behalf of Greece and Yugoslavia, nor do they know of any steps being taken to supply foodstuffs for the relief of the Greek population. They know in general that relief supplies have gone to Yugoslavia, but they possess no details. (Article 9 and the Protocol).

Whatever we may consider the rights of our representation on the Allied Control Commission to be, our participation on that Commission has been modified in effect by the Eden and Molotov exchange of correspondence, as set forth in the annex to this memorandum.

Section II

The United States Mission in Bulgaria exists to foster and develop the interests of the United States in Bulgaria and the interest of the Bulgarian people in the United States and its way of life. It is charged with reporting fully on all developments of political significance, externally and internally, and of keeping the United States Government informed during the present critical period in Bulgarian affairs of major trends in this country. While the Mission does not have formal diplomatic relations with the Government of Bulgaria, it is instructed to maintain such informal contact with the Bulgarian Government, as well as to assure itself full freedom of movement and communications, as may be necessary to fulfill its responsibilities for the protection and extension of American interests in Bulgaria.

The objectives which it pursues in the interests of the United States Government are:

1. The right of peoples to choose and maintain for themselves without outside interference the type of political, social and economic systems they desire, so long as they conduct their affairs in such a way as not to menace the peace and security of others.

2. Equality of opportunity, as against the setting up of a policy of exclusion, in commerce, transit and trade; and freedom to negotiate, either through government agencies or private enterprise, irrespective of the type of economic system in operation.

3. The right of access on an equal and unrestricted basis of bona fide representatives of the recognized press, radio, newsreels and information agencies engaged in gathering news and other forms of public information for dissemination to the public in the United States; and the right to transmit information gathered without hindrance or discrimination.

4. Freedom for American philanthropic and educational organizations to carry on their activities on the basis of most favored-nation treatment.

5. General protection of American citizens and the protection and furtherance of legitimate American economic rights, existing or potential.

Section III

Modification of A.C.C. procedures in favor of the United States and United Kingdom representatives is foreseen in Article 18 of the Armistice terms. Also, in Ambassador Winant's letter of October 22 to the Acting Soviet Representative on the European Advisory Committee [31] a caveat was filed in favor of more effective representation for the United States after the termination of hostilities with Germany.

The modifications proposed in correspondence exchanged between the Department and the Mission are:

1. American and British representatives to take their places as full members of the Commission with the right to be present at all meetings and to participate fully in the handling of all questions before the Commission. They should have the right to direct access to the Bulgarian authorities.

2. Decisions issued in the name and authority of the Allied Control Commission should be unanimous. Should the Soviet High Command insist upon issuing directives to the local government or upon taking measures which the United States and the United Kingdom representatives do not approve, these acts should be taken unilaterally in the name of the Soviet High Command.

3. The degree to which the United States and United Kingdom representatives shall participate in the administrative and executive work of the Commission is a matter for determination on the spot. However, they must certainly have the right to membership in any sub-committee or executive organ dealing with United States and United Kingdom rights and property.

4. Unrestricted movement in and out of Bulgaria of United States and United Kingdom aircraft required by representatives for communication and transportation.

5. Unrestricted movement of necessary personnel into and out of Bulgaria and freedom of movement within Bulgaria.

Section IV

We have seen from the foregoing that the representation of the United States on the Allied Control Commission in Bulgaria is for the purpose of regulating and supervising the execution of the Armistice terms, and that the United States Mission in Bulgaria exists for the purpose of political representation, reporting and the protection and furtherance of the interests of the United States people in Bulgaria.

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[31] See telegram 9077, October 22, 1944, midnight, from London, *Foreign Relations*, 1944, vol. III, p. 472.

We have also seen from the foregoing that the representation of the United States on the Allied Control Commission has not, because of Russian hindrance, been able to participate effectively in regulating and supervising the execution of the Armistice terms. The *sine qua non* to effective participation in the supervision and the execution of the Armistice terms in the period after the termination of hostilities with Germany is acceptance by Russia of the conditions set forth in Section III of the memorandum.

There remains to be emphasized the fact that the two avenues of the United States action in Bulgaria (Allied Control Commission representation and the Mission) are useful to United States interests, both on the higher level of cooperation between the three principal allied powers and in the more restricted realm of the protection and furtherance of United States interests in Bulgaria, only if these two courses of action are complementary. Otherwise, our representation along one avenue serves only to check the effectiveness of our representation along the other.

Ineffective participation in the Allied Control Commission can serve only to frustrate political representation in Bulgaria. Representation on the Allied Control Commission serves to bolster the position of a commission dominated by the Russians, who thus far have refused to deal with the Mission on the grounds that the proper channel of communications is the Representative of the United States on the Allied Control Commission. At the same time the Russians have refused thus far effectively to cooperate with the United States Representative on the Control Commission.

On the other hand, so far as the Mission is concerned, the Bulgarian Foreign Office is held in check by the Russian dominated Control Commission on the grounds that the relations of the Foreign Office with the Mission must likewise pass through the channel of the Control Commission.

Section V—Conclusions

Neither with respect to the broader problem of cooperation between the three principal Allied Powers, nor in the field of the more restricted one of protection and furtherance of the rights and interests of the United States people in Bulgaria, can it be argued that our objectives will be served by the continuance of ineffectual United States representation on the Allied Control Commission. In other words, during the second period of the Armistice, the United States Government must either obtain Russian acceptance of the conditions set forth in Section III of this memorandum or revise the form of its dual activity in Bulgaria at this time.

In my opinion, no evidence exists to support the hope that we may obtain these necessary concessions from the Russians for the second period of the armistice. If we do not succeed I suggest that United States interests can best be served by a policy that seeks to short-circuit the Allied Control Commission wherever possible, and when not possible to force the Commission to deal directly with representation that seeks to protect and extend United States interests. This could be accomplished only by the elimination of our representation on the Allied Control Commission. As between protecting and extending United States interests and regulating and supervising the execution of the armistice terms there would seem to be no difficulty of choice, if a choice must be made. The decision would of course rest in the final analysis with the Russians: they must in future accept our representation on the Commission in a manner that will assure our effective participation; at any rate, they should no longer profit from a situation that renders ineffective both the activity of our representation on the Commission and our political representation in Bulgaria.

There remains one point to be mentioned: to leave open our representation on the Allied Control Commission would of course arouse the apprehensions on the part of the Bulgarian public in general. The mere presence of our military here has an encouraging effect on the skeptical and doubtful with respect to ultimate Russian aims. The evaluation of this factor as an offset to the protection and furtherance of our own national interests would seem to be a matter for decision on a high level. My own view is that the choice, if one must be made, should be in favor of protecting as best possible, our own national interests. Especially would this seem to be the case when Russian action makes impossible any serious attempt at cooperation in Bulgaria between the three principal Allied Powers.

MAYNARD B. BARNES

[Subenclosure]

ANNEX TO MEMORANDUM ON UNITED STATES PARTICIPATION IN ALLIED (SOVIET) CONTROL COMMISSION, BULGARIA

1. On October 15 Eden addressed a letter to Molotov confirming agreement between the two on the main points that were outstanding in the text of the Armistice prior to the meeting between the two on October 14. Enclosure set forth British compromise proposal to assure that Bulgarian resources are conserved in interest of reparations. Paragraph 7 of that letter consisted of the following significant statement: "I also do not press my suggestion that the protocol

should contain a reference to our present understanding that the British and American representatives will not take their seats on the Control Commission until the conclusion of hostilities with Germany. We can, as you prefer, leave this to be understood between us." The closing sentence of the letter is: "It is, of course, clearly understood between us that the agreement which we have reached here at Moscow does not bind the United States Government, who are represented in this matter by their delegate on the European Advisory Commission."

2. Molotov replied on October16, declining the British proposal for the safeguard clause with respect to conservation of Bulgarian assets, declaring equality of position between the three Allies with regard to Bulgarian supplies for war industries in Allied countries and agreeing to publication of the protocol and early submission of draft armistice and protocol to European Advisory Commission "for the purpose of obtaining the approval of the United States Government."

3. Eden replied on October 17 regretting Molotov's inability to accept compromise proposal to assure that Bulgaria does not dissipate her resources, noting Molotov's statement on Bulgarian supplies for war industry and agreement to publication of protocol and stating that text of armistice and protocol have been telegraphed to London for submission to European Advisory Commission.

4. On October 26 Winant addressed a note to the acting Soviet representative on the European Advisory Commission. While this letter reserves our right to discuss at a later date with the two other Allied Governments the implementation of Article 18 of the Armistice during period subsequent to the conclusion of hostilities against Germany, it contains no reservation to any other points in the Eden-Molotov exchange of correspondence, and especially no reservation to "our personal understanding that the British and American representatives will not take their seats on the Control Commission until the conclusion of hostilities with Germany."

500.CC/4–2445: Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, April 24, 1945—7 p. m.

104. Reurtel 220 today's date.[32] The press section of delegation at San Francisco has just this evening agreed to Paden's [*Padev's*] [33]

[32] Not printed.

[33] Machael Padev, who was London *Times* correspondent in Sofia before World War II.

accreditation. Please inform Foreign Office that visa authorization is being sent to London.

For your information this delay was caused by reluctance to admit any Bulgarian representative in view of anticipated difficulties in press circles because of the attitude of the authorities at Sofia in the matter of American news coverage in Bulgaria. The decision was reversed on political grounds such as those mentioned in your 157.[34]

GREW

500.CC/4-2545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 25, 1945—11 a. m.
[Received April 26—4:20 a. m.]

224. Decision communicated in Department's 104, April 24, 7 p. m. is most helpful. I feel, however, that I must point out again and most energetically that the Bulgarian authorities are in no way responsible for the exclusion of American correspondents from Bulgaria. This is a responsibility that rests squarely on the shoulders of the Soviet authorities here and in Moscow.

BARNES

740.00119 Control (Bulgaria)/4-2545 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

MOSCOW, April 25, 1945—1 p. m.
[Received 1:10 p. m.]

1341. ReEmbs 244, January 26, 7 p. m. Calling on me April 23 Greek Ambassador stated that as the Soviet Government had not replied to Greek request for representative to Bulgarian ACC he had received instructions from Athens to ask permission for station in liaison office at Sofia to maintain contact with ACC there.

Sent to Department; repeated to Sofia as 31, Athens as 17, London as 177.

KENNAN

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[34] In telegram 157, March 23, 1945, Mr. Barnes pointed out that Bulgarian officials received their information from outside Bulgaria through Russian sources and expressed his belief that it would be helpful if they could receive reports from the United States directly from a representative in Washington (500.CC/3-2345).

740.00119 Control (Bulgaria)/4–2645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 26, 1945—noon [*1 a. m.*]
[Received April 26—10:50 a. m.]

227. Please see my 152, March 21, 4 p. m. The surly, ill-considered conduct of the Russian military authorities in matters of operational interest to this mission continues. The Mission has today been informed that "the Russian High Command does not sanction the entry into Bulgaria of clerks Fay and Downs".[35]

I trust the Department will take such action in Moscow as this uncooperative and ill advised decision justifies. The need for these employees has been and continues to be urgent. The anomaly of our Ally making it impossible for the Mission to fulfill the function for which it was established should be apparent to Moscow even if it is not to the dim Russian military mind here.

Repeated to Moscow as 103 and to AmPolAd as 113.

BARNES

874.00/4–2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 27, 1945—2 p. m.
[Received 3:40 p. m.]

232. The Communist campaign against G. M. Dimitrov and all Agrarian elements that support him is continuing. Dimitrov has now been placed under house arrest and political orators and the press denounce him almost daily, alleging Fascist tendencies. These articles and speeches sometimes contain only slightly veiled reference to one of the basic reasons for Communist determination to eliminate him, namely his pro-British (one might even say pro-Anglo-Saxon) tendencies. Petkov, who a few months ago replaced him as secretary of the Agrarian party, was asked recently by the Communist Regent Pavlov to give in to Communist Party pressure and publicly attack Dimitrov. Petkov replied that, if necessary in the interest of preserving the FF, he would comply but that he could base his attack only on Dimitrov's faith in Anglo-Saxon democracy. Pavlov of course would not consent to this.

Repeated to AmPolAd as 115 and to Moscow as 105.

BARNES

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[35] Marie F. Fay and Ednamay B. Downs.

740.00119 Control (Bulgaria)/4–2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, April 27, 1945—3 p. m.
[Received 6 p. m.]

233. Remytel 227, April 26, 1 a. m. I have sent the following letter to General Biryusov on the subject of refusal to approve entry of clerks Fay and Downs.

I have not failed to inform my Government by telegram of the decision communicated to me this morning through Colonel Tviridov's office, that "the Soviet High Command does not sanction the entry into Bulgaria of clerks Marie Fay and Erma [*Ednamay*] Downs" who for some time now (6 weeks in fact, as I first requested clearance for them in a letter to Minister Lavrishchev dated March 15) have been waiting in Caserta to join the staff of the United States Mission in Bulgaria, to which they have been detailed by the Department of State.

In my telegram of this morning I made it clear to the Department of State that the attitude of the Russian military authorities here in matters of operational interest to the United States Mission in Bulgaria is unsatisfactory. I pointed out the anomaly of our ally making it impossible for the Mission to fulfill the functions for which it was established. I requested such step as may be necessary to correct this unsatisfactory state of affairs be taken at Moscow where no doubt the anomaly of the decision of the Russian military authorities will be readily understood.

In the above connection I believe that it will be of interest to you to know that January of this year a similar unsatisfactory state of affairs developed in Rumania, between our Mission there and the Russian military authorities in that country, and that in replying to a protest by the Department of State to the Ministry of Foreign Affairs at Moscow, R. [*Mr.*] Vyshinski stated that "it goes without saying that no obstacles are to be put in the way of entry into Rumania of persons appointed to the United States Mission in Bucharest."

[BARNES]

740.00119 Control (Bulgaria)/5–145

Memorandum by the Acting Secretary of State to President Truman

WASHINGTON, May 1, 1945.

Subject: American Interests in Bulgaria and Rumania

Major General John A. Crane and Brigadier General Cortlandt Van Rensselaer Schuyler, the United States Representatives on the Allied Control Commissions in Bulgaria and Rumania respectively are in Washington on consultation, expecting to return to their posts this week. We have, in addition, a second representation in these countries, independent of the Control Commissions, for the protection

of American interests. These latter representatives, Mr. Maynard B. Barnes in Bulgaria and Mr. Burton Y. Berry in Rumania, are Foreign Service Officers with the personal rank of Minister.

For both representations and in both countries the problem is essentially the same; namely, the difficulty of maintaining the position of this Government in an area where the Soviet Government considers its interests paramount.

Since Bulgaria and Rumania surrendered to the Allies last autumn they have been under strict Russian control though nominally subject to Anglo-American-Soviet control commissions. The American representatives on the Control Commissions have hardly more than the status of observers, although in the case of Bulgaria the armistice terms provide for their participation in the work of the Commission. Their presence associates this Government with measures taken in the name of the Commissions by the Soviet authorities on which we are not consulted and with which we are often in disagreement. In Rumania, the Soviet Government has intervened directly in political affairs to bring about the installation of a minority government dominated by the Communists and in Bulgaria they have exerted pressure directly and indirectly on behalf of the Communist Party. Since last autumn the Soviet Union has given us reason to believe that it intends to dominate the affairs of both countries and to exclude the influence of other powers, regardless of the nominally Allied character of the regime of control under the armistice agreements, of the commitments made in the Crimea Declaration on Liberated Europe, and of American and British property or other interests there.

We have had no success in our attempts to have a part in the interpretation and enforcement of the armistice terms. With the approach of the "second period" (between the end of hostilities against Germany and the conclusion of peace with Rumania and Bulgaria), we shall propose that the Control Commissions be made genuinely tripartite and in the case of Bulgaria we have formally indicated our intention in this regard.

On broader political matters not covered by the armistice terms our policy is based on the Crimea Declaration, which we have already invoked in proposing Allied consultation on the recent change of government in Rumania and on the coming elections in Bulgaria. Both proposals were rejected by the Soviet Government. We consider both proposals as "pending" nevertheless, and are awaiting only further developments in the negotiations over Poland before reopening these questions. While we concede that Soviet interests in Rumania and Bulgaria are more direct than ours, we believe that our interests and our responsibilities under the Crimea Declaration require us to take a strong stand *vis-à-vis* the Soviet Government in

support of the principles of joint Allied action in the political sphere and non-exclusion in the economic sphere. We think that the Bulgarians and Rumanians themselves should be given an increasing responsibility and independence of action in their own affairs, both political and economic. We intend to work to this end in discussions with the Soviet Government, and are confident that if this can be achieved we, for our part, would then have no difficulty in Bulgaria and Rumania in effecting the removal of restrictions on the activities of our personnel, and in obtaining the equality of economic opportunity, safeguards for American interests, and access to public opinion, which would serve our national interest and contribute to general peace and security, fulfilling at the same time the obligations publicly assumed through our participation in the Yalta Declaration. A copy of the text of this Declaration on Liberated Europe is attached.[36]

The above discussion, covering Bulgaria and Rumania, because of the consultation with General Crane and General Schuyler, would be applicable also to Hungary, where a roughly similar situation prevails.

JOSEPH C. GREW

768.74/5–145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 1, 1945—11 a. m.
[Received May 2—6 : 40 p. m.]

237. Petko Stainov called me to the Ministry for Foreign Affairs yesterday afternoon to talk about Bulgaro-Greek relations among other things. He handed me a memo containing numerous quotations from the Greek press of the past few months in which Bulgaria is referred to with the deepest opprobrium and which contain such phrases as "frontier beyond the Struma", "on to Plovdiv", "on to Sofia". The Minister explained that from the outset the FF government had not only manifested a willingness to fulfill the armistice terms but had engaged in military operations against the Germans and had severely punished those responsible for having put Bulgaria into the war against the Allies and for mistreatment of the populations of Thrace and Eastern Macedonia.

He said that so long as the British support the Greeks in their gestures of hatred towards Bulgaria the opportunity thus afforded the Soviet authorities to keep the Balkan pot boiling would be utilized to the fullest against the interests of all but Moscow. He expressed the

[36] Section V of the Report of the Crimea Conference, *Conferences at Malta and Yalta*, pp. 968, 971.

view that in this matter the British could see no further than their nose. He said the stipulation in the protocol to the armistice with respect to relief supplies for Greece was an interpretation of the armistice by Russia, Britain and United States; that it was a statement of policy to be carried out by the three powers with respect to Bulgaria and not an undertaking entered into by Bulgaria, after [*as?*] established by the absence of a Bulgarian signature to the protocol. He added at the time of signing the armistice he had no reservations in the matter of supplying Bulgarian products to Greece, but also at that time he had had no comprehension of the extent to which Bulgarian products would be taken for the needs of the Russian Army.

He asked that the American authorities, when estimating Bulgaria's Government [*Bulgarian Government's*] faith and the degree to which it has already fulfilled its armistice obligations, take into consideration all that he had just said. He asked me personally to aid him in so far as I could in persuading the British that it would be better for all concerned if British officialdom and the press could adopt a less severe attitude toward Bulgaria. He did not seek to veil the implication that by their attitude of extreme reserve toward Bulgaria the British were playing directly into Russian hands at least so far as Balkan affairs go.

In reply I pointed out the serious burden imposed [apparent omission] the failure of Bulgarian relief supplies to reach Greece. I did not hestitate to admit that I fully realize Moscow is the place to seek a solution of the problem—not here where we have no opportunity effectively to argue the case with the Russian authorities and where the local government is not a free agent. I said that nevertheless opportunities do exist for Bulgaria to prove its good faith to the United States in the manner [*matter?*] of deliveries to Greece. For example I suggested that he could exert his influence in favor of turning over to Greece at least half of the 1300 railway freight cars now totally immobilized at Koula. I expressed the belief that should he obtain a satisfactory decision along this line (Biryusov has recently informed General Oxley these cars must remain immobilized until the reparations settlement with Greece has been concluded) the effect in Washington would be helpful to Bulgaria. I stressed Greece's urgent need for rolling stock and the extreme difficulties of meeting this need from the United States or anywhere else and to find shipping for goods that must go to Greece from the United States if Bulgaria does not do her utmost. The Minister promised to do his best with the Russian and Bulgarian authorities to effect an early return of at least half of these cars to Greece.

Repeated to Moscow as 108 and to AmPolAd as 117.

BARNES

871.00/5-545

Memorandum by the United States Representative on the Allied Control Commission for Bulgaria (Crane) to President Truman[37]

WASHINGTON, 3 May 1945.

Subject: The Current Situation in Bulgaria

1. *Operation of Allied Control Commission, Bulgaria.*

a. The Russians in Bulgaria, using one excuse or another, have imposed severe restrictions on the actions and movements of the members of the U.S. Representation on the Allied Control Commission. For example, they have insisted that no more than fifty officers and men comprise the American representation; they will allow no planes or personnel to enter or leave Bulgaria without previous clearance from them (to obtain this takes from five days to three weeks); no Americans are allowed outside Sofia without a Russian liaison officer accompanying them, and these officers can only be furnished the Chief U.S. Representative or someone on official business for him. Permission must be granted by the Russians to bring in every ounce of supplies or mail for the U.S. Representation and such is subject to inspection by the Russians on arrival. The Russians have refused to grant permission for the entry of U.S. citizens with legitimate reasons for wishing to enter Bulgaria. For example a Graves Registration party of the 15th Air Force was not allowed to come to Bulgaria because the Soviet High Command considered the U.S. Representation already in Bulgaria large enough for all U.S. needs.

b. The U.S. Representative on the Allied Control Commission in Bulgaria not only has had no voice in determining orders to be issued to the Bulgarian Government, but has been unable to obtain from the Allied Control Commission those directives and orders given to the Bulgarian Government by it although repeated requests have been made to the Russians for them. This information has been obtained from officials of the Bulgarian Government who gave it with much trepidation and in great secrecy.

c. It appears that a concerted effort is being made by the Russians to keep the influence and prestige of the United States at an absolute minimum with the goal of increasing the prestige of the completely Communist-dominated Bulgarian Government and the USSR.

d. The Control Commission has interpreted the articles of the Armistice as it has seen fit with no reference to the United States or British Representatives thereon and in such a manner as to place an

[37] Copy transmitted to the Secretary of State with covering memorandum of May 5 from the White House, by direction of Fleet Admiral William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy.

unprecedented and almost unbearable drain on Bulgarian resources. Apparently no effort has been made by the Control Commission to plan ahead so that Bulgaria may be able to meet such reparations as Greece and Yugoslavia may justly demand from her. There is no indication that the Control Commission will be anything but hostile to Greek demands on Bulgaria for reparations.

2. *Political Situation in Bulgaria.*

a. Since September 9, 1944, Bulgaria has been governed by a coalition government known as the "Fatherland Front" which is comprised of the Communist, Agrarian, Zveno and Socialist Parties. In reality, this government is completely dominated by the Communists who make up a small but well-organized party representing perhaps 10% of the population and who are backed up by the Russians in their every move. Moreover the presence of an occupying Russian Army gives great moral backing to the Communist Party.

b. The Bulgarian Militia, or State Police, has been completely communized and is being used by the Communist Party to terrorize and control the population of the country.

c. Political Commissars, all of whom are Communists, have been introduced into the Bulgarian Army to make sure that the Army hews to the government line.

d. Freedom of speech and freedom of the press are non-existent in Bulgaria. Those who voice their sentiments too strongly in opposition to the present government or its communistic program are immediately labeled "Fascists" and are dealt with accordingly.

3. *Summary.*

a. The Allied Control Commission, Bulgaria, is completely dominated by USSR. Russia, through the medium of the Allied Control Commission, is proceeding to impose a Communist-dominated government on Bulgaria despite the fact that this type government is not desired by an overwhelming majority of the population.

b. Through the Allied Control Commission and a Bulgarian Government dominated by Bulgarian Communists, Russia is ruling Bulgaria completely, politically, industrially and economically, taking what it wishes from the country in the way of foods, goods and money.

c. The Representatives of the United States and Great Britain on the Allied Control Commission are practically powerless to alter the present situation. The prestige of the United States is being adversely affected in the eyes of the world as a result of this situation and the restrictions placed on the activities of the U.S. Representation by the Russians.

d. The Bulgarians and those in other nations hold the United States and Great Britain jointly responsible for the actions of the Control Commission for it is, in name at least, an "Allied" Commission.

4. *Recommendation.*

a. It is recommended that the following course of action be followed with respect to the operation of the Allied Control Commission in Bulgaria:

(1) The United States to insist that the Russians withdraw immediately all the restrictions on the movements and actions now imposed on the United States Representation; give assurance that no others will be imposed and insist that the United States Representative, Allied Control Commission be allowed full power to determine what citizens of the United States should come to Bulgaria and in what numbers.

(2) The United States to insist on action towards Bulgaria by the Control Commission in line with the spirit of the Yalta Agreement, supporting its position by diplomatic pressure, by public announcement of the true Bulgarian situation and by threat of withdrawing economic and financial assistance from Russia.

b. It is suggested that no time could be more propitious than the present for such action on the part of the United States for, as indicated by Article 18 of the Armistice Terms, more truely tripartite action on the part of the Control Commission was contemplated during the period following the cessation of hostilities with Germany.

J. A. CRANE
Major General, USA

740.00119 Control (Bulgaria)/5–445 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 4, 1945—3 p. m.
[Received 11:42 p. m.]

1459. Acting on his Government's instructions the Greek Ambassador has indicated to the Foreign Office Greek acceptance of the offer made by Vyshinski to permit a Greek liaison officer with the ACC for Bulgaria. He reserved the right, however, of later reopening the question and raising possibility of fuller future Greek representation on the Bulgarian ACC. He made this *démarche* to the chief of the fourth European section, Lavrishchev.[38] The Ambassador assured Lavrishchev that he would, in conformity with the latter's request, inform the Foreign Office of the name of the liaison officer.

To Department as 1459; repeated to Athens as 19; repeated to Sofia as 33.

KENNAN

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[38] Formerly Minister in Bulgaria.

611.7431/5-545 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, May 5, 1945—6 p. m.

122. 1. Discussions have been held with General Crane concerning the exchange of goods between Bulgaria and the United States and/or other areas. It has been agreed here that Crane on his return there will discuss with you a suitable approach to the Bulgarian officials about specific commodities which may be exchanged, by quantities and values. There is great need for vegetable and fodder seeds, hides and skins, fruits, lumber, etc. United States can supply cotton, wool, medical supplies, and perhaps other items. Crane agreed to furnish the Department with a list of commodities available for export and Bulgarian requirements, together with quantities and values.

2. It is contemplated that the military and/or UNRRA [39] will be the principal purchasers of the Bulgarian exports which probably will be used for civil relief or military purposes. In exchange Bulgarian requirements will be supplied in a manner yet to be determined.

3. If transactions satisfactory to both parties can be developed their completion will be strongly supported through diplomatic channels wherever necessary.

4. Crane bears more detailed information copies of which together with detailed accounts of our conversations will be forwarded by pouch.[40]

GREW

874.00/5-945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 9, 1945—2 p. m.
[Received May 10—8 : 04 a. m.]

242. The end of hostilities in Europe finds politically conscious Bulgarians, and most Bulgarians are politically conscious even if unintelligently so, in a somewhat confused state of mind.

Only the Communists are inspired by clearcut concepts and objectives and possess the force and drive that gives self confidence. They want a hammer and sickle, a workers and peasant[s] foundation for all future governments. They want foreign policy based only on the power of Russia and the interests in common of the two countries. Hence the current effort to eliminate from the Agrarian Party within

[39] United Nations Relief and Rehabilitation Administration.
[40] Instruction 26, May 15, not printed.

the Fatherland Front all elements that stand for an independent and separate Agrarian Party and that advocate a wider basis—a Soviet-Anglo-Saxon basis—for Bulgaria's foreign policy. The Agrarian leaders Obbov and Athanassov are playing the Communist game. They have convoked a conference of the Sofia Agrarian Party organization as a move against the Agrarians in the present government who persist in the view that the independence of the Agrarian Party must be preserved. The conference began its session [apparent omission] that the resignations of the Agrarian Ministers are in the hands of the Prime Minister.

So with the incipient government crisis growing more acute it is not unnatural that cessation of hostilities in Europe finds Bulgarian opinion in a somewhat confused state of mind. But there are more reasons than merely this one and they are all more or less fundamental with respect to the future path the country shall follow.

Bulgaria has waged war actively on the battle field against Germany. More than forty thousand of her soldiers have been casualties in the last few months. Perhaps twelve thousand at least have been killed. Even so the country's status as a defeated enemy remains unchanged. While it may not be generally understood Russia has sought the status of cobelligerent for Bulgaria it is nevertheless known by the leaders that Anglo-Saxon resistance to this proposal is largely responsible for the unchanged status of the country. Those who know the facts ask themselves what is the meaning of all this.

The purely Russian character of the Control Commission is an open secret throughout the country. It is only natural that many wonder whether this state of affairs will continue and if so what conclusions are to be drawn from the failure of the Anglo-Saxon nations to take any important part in setting Bulgaria on to the path of her future development.

The absence of any knowledge as to what Russia intends to do about continued occupation of the country is also an unsettling factor. Neither politically nor economically can the country settle down until the occupation ceases or until it is known that occupation must be considered a normal rather than abnormal state of affairs for some time to come.

What about the Bulgarian Army in the field? Are these hundred odd thousand troops to be returned soon to their homeland or does Russia plan to keep them absent for some time more and if so for what purpose, for what reason? These too are only very natural questions in the minds of Bulgarians today.

Of course, the country is happy that hostilities in Europe are at an end. And except for the Communists no disposition exists to minimize the fact that the victory is quite as much an Anglo-Saxon one, if

not more so, than a Red victory. Nevertheless the dominant note in the local reaction, as Bulgaria today begins under the aegis of Moscow to express thanksgivings for the end of the war in Europe, is one of preoccupation over the fate that is awaiting the country. Must it go the Russian way under Communist domination or will it be permitted to continue as an independent European state having useful political and economic ties with the West as well as the East?

Repeated to Moscow as No. 113 and AmPolAd as 122.

BARNES

740.00119 Control (Bulgaria)/5-1045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 10, 1945—6 p. m.
[Received May 13—11:43 a. m.]

247. On several occasions recently the Minister for Foreign Affairs has asked me what changes are envisaged by the Government of the United States with respect to United States participation on the ACC upon the conclusion of hostilities against Germany. He has had in mind of course the inference contained in article 18 of the Armistice Convention that upon the conclusion of hostilities the ACC will no longer be subject to the general direction of the Allied (Soviet) High Command. I have replied each time to the effect that article 18 speaks for itself, it being the view of the United States Government that no understanding exists between it and the other signatories modifying the actual terms of the armistice.

We are now in the period following the conclusion of hostilities against Germany. If the actual terms of the armistice are to be carried out a change in the operations of the Control Commission is now imperative. I have the very definite impression that no instructions looking to real and effective action on the Commission by the United Kingdom and the United States representatives have reached General Biryusov. Yesterday General Cherepanov [41] who actually directs the operations of the Commission said to General Oxley that he assumed, in view of the end of the war in Europe, that the British representative's duties were now about at an end. General Oxley replied that on the contrary he now hoped that his duties were about to begin. General Cherepanov gave no reply but a warm smile and some time later repeated the same remark to General Oxley in a somewhat different form.

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[41] Lt. Gen. Alexander Ivanovich Cherepanov, Deputy President (Chairman) of the Allied Control Commission for Bulgaria.

In its telegram 63 of March 10, 7 p. m. the Department set forth its views as to the minimum nature of the participation on the Control Commission of the United States representative during the second period of the armistice. It is my own view that we can no longer delay in forcing the issue with Moscow if we are to retain a shred of respect here. Local attention is now focused on what we and the British will do to implement article 18. In my opinion circumstances suggest an immediate statement by the United Kingdom and the United States Ambassadors in Moscow to Mr. Molotov to the effect the Governments of the United Kingdom [and the United States] propose to notify the Bulgarian Government on a specified date in the early future that henceforth all decisions of the ACC will bear the signatures of the Soviet, the United Kingdom and the United States members and that any decisions or directives signed by the Soviet member only must be construed as decisions and directives of the Soviet military authorities alone. Renewed interminable discussions with the Soviet authorities as to United Kingdom and United States participation on the Control Commission in the second period of the armistice would inevitably, in my opinion, permit a period of time to run in which we would be failing to live up to obligations assumed by United States in signing the armistice. If we and the British had planned to turn this country over to the USSR certainly the terms of the armistice would have been different and that document doubtless would never have been signed in the name of the United States Government. Also the Yalta Declaration on Liberated Europe would doubtless have been differently phrased.

I think that at this time the Mission should also mention the fact that paragraph [D] of Part [*article*] I of the Armistice stipulates that "on the conclusion of hostilities against Germany the Bulgarian Armed Forces must be demolished [*demobilized*] and put on a peace footing under the supervision of the ACC." I assume that any modification of this stipulation must take the form of a mutual agreement by the four signatories of the convention and that should any such modification be contemplated the project would be based on a desire to accord some changes in Bulgaria's status as a defeated enemy.

Reparations to be paid by Bulgaria have not yet been assessed. It has been noted that a repatriations Commission is being set up in Moscow. Will this Commission concern itself with the question of Bulgarian repatriations or does this problem remain one to be dealt with exclusively by the USSR, the United Kingdom and the United States through the ACC? Perhaps General Crane will bring back full instructions on these points, but if not, it is hoped that the Department may find it possible to provide the Mission with early directives.

Repeated to Moscow as 116 and to AmPolAd as 127.

BARNES

874.00/5–1245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 12, 1945—1 p. m.
[Received 1:45 p. m.]

249. Conversations with Professor Ganev, the Senior Regent, and Nikola Petkov, leader of the Agrarians in the present Government, have served to confirm in detail the picture of the local confusion of mind of the preoccupation of public opinion over the country's immediate future and of internal political discord that I have sought to record in my telegrams 238, May 1, 2 p. m.; 242, May 9, 2 p. m.; 247, May 10, 6 p. m. and 248, May 11, 6 p. m.[42]

The regent explained to me that the Russians' supported tactics of the Communists to pulverize the Agrarians and to preserve and dominate the FF are totally incompatible with the concept of September 9, 1944, revolution as the beginning of personal and political liberty in Bulgaria. He said the country is wholeheartedly behind a policy of friendship with Russia and of recognition of Russia's legitimate rights of defense in limitrophe states but that only the Communists want to see Bulgaria change from one master—Germany to another—the USSR. He expressed the deep hope the Anglo-Saxon powers and particularly the United States would now make their influence felt there in line with their commitments at Yalta and under the terms of the armistice convention.

Ganev is a non-party supporter of the September 9 revolution and of the legitimacy of Russian influence in the Balkans so long as that influence does not have aggression as its objective. But the following facts are as apparent to him as they are to any objective observer here at this time. Filov and his cohorts, or perhaps it would be more correct to say the King and his chosen men, turned Bulgaria over to Germany. This cabal governed without public support through secret police and the exploitation of fear, fear induced by concentration camps and even assassination if necessary. Their motives however were not personal gain but based on a conception of Bulgaria's true interests. For this misjudgement of the real interest of the Bulgarian people, these men are all dead today. But today the Communists believing that they alone have divined the real interests of the Bulgarian people seek to dominate the political scene and resort to methods not unlike those employed by Filov and company. The militia of today is no more respectful of personal rights and liberties than were the secret police of the former regime. Today prison walls are bursting with inmates lodged there without even the formulation of charges.

[42] Nos. 238 and 248 not printed.

And whereas Filov and company fostered the extension of Germany's influence so do the Communists today seek to deliver the country to the USSR. It is for this reason and for this reason alone that Burov, Gichev and Mushanov, all strong men who believe in the independence of their country, are in prison. The Regent said that a short time ago he had hoped these three leaders would be released on May Day or Easter (May 6) but that at the last moment Tsola Drago Itcheva [43] and the Communists said "no".

The Regent asked me to encourage Petkov to come to grips with the actual situation by sticking to his decision to resist the Communists and Obbov in their efforts to dominate the Agrarians within the FF. With Petkov I went over much of the same ground as was covered by the Regent. Petkov told me Biryusov had warned him that it was dangerous to fall into the same fault that had put G. M. Dimitrov out of the party and under house arrest; namely, to be known as a friend of Britain and the United States. I could not refrain from remarking that this could hardly be construed as a friendly comment from one of our Allies and certainly not one in the spirit of the Yalta Declaration about which President Roosevelt had said to the United States Congress [44] "We met in the Crimea determined to settle this matter of liberated areas. I am happy to confirm to the Congress that we did arrive at a settlement—a unanimous settlement. Final decisions in these areas are going to be made jointly".

Petkov also gave the lie to Molotov's statement in the latter's letter of April 11 to Ambassador Harriman that "there is no intention to carry on elections in Bulgaria in the near future". He pointed to the fact known to every one in Bulgaria that the Communists are pressing hard to dominate the Agrarians in the FF or to pulverize them with a view to forcing immediate elections that will give them domination of Parliament. I told Petkov I did not believe that the United States Government would condone such tactics or ever accept the outcome of such elections. He told me in conclusion that the cessation of hostilities against Germany and the conduct of the United States and United Kingdom in the Polish imbroglio [45] had helped him to decide that the moment had arrived to give no further ground.

After considerable reflection on the above conversations I have come to the conclusion that Ganev and Petkov did not seek these conversations with any hope of furthering their own political aspirations but because both are deeply conscious that they are now dealing with a situation that may set the course of their country, perhaps for many

[43] Tsola Dragoycheva, secretary-general of the National Committee of the Fatherland Front.

[44] Message of March 1, Department of State *Bulletin*, March 4, 1945, p. 321, or *Congressional Record*, vol. 91, pt. 2, p. 1618.

[45] See vol. v, pp. 110 ff.

years to come. The issue is clear, I believe. It is as I stated in my telegram 242 of May 9, whether Bulgaria shall go the Russian way under Communist domination or whether it will be permitted to continue as an independent European state having useful political and economic ties with the West as well as the East.

Repeated to Moscow as 118 and AmPolAd as 129.

BARNES

874.00/5-1345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 13, 1945—11 a. m.
[Received 12:25 p. m.]

250. Remytel 248, May 11, 6 p. m.[46] Following is the substance of statement made to accredited correspondent of Bulgarian Ministry of Propaganda by Nikola Petkov speaking as Secretary of Bulgarian National Agrarian Union.

Without the consent or knowledge of the Permanent Committee of Agrarian Union a so-called Agrarian Party Conference was held in Sofia on the 8th and 9th of this month. Control over the meetings was so strict that even some of the representatives in regional and county Agrarian Groups who had helped to instigate the conference were not permitted to enter.

The so-called Governing Board and Permanent Committees the party elected by this conference are spurious. While my name appears on both, it is without my consent and I can take no part in them.

In connection with this conference I prepared a message to all regional, county, city and village groups of the Agrarian Party which I have not been able to communicate to them. This message informed organized groups on behalf of the Permanent Committee of the Union that the conference in question was the work of one member of the Permanent Committee, Alexander Obbov, and that the conference had been called without the consent or the knowledge either of the Permanent Committee or of the Secretary of the Agrarian Union. The message contained an appeal to the members of the Union to remain calm in this fateful moment for our country and stated the Permanent Committee would summon a regular party congress shortly.

Now that an irregular Permanent Committee has come into being, it is my duty to declare, bearing in mind the need to preserve the unity of the Agrarian Party and to save the FF, that the Agrarian Union and myself as Secretary of it are prepared to consent to the formation of a provisional Permanent Committee for the purpose of summoning a regular congress to constitute new governing bodies of the Agrarian Union in accordance with the Union's constitution. It is also my

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[46] Not printed.

duty to declare the internal foreign policy of the Union remains unchanged; sincere cooperation between organizations forming the FF especially with the Communist Party; prompt and effective measures in defense of the laboring class in towns and villages; understanding with the new Federal Yugoslavia of Tito; eternal friendship with the USSR and sincere friendship with the great democracies, the United States, England and France.

Upon learning of this declaration and that the Minister of Propaganda, a member of Zveno, had sanctioned publication, Tsola Dragoycheva, Secretary of the FF, telephoned the Ministry of Propaganda and stated she and she alone "was giving orders" and there would be no publication of Petkov's statement. To date there has been no publication of it.

Petkov has shown considerable courage in making this statement as to run counter to Communist will, at the present time, is to court imprisonment and rough treatment at the hands of the militia.

Repeated to Moscow as 119 and AmPolAd as 130.

BARNES

740.00119 Control (Bulgaria)/5–1045 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, May 16, 1945—1 p. m.

129. As General Crane will tell you, the questions discussed in your 247 May 10 are a part of the general problem of our relations with Eastern Europe which is just now in top level discussion.[47] Your recommendations accordingly came very appropriately to hand. We will gladly consider any further ideas you may have on this general subject.

GREW

774.00/5–1745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 17, 1945—5 p. m.
[Received May 17—3:55 p. m.]

255. In an important speech in Plovdiv on May 15 the Minister for Foreign Affairs Petko Stainov discussed Bulgaria's international position. The Minister stressed the advantages which the *coup d'état* of September 9 had brought and pointed out that the active partici-

[47] For President Truman's "present intention to adhere to our interpretation of the Yalta agreements", see his telegram to Prime Minister Churchill, May 9, *Conference of Berlin (Potsdam)*, vol. I, p. 4.

pation of Bulgarian troops in the war against Germany had accomplished a great deal in restoring Bulgaria's position in the family of nations. He added that while this participation had not yet won for Bulgaria recognition as a United Nation he was convinced that it would be a determining factor in giving Bulgaria a seat at the Peace Conference.

Stainov emphasized that close collaboration with the Soviet Union was the cornerstone of Bulgaria's foreign policy and was primarily responsible for the improvement of Bulgaria's position thus far. He defended the recent Bulgarian-Soviet trade agreement and pointed out that only from Russia could Bulgaria expect to receive immediate deliveries of iron, rubber, paper, medicines, petroleum products and other supplies urgently needed. He added that neither the United States nor England could at this time release freighters for the purpose of carrying supplies to Bulgaria. In reply to the criticism that Bulgarian tobacco had been sold to Russia at low prices the Minister pointed out that Bulgaria had also received iron and cotton at low prices. He concluded that political and economic relations with Russia had been satisfactory in every respect. In this connection it is interesting to note that Popzlatev of the Zveno Party speaking at the same meeting referred to Russia in even warmer terms and asserted that only by working in closest collaboration with Soviet Union could Bulgaria hope to preserve its independence and raise its standard of living.

Stainov concluded with a reference to the need for close friendship with Bulgarian neighbors and placed blame for lack of cordial relations with Greece entirely on Greek nationalist groups. With regard to Turkey he asserted that Bulgaria has no territorial pretensions but pointed out that as a Black Sea state Bulgaria would naturally support Rumania and Soviet Union when [*in?*] new arrangement regarding the Straits.[48]

Knowing Stainov's personal opinion that the new Bulgaria should not commit the same error with respect to Russia as did former regimes with respect to Germany, namely reliance on only one economic outlet and only one political force in the international political situation, I assume that present confused internal political situation and the presence of Russia as the occupying power with Allied Control Commission completely in its grasp for the time being underlie much that the Minister had to say.

Repeated to Moscow as 121.

BARNES

[48] For documentation on this subject, see vol. VIII, first section under Turkey.

740.00119 Control (Bulgaria)/5–1945: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 19, 1945—11 a. m.
[Received May 20—6:40 a. m.]

257. Gen. Crane returned on May 13. He has gone over the recommendations made in my 247, May 10. We are in agreement that while action recommended in third paragraph of that tel may not dislodge the Russians from their present exclusive position in Bulgaria as they are the military occupants of the country, it would reveal to Russians and Bulgarians and Russians [*sic*] alike our confidence in our own very strong position in world affairs, thus encouraging Bulgarians to rely on more factors in the international situation than merely the power and propaganda of Russia. I believe the local Brit are disposed to make a similar recommendation or at least to go along with us should it be decided to act in the suggestion. Implementation of any concessions that we might thus crowbar the Russians into would, as implied in paragraph 3 of Dept's 63, Mar 10, be worked out on the spot.

In my tel 134 Mar 13 unrestricted movement in and out of aircircraft [*our aircraft*] and necessary personnel, and freedom of movement in Bulgaria for our personnel were stressed as additional essential conditions to effective participation in the work of the Control Com. Obviously in view of Russ occupation and actual control of local airports by the Russ military, liberalization of existing regulations governing arrival and departure of planes and personnel is a subject that can be dealt with only by negotiations presumably in Moscow. In my opinion such is not the case with respect to freedom of movement within Bulgaria. I believe we should forthwith notify Gen Biryusov and Bulgarian Govt in writing that Amer official personnel Bulgaria will no longer respect the Russ military order restricting this personnel to Sofia and its immediate environs and at same time request Bulg Govt to provide identification papers so prepared as to protect bearer from any molestation while moving about the country. Hostilities in Europe have [c]eased and Bulgaria cannot by any stretch of imagination now be described as the [apparent garble] war theatre.

It would seem justifiable to insist in view of provisions of Articles 9 and 10 of the armistice, on the right of the US Reps on Control Com to review with power of reversal any refusal by Russ military authorities to permit private US nationals to visit Bulgaria to look after their interests in the country. I believe that same should apply in the case of bona fide rep Amer press correspondents.

I am of the opinion that the case in support of tripartite control over elections in Bulgaria could not be better stated than it is in the Dept's 84 of Mar. 29 [49] nor that the means of exercising control suggested in the second section of that telegram could be improved upon except that numerous British and American personnel were available which, of course, is not the case. I am strongly of the opinion this control should be kept separate and distinct from the ACC body that was established to regulate and supervise the execution of the armistice terms. In so far as the Russians may rightfully claim a preponderant interest in the local political situation over and above our interest on the basis of the Yalta declaration, the instrument of their action should not be a tripartite body set up for a specific and entirely different purpose.

I have been told by various Cabinet members that the project for the new electoral law is now under discussion in the Cabinet but it is believed even though the Communists continue to press for speed in holding the elections they cannot take place before the end of August.

In my opinion this matter of Tripartite surveillance of elections is crucial. Granted such a control over electoral preparations and the actual elections when they occur, I should say that the sooner they take place the better. I assume that until a popularly elected Government has taken office, the reestablishment of official relations with Bulgaria is out of the question. As I am most doubtful that our participation on the Control Commission can ever become effective I am of the opinion the time when official representation direct to the Bulgarian Government can be made should be hastened by US. The Govt has already asked for such relations with the USSR but has received a negative reply based on the grounds that such a step could be taken "only in full agreement with the US and UK".

The local press has reported the British and Russian command in the Austrian area occupied by Bulgarian troops have reached an agreement demarcating the line of occupation between the British and Bulgarian troops. It is believed here that this use of Bulgarian forces for occupation outside the country will continue. If such is true General Crane and I urge that we and the British seek to gain as much advantage as possible from this situation and in consequence that the US and UK Governments convene [*concede?*] in agreement with Russia to some modification of Bulgaria's status as an ex-enemy. I am encouraged to make this suggestion by the sympathetic views expressed in Deptel 74 of March 19.

Since General Crane's return informal inquiries from highest official sources as to what changes are envisaged with respect to US and

[49] See telegram 735, March 29, 8 p. m., to Moscow, p. 179.

UK participation on the ACC are increasing daily in number and in intensity of desperation. In this connection see General Crane's telegram 1684 of May 18 to Agwar.

Several weeks ago General Oxley stated in a telegram to the War Office that it is no good hoping that our Russian Allies carry old school ties in their pockets. I might add that our experience with them to date in Bulgaria proves they do carry around brickbats, brass knuckles and all other paraphernalia of the gas house gang. Their understanding of cooperation is about on a par with the gang's respect for the rules of the Marquis of Queensberry.

Repeated to Moscow as 122 and to AmPolAd as 134.

BARNES

874.51/5–2145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 21, 1945—11 a. m.
[Received May 21—9 : 18 a. m.]

258. A remark by Minister of Finance [50] the other evening seems interesting enough to telegraph. He said it now costs Bulgarian Govt three and one half billion leva a month in addition to the regular budget to support Soviet troops of occupation and the Bulgarian Army at front and that these expenditures will have a disastrous effect on Bulgarian economy if they continue indefinitely beyond cessation of hostilities in Europe. Repeated to Moscow as No. 123.

BARNES

711.74/5–2245 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, May 22, 1945—7 p. m.

138. With reference to the Department's telegram to Schoenfeld,[51] repeated to you as no. 139, you may, unless you see objections to such a procedure at just this juncture, indicate the willingness of this Government to entertain any proposals the Bulgarian Government may wish to make regarding the sending of Bulgarian representative to this country. You should make it clear that such a representative would not be accredited officially to this Government and that his

[50] Petko Stoyanov.

[51] No. 43, May 22, 7 p. m., to Budapest, p. 819. H. F. Arthur Schoenfeld was U. S. Representative in Hungary.

presence here would in no sense imply a resumption of diplomatic relations between the two countries.

Sent to Sofia; repeated to Bucharest and Budapest.[52]

GREW

740.00119 Control (Bulgaria)/5-2345: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 23, 1945—3 p. m.
[Received 5:25 p. m.]

267. Please see my tels 116, Mar 6; 247, May 10 and 257, May 19. In connection with the question of some possible change in Bulgaria's status as an ex-enemy, Col. Gen. Damian Velchev, Bulgarian Minister of War, has just made an interesting statement. Questioned as to the significance of Marshal Stalin's replies to messages of congratulations from leading Bulgarian officials on the occasion of Germany's capitulation, he said:

"The telegrams sent to the Regents and to me underline the fact that Bulgaria's armies actively contributed to the final victory over Hitlerite Germany. Immediately after Sept 1 the new FF Army took to the field against Fascism to wipe out the disgraceful stain inherited from the past anti-National Fascist Govts. Marshal Stalin's telegrams are of extremely great significance. They emphasize the fact that our army thru its strenuous efforts costing it many victims has succeeded in placing Bulgaria on the side of the powers that have defeated Fascist Germany. We can only rejoice in this because it definitely places us in the family of freedom loving nations".

Rptd to Moscow as 126, and AmPolAd as 141.

BARNES

874.00/5-2445: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 24, 1945—11 a. m.
[Received May 24—9:21 a. m.]

268. At 4 o'clock this morning, G. M. Dimitrov turned up at my residence ([apparent garble] at Sofia) having escaped from house arrest yesterday afternoon and having been asked at 2:30 this morning to leave a British occupied apartment because of the receipt of instructions to that effect from the Foreign Office to the acting Brit Political Rep.[53] Dimitrov was "tipped off" yesterday morning by a

[52] As Nos. 259 and 42, respectively.
[53] James H. U. Lambert, First Secretary of the British Mission in Bulgaria.

Communist friend that within the next 24 hours he would be seized by the militia and ultimately done away with in one manner or another. Dimitrov is now at my residence and I am seeking contact with persons of importance in and about the Govt who are friends of his and who, on the basis of informal soundings, may be able to advise a course of action that will not compromise the mission and that at the same time may save the life of Dimitrov. I shall telegraph the results of these prospective talks this afternoon and present whatever recommendations seem advisable from this end. I am bearing in mind section III–IV Note One FSR;[54] also that we are in the second armistice period and that according to our point of view the actual language of the armistice is controlling. Gen. Crane is informed.

Repeated to Moscow as No. 128, AmPolAd as No. 143.

[BARNES]

874.00/5–2445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 24, 1945—5 p. m.
[Received May 24—4:35 p. m.]

269. See my No. 268 today, 11 a. m. I have discussed the Dimitrov case with the Senior Regent Ganev, the Prime Minister and the Exarch.[55] The MinFonAff is out of town as it is a local holiday.

Both the Regent and Exarch urged upon me the need to save Dimitrov. They said that any honest patriotic Bulgarian whose ideals have not been warped by Communist doctrine would urge the same upon me.

I told the Prime Minister the whole story of the escape as I know it from the time Dimitrov left his own house until he arrived at mine. I said I had not gone to the Russians as the matter appeared to be one between myself and the Bulgarian Govt. I pointed out that the Allied Control Commission was here to supervise the execution of the Armistice terms, that we were now in the second period of the Armistice, and that, as I understood that document, the ACC was no longer in principle under the general direction of the Soviet High

[54] Note 1 of this section of the Foreign Service Regulations was as follows: "Involuntary refuge. The extension of refuge to persons outside the official or personal household of a diplomatic or consular officer can only be justified on humanitarian grounds. Diplomatic and consular officers may afford refuge to uninvited fugitives whose lives are in imminent danger from mob violence but only during the period active danger continues. Refuge must be refused to persons fleeing from the pursuit of the legitimate agents of the local government. In case such persons have been admitted, they must be either surrendered or dismissed from the mission or consulate."

[55] Stefan, Metropolitan of Sofia, Exarch of the Bulgarian Orthodox Church.

Command. I added that if the escape of Dimitrov was a matter about which the Russian authorities would concern themselves, it seemed to me that it was for the Bulgarian authorities to discuss the subject with the Russians, rather than for me or Gen. Crane to do so.

The PriMin agreed with this reasoning. He was taken by complete surprise with the news as no inkling of the escape had reached him from the militia or the Minister of Interior. I know that the hunt for Dimitrov has been in full cry since sometime this morning. I therefore asked the PriMin to get in touch with the Minister of Interior immediately to call off the search. He said that he would do this at once and would also consult with other members of the Cabinet as to what position the Govt should take. He agreed emphatically with me that no incident involving your [*our*] mission should be allowed to arise and that every effort should be made to find a solution with respect to Dimitrov's future that would eliminate him as an embarrassment to the Russians, the Communists and the Bulgarian Govt and that would at the same time preclude arousing democratic opinion elsewhere against Bulgaria and the FF. He said that of course the Govt would not consider taking any definite steps in the case until I had received instructions from Washington.

There can be no doubt but that our action in the Dimitrov case will be largely controlling in what the average, patriotic Bulgarian may think of us in the future. While there is as yet no public knowledge of the matter, the case is bound to be discussed on street corners and in every household in Bulgaria. In view of this situation and the tenor of the Prime Minister's remarks, I urge most sincerely that, without taking any position on the question in principle of asylum, the Dept authorize me to negotiate as best I can through the Bulgarian Govt for the departure of Dimitrov from Bulgaria under the guarantee that he will go to the US or to some far distant country and refrain from political activity until Bulgaria again has an established and recognized Govt. So far as I can ascertain from conversations with high Govt authorities and local lawyers, no legal basis exists for the *de facto* domiciliary arrest under which Dimitrov has been confined to his house and from which he escaped yesterday afternoon. Both the Regent and the Exarch have assured me that Dimitrov is guilty of no crime against Bulgaria, its people, the Allies or any moral code.

Whatever may be the Dept's instructions they should not be delayed beyond tomorrow at the latest.

Repeated to Moscow as No. 129, AmPolAd as No. 144.

BARNES

874.00/5-2545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 25, 1945—11 a. m.
[Received May 25—10:30 a. m.]

270. To what extent Bulgaria under the existing domination of the political scene by the Communist Party and its militia is a "police state" has been revealed to some extent at least by the Dimitrov affair. Despite the calm and reasonable discussion of the matter by the PriMin, as reported in my 269, May 24, 5 p. m., he sent me a message yesterday evening to the effect that our conversation should not be considered by me as in any way official or binding but merely as "one of information". He had in the meantime been in touch with the Minister of Interior who upon learning of Dimitrov's whereabouts had immediately surrounded the property where I am now living, a 50-acre farm about five kilometers from town, with several hundred of his militiamen all bearing tommyguns or other forms of submachine guns. I sought out the PriMin at once and spent two and a half hours with him, during the latter part of which the Communist Minister of Interior Yugov was present. The upshot of the meeting was an agreement on the part of Yugov to withdraw his militiamen during the course of the night except for a few unobtrusive agents and to accept as a safeguard against a new escape by Dimitrov the posting of an American guard within the house of one officer and three men. This has been done. The final point of the agreement was that no question of principle would be raised pending the receipt by me of instructions from the Dept. I told the two Ministers that I was sincerely hopeful that these would arrive during the course of the night or early today (please note).

I still feel that if I am authorized to negotiate for the departure of Dimitrov from the country the possibility still exists for us to save the life of this popular leader and to convince the Bulgarian populace that we really mean what we have declared publicly so many times since Yalta. I have told the PriMin again that in my opinion the principle of asylum is not involved; that all of us concerned in the Dimitrov case should make a practical solution that will calm public opinion in Bulgaria with respect to the Communists and that will avoid any outbursts abroad against Fatherland Front Bulgaria and present Russian influence here. He appears still to agree with this.

Rptd to Moscow as 130 and to AmPolAd as 145.

BARNES

874.00/5–2545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 25, 1945—6 p. m.
[Received May 25—3:08 p. m.]

274. Remytel 270, May 25. The MinFonAff has now returned to town and I have seen him on the subject of the Dimitrov case. He is fully agreed that a practical solution without raising any questions of principle and even without the exchange of any written communications must be found. At the present moment he inclines toward the removal of Dimitrov by us to the US, Dimitrov to be under such surveillance there against the resumption of political activity at this time as may prove feasible. The Minister does not underrate the difficulty of overcoming the desire of the Communists and the militia to deal with Dimitrov in their own way here; also that whatever solution may be found will depend to a great extent upon the instructions I have asked for. The longer these instructions are delayed the more difficult will be the solution. The Communists and the militia are pressing to regain their man while, judging from appearances, we are only marking time. The MinFonAff and PriMin both urge speedy dispatch of instructions.

Rptd to Moscow as 133 and AmPolAd as 148.

BARNES

874.00/5–2545 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, May 25, 1945—8 p. m.

143. Reurtel 268, May 24. Your action has the Department's entire approval. We consider that through your prompt notification to the Bulgarian authorities and your action in obtaining their declaration of intention to work out a solution for Dimitrov's safety you have kept within reasonable limits as regards the application of the principle of asylum, and at the same time have placed the ultimate responsibility for the protection of Bulgarian political leaders on the Bulgarian Government where it belongs.

We should prefer not to exact guarantees that Dimitrov would remain abroad for an indefinite period and refrain from political activity. Until, however, the principal Allied Governments have determined their respective responsibilities in the "second period" of armistice control and have come to an agreement on the application of the Yalta principles to the internal situation in Bulgaria, it would probably be unrealistic to expect that Dimitrov's personal safety or

the political interests of his supporters can be safeguarded by the assurances of officials whose authority is nominal while the real power of Dimitrov's enemies remains unchecked.

We accordingly think that, if the Bulgarian authorities find that they can assure Dimitrov's safety by no other means than arranging for his departure, such action should be taken by them and not by you or General Crane, in order not to prejudice the position of this or any other government party to the Yalta Declaration on Liberated Europe in reviewing the incident together with other recent political events in Bulgaria. With these factors in mind you are authorized to press for what seems on the spot the best assurances for Dimitrov's safety.

We hope that Bulgarians are coming to realize the impression on world public opinion made by the succession of uncontrolled acts by elements whose excesses the Bulgarian Government seems unable to hold in check.

For the event that the Soviet authorities or others may assert the right of the ACC to dispose of the Dimitrov case, we are sending in a separate telegram [56] a discussion of certain questions of asylum which have arisen in Rumania, although the circumstances in the present case are not parallel.

GREW

874.00/5–2545 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, May 25, 1945—8 p. m.

144. A question of asylum arose in Rumania some weeks ago [57] (reference immediately preceding telegram [58]) when General Radescu, ousted as Prime Minister by Soviet demand, took refuge in the British Mission. There had also been indications that other prominent Rumanians, including members of the Royal family would request asylum with General Schuyler or Berry. The Department's instructions to Berry were to the effect that assistance which he might be called upon to extend would be limited by the informal nature of his mission. As regards possible action by General Schuyler, the instruction, in which War Department concurred, stated that he would not be in a position to act independently in offering protection beyond his capacity as representative in ACC, and that, though in an extremity requiring emergency protection from physical violence

[56] *Infra.*

[57] See telegram 114, March 9, 9 p. m., to Bucharest, vol. v, p. 507, and subsequent documentation.

[58] *Supra.*

he might give such protection, he should in any case immediately present the matter before the ACC for the consideration of his Soviet and British colleagues. While Department's telegram stated that though the Soviet element normally exercised administrative and executory functions in the ACC it was reasonable to suppose that the latter would act as a tripartite body on a question of this kind, we made our position clear that responsibility for ensuring safety of threatened individuals should rest with ACC whether it acted as tripartite or purely Soviet agency.

It is evident that both the personalities and the circumstances involved present a situation in Bulgaria which is not parallel with the Rumanian precedent, and that the argument of protection of military operations is no longer applicable. If, nevertheless, the ACC considers that it should, at this late date, take cognizance of political conditions in Bulgaria which the Soviet Government has hitherto represented as not requiring Allied attention, we would of course be willing to have the Dimitrov case brought before the ACC, on the definite understanding that it would be considered on a genuinely tripartite basis.

GREW

874.00/5–2545 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, May 25, 1945—8 p. m.

1145. Please inform FonOff that at 4 a. m. May 24 Agrarian leader G. M. Dimitrov sought asylum at the residence in Sofia of the United States Representative in Bulgaria, who forthwith placed the matter before the Bulgarian authorities. The Department has approved Barnes' action and instructed him to seek assurances that appropriate measures be taken to ensure Dimitrov's safety.

This instruction is being sent to Moscow and London; [59] repeated to Sofia.[60]

GREW

874.00/5–2645 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, May 26, 1945—noon.

146. In order to forestall any eventual charge that we acted unilaterally in a matter held to require joint action by the principal

[59] As No. 4166 to London.
[60] As No. 145.

Allies under the Yalta formula, you should request General Crane to inform the ACC of Dimitrov's arrival at your residence and your prompt action in placing the matter before the Bulgarian authorities.

GREW

874.00/5–2645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 26, 1945—3 p. m.
[Received May 26—2 : 45 p. m.]

275. I informed the MinFonAf this morning of contents of Deptel No. 145 May 25.[61] The talk that followed on the Dimitrov incident was purely speculative.

I said that the only assurance of complete security that I could think of would be the departure of Dimitrov from the country. The Minister asked what I would think of a formal written commitment in the name of the Bulgarian Govt, undertaken on the basis of a Cabinet decision, to assure the well being of Dimitrov in the hands of the Bulgarian authorities. I told him that in my opinion no such commitment would be worth more than the will of the Communists and of the militia to carry it out, and I suggested to him that he knew far better than I did that the Communists have only one loyalty, namely, the Communists' doctrines and objectives, and that if Georgi Dimitrov in Moscow told the Communists in Bulgaria to do away with G. M. Dimitrov, any commitment given in the name of the Bulgarian Govt would not be worth the paper it was written on. The Minister did not refute this statement. He then asked me how I envisaged meeting the personal inconvenience of Dimitrov about in a small house with me if it were found impossible to agree on the departure of Dimitrov from Bulgaria. I suggested that he might be lodged with our military at the American College. The Minister then laughingly envisaged a "Battle Royal" between our military and the militia during transfer of Dimitrov from my house to the college. At this point the conversation on Dimitrov ended with the suggestion that we both think matters over, looking to a speedy and mutually satisfactory liquidation of the matter. The Minister said that he would consult immediately with his colleagues, but showed anything but enthusiasm for the task ahead of him in talking the matter over with Yugov.

I then told the Minister that I could put up with humiliation to a certain point but that I had about reached the limit of toleration in

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[61] Same as telegram 1145, May 25, 8 p. m., to Moscow, p. 226.

this respect, at least so far as the militia of a defeated nation is concerned. I told him that three days ago I had given my word that I would not permit any connivance looking to the escape of Dimitrov. I pointed out that it should be clear to every one that I had acted in the utmost good faith from the outset of the Dimitrov incident. For three days now I have submitted to the search of my car by the militia every time I have left and entered the property where I am living, I made it clear to the Minister that this state of affairs seemed to be a reversal of the respective roles of our two countries as established by the Armistice which we had signed as victors and Bulgaria as the vanquished. I told him that he should inform Yugov forthwith that as from one o'clock today he, Yugov, would be wholly responsible for anything that might happen by virtue of my decision to carry henceforth in my car an armed US soldier and his, Yugov's apparent order to the militia to search my car at all times.

The Minister was kind enough to invite me for a day's outing in the Rotq Valley with himself, other members of the Govt, the Russ Minister [62] and certain Russ genls and Genls Crane and Oxley, proposed for May 28. I expressed regret that I must deprive myself of the pleasure. I said, however, that as I had been a prisoner in Sofia since my arrival here I had become more or less used to doing without such excursions. I said that "I might be cutting off my nose to spite my face" by refusing to leave the city and its environs when an opportunity presented itself to do so without the humiliation of requesting permission of the Russians (to be accompanied by a Russ officer is about the same thing and officers are now available only for official trips) but here, again, I had submitted to about the limit of my patience. All of the above was in good spirits. The Minister understands my feelings fully and sympathizes with them. I thought, however, that the time had come to put a number of matters into words that up to the present had been conveyed only fragmentarily.

Rptd to Moscow as 134 and AmPolAd as 149.

BARNES

874.00/5-2645 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, May 26, 1945—5 p. m.

1150. Barnes today reports by radio in clear from Sofia to Athens under no. 276 that he with General Crane and 6 soldiers are at his

[62] Stepan Pavlovich Kirsanov, Soviet Chargé in Bulgaria in 1944, was Political Adviser to the President of the Allied Control Commission.

villa 5 kilometers from Sofia, and cut off from Sofia by a substantial Soviet military detachment commanded by Colonel Sviridov, the commander of the place. He anticipates a forceful effort to enter the villa to remove Dimitrov. British General Oxley has tried to reach them but has been turned back.

The Department's instructions to Barnes sent yesterday [63] are being repeated to you separately.

Please take up this matter with Mr. Molotov with all urgency, impressing upon him the necessity for immediate instructions to Sofia that there should be no action by Soviet units which would in any way interfere with the negotiations between the US Representative and the Bulgarian authorities for a satisfactory arrangement in the Dimitrov case, or impede his freedom of movement between his villa and Sofia or interrupt his communications.

As you will see from the instructions to Barnes and our 1145 to you [64] we wish to avoid any appearance of unilateral action in this matter. We trust Molotov will appreciate the tremendous effect on public opinion in America and elsewhere if anything should be allowed to happen which would impede Barnes' completely disinterested effort or disparage the position of the United States representation in Bulgaria.

Repeated to London, Caserta and Sofia.[65]

GREW

874.00/5-2645 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, May 26, 1945—7 p. m.

148. You will of course not resist by force an attempt to take Dimitrov by force but if he is removed from your house you should try with all earnestness to obtain an assurance that he will be kept in safe custody until the US, UK and Soviet Governments advise the Bulgarian authorities of the positions which they individually or collectively wish to take in the circumstances. Did you receive our 143 and 144 yesterday's date and today's message to Moscow repeated to you? [66] (Sent to Sofia, repeated to London, Moscow and Caserta.[67])

GREW

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[63] Telegram 143, May 25, 8 p. m., to Sofia, p. 224.
[64] May 25, 8 p. m., p. 226.
[65] As Nos. 4185, 517, and 147, respectively.
[66] *Supra.*
[67] As Nos. 4217, 1161, and 524, respectively.

740.00119 Control (Bulgaria)/5–2745: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 27, 1945—1 a. m.
[Received 10:45 a. m.]

277. No effort to take Dimitrov by force has yet been made but the afternoon and evening have been eventful.

Several hours after my talk yesterday[68] morning with the MinFonAff I drove to my villa without the slightest molestation from the militia posted all about the property. It was clear that orders had been given in the sense requested by me in my talk with the Minster. But the dawn was quite different. I was ordered out of my car at my own gate by a barefooted gangster in disreputable civilian clothing supported by a dozen militia men. I did not take kindly to the idea. The resultant altercation ended with the capture in my car by me and one of our unarmed soldiers of the officer in charge of the militia. We drove off to the ForOff with him and there convoked the MinFonAff from his home. In the course of the afternoon I received the apologies of the Minister of Interior and was informed that the barefooted party (Communist) agent had been relieved of his duties and lodged in prison.

But far more important, I learned from our captured militia man the reason for the changed state of affairs between arriving home for luncheon and return to town after. In the interim word was received that the Russians would invade the property by force during the course of the afternoon—hence anything was permissible against the Americans. I protested about this to the MinFonAff who had the effrontery to tell me that as I had formally refused in the morning to surrender Dimitrov, the Cabinet had subsequently taken a decision to lay the whole case before the ACC, meaning the Russians, of course. I recalled to the Minister that he, himself, had placed the conversation on a speculative and exploratory basis; that there had, as he well knew, been nothing definitive about the conversation. I said that I could only conclude that he had acted dishonestly. I learned tonight the reason why.

Fearing some precipitate action at the villa Gen Crane and I hurried there with some additional Amer soldiers. As we neared the property it was clear that the Russians were taking over from the militia men and their civilian Communist overseers. Just as we left the mission building I was handed the decoded text of the Dept's tel No. 143 of May 25. I don't believe that any more welcome telegram

[68] May 25.

has even [*ever*] been received in the history of the Service. Genl Crane and I were delighted.

Arriving at the villa I sought to locate the MinFonAff by telephone. Genl Crane had previously asked our military quarters to send additional soldiers to the villa and I had invited Genl Oxley to come there for a conference and had asked Mr Black of my staff to come out to be available to interpret with Bulgarians and Russians, if necessary. By the time I had learned that the MinFonAff had left town I had been informed by Genl Oxley that Russians had established a barrier on the road near my home and had refused to allow him to pass. They did the same with our soldiers.

Under the circumstances I insisted by telephone with the Secty Genl of the FonOff that the Prime Min and the Minister of Interior either individually or together come to my villa to hear the contents of the Deptel 143. He called me back shortly to say that the two Ministers were waiting for me at the home of the PriMin. I pointed out the impossibility of passing the Russian barrier, an obstacle for which the Bulgarian Govt was doubtless entirely responsible because of its precipitate and stupid action of turning the Dimitrov case over to the Russians in violation of all that had been said between us since the morning of the arrival of Dimitrov at my house. I said that under the circumstances I would await the PriMin and the Minister of Interior at the villa with Genl Crane and shortly thereafter the commander of the militia and the Secty Genl of the Minister of Interior arrived to discuss the situation in the name of the Minister. I sent them back with the message that what I had to say could be communicated only to a responsible member of the Govt.

Black finally got through from town and after him Sviridov, Commandant of Sofia under the Russian forces of occupation, arrived from his nearby job of establishing the post to block the road to my house. He tendered a circulation permit with the explanation that I could not pass the post without it but that Gen Crane as a member of ACC was free to come and go. I declined the honor and sought to explain why, but the good colonel left with the remark that he could not discuss political matters.

At 7 o'clock in the evening the Secty Genl of the FonOff arrived to plead that I go with him to talk matters over with the Prime Minister, Minister of Interior and MinFonAff. (I suspect he had never been absent but had at last summoned his courage to meet my charge before the Prime Minister that earlier in the day he had given an untrue account of our conversation of the morning.) The Secretary General assured me that he had authority to get me through the Russian post.

Accompanied by Black, we proceeded to the PriMin's house where a long (2½ hours) and futile conversation took place. Futile because the real masters of the Govt are the Communists with Yugov, Minister of Interior, as their spokesman. The conversation revealed that a definitive character had been given to my talk of the morning with the MinFonAff because Yugov wanted to call the Russians into the situation. It also revealed that the PriMin of Bulgaria is the Central Committee of the Communist Party, through the mouthpiece of Yugov. I complained bitterly against the action taken contrary to the spirit of all our conversation by the decision of the Cabinet to call the Russian (so-called ACC) into the Dimitrov case. I proposed that even so we could perhaps get back onto the solid ground of a practical solution if the three Ministers would authorize me to telegraph the Dept that "given the circumstances obtaining in Bulg, namely the presence of the ACC, the Bulgn Govt was ready to accept as a solution of the problem presented by the fact that G. M. Dimitrov had taken refuge in the residence of the US Rep in Bulgaria, the departure of Dimitrov from Bulgaria should the ACC reach such a decision." This formula which would prevent the Russians from contending that the Bulgarian Govt would not accede which they want to do about anything they themselves oppose, had formed in my mind from remarks made by the PriMin and the Foreign Minister [who] were prepared to accept the formula, but not so Mister Yugov. He would have nothing to do with anything but of his own devising, and all of his formulae were based on one thought only, neither the Communist nor the Russians are willing to allow Dimitrov out of their reach. Hence Biryusov must not be deprived of their defense that the Bulgarian Govt is unalterably opposed to the departure of Dimitrov.

Tiring of the footless argument, by half-past ten I finally observed that we were getting nowhere and I was going home. The PriMin expressed regrets and with a shrug of the shoulders looked toward Yugov. We all smiled, shook hands and Black and I left.

When I reached the villa I learned of the contents of Deptel 144, May 25, 8 p. m. Because of the insistence upon tripartite action if the ACC deals with the Dimitrov case, Gen Crane and I shall both sleep peacefully tonight. Gen Crane will go to Sofia this morning to ask for a meeting of the Control Commission. He will carry this message with him then for despatch to the Dept.

Rptd to Moscow as 136 and AmPolAd as 151.

BARNES

740.00119 Control (Bulgaria)/5–2745 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, May 27, 1945—3 p. m.

1162. For your background, Department's information is that Dimitrov is an honest and sincere Bulgarian patriot, devoid of Fascist sympathies and that his political record in support of democratic principles cannot be brought into question.

The Soviet Government may be mistrustful of him because of his close connection with the British during the war, but the chief reason for the communist attack on him is doubtless his persevering stand as the most prominent leader of the Agrarians in their resistance to domination of the country by the communist minority.

Sent Moscow 1162, rpted Caserta 525.

GREW

711.60/5–2845

Memorandum by Fleet Admiral William D. Leahy, Chief of Staff to the Commander-in-Chief of the Army and Navy, to the Secretary of State

WASHINGTON, 28 May 1945.

The following message from Premier J. V. Stalin to the President, dated May 27, 1945, is forwarded to you for the preparation of a draft reply: [69]

"More than eight months have elapsed since Romania and Bulgaria have broken off with Hitlerite Germany, have concluded armistice with the Allied states and have joined the war on the side of the Allies against Germany having detailed their armed forces for this purpose. By this they have made a contribution to the cause of defeat of Hitlerism and for the victorious completion of victory in Europe. During this time the Governments of Bulgaria and Romania have proven in reality their readiness to cooperate with the United Nations. In connection with this the Soviet Government considers it right and timely to reestablish right now diplomatic relations with Romania and Bulgaria and to exchange envoys.

Simultaneously the Soviet Government considers it practicable to reestablish diplomatic relations also with Finland which is fulfilling the conditions of the armistice agreement and which has taken the road of strengthening of diplomatic beginnings.[70] It seems to me

[69] For further exchange of messages between President Truman and Marshal Stalin on June 7, 9, 19, and 23 regarding recognition of Finland, Rumania, Bulgaria, and Hungary, see *Conference of Berlin (Potsdam)* vol. I, p. 358, footnote 5, and pp. 182 and 387.

[70] For documentation respecting Finnish-Soviet relations at this time, see pp. 598 ff.

possible, after a certain amount of time, to take a similar decision in respect to Hungary.[71]

Simultaneously I am sending a similar message to Mr. Churchill."

WILLIAM D. LEAHY

874.00/5-2845 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, May 28, 1945—8 p. m.

1170. Please inform FonOff as follows: [72]

"The Soviet and British Governments were informed in a previous communication that G. M. Dimitrov, Bulgarian Agrarian leader, had on May 24 presented himself for protection at the residence of Maynard Barnes, US Representative in Bulgaria, and that Barnes had forthwith placed the matter before the Bulgarian authorities. The Department also instructed Barnes to inform the ACC for Bulgaria of this development through the American member of the Commission General Crane.

Reports from the US Representative now indicate that the Bulgarian authorities have unfortunately not been able to agree on the disposition to be made of Dimitrov or on arrangements for his safety. The appearance meanwhile of substantial numbers of Bulgarian armed forces around Barnes' residence and the later intervention of Soviet units demonstrate the gravity of the consequences which threaten to arise from this situation.

Believing that this situation requires the concerted attention and action of the three principal Allies, the US Government hopes that the Soviet and British Governments will instruct their representatives in Sofia to join with Barnes in urging upon the Bulgarian authorities the need for them to fulfill their rightful responsibilities by making such dispositions as will enable the US Representative to be relieved of Dimitrov's custody under circumstances which will satisfy him that Dimitrov's life and legal rights will be adequately safeguarded.

On the basis of the fairly extensive information in its possession regarding Dimitrov and his activities the US Government considers that his democratic sentiments, freedom from Fascist sympathies and loyalty to the Allied cause cannot be questioned. Should the Soviet or British Government possess contrary information the US Government would like to be apprised thereof."

Sent to Moscow and London; repeated to Sofia and Caserta.[73]

GREW

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[71] For documentation on the subject of the reestablishment of diplomatic relations with Hungary, see pp. 798 ff.

[72] This was done by letter on the night of May 29.

[73] To London as 4242, to Sofia as 149, and to Caserta as 528.

874.00/5-2845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 28, 1945—8 p. m.
[Received May 28—9 : 07 p. m.]

278. Following tel is from Genl Crane to JCS sent this evening:

"I called this afternoon accompanied by Black, of Barnes staff, on Gen Biryusov who has just returned from Moscow. I informed the Soviet General of the events of past 5 days with regard to Dimitrov case and explained the view of the US Govt that this was a matter primarily between the American and Bulgarian Govts and that a decision of the ACC would be accepted only if reached on a genuinely tri-partite basis. I also mentioned that negotiations on this subject were now in progress in Moscow.

To this Gen Biryusov replied that while he might have been inclined to intervene had he been here at the time of Dimitrov's escape he would take no action now until he received instructions from Moscow and would in the meantime regard the incident as one between the American and Bulgarian Govts. He added however that he could in no case consider reaching an ACC decision on a tri-partite basis until he recd instructions that the three powers participating on the ACC had agreed on a new procedure for that body.

Gen Biryusov added that he nevertheless felt it his duty to inform me that Dimitrov had been held under house arrest for a month on a charge of being a "defeatist", that he, Biryusov, personally believed Dimitrov to be a Fascist who had supported the German cause and that it was his own personal view that Mr. Barnes' action constituted a "brutal interference" in Bulgarian internal affairs. This statement does not correspond with the documents in this case seen by Barnes and Black.

As regards the Soviet military posts which restricted Mr. Barnes' movements between his villa and Sofia, Genl Biryusov said that they would be removed immediately. He then repeated his view that this whole matter should remain one between the US and Bulgarian Govts until the receipt of any instructions to the contrary. The tenor of the conversation was entirely amicable."

Repeated to Moscow as 137.

BARNES

874.00/5-2845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 28, 1945—9 p. m.
[Received May 28—9 p. m.]

279. Remytel No. 278 repeating Gen Crane's tel to the Joint Chiefs of Staff. In view of the statements made to Gen Crane by Gen

Biryusov this afternoon, Gen Crane and I shall see the Bulgn PriMin this evening. I had an hour and half's talk with him and Gen Velchev, the Bulgn Min of War, early this afternoon during which I sought to impress upon the two the larger aspects of the Dimitrov case in terms of the importance of the US in world affairs and the war objectives of the American people. The two Ministers, both of whom I believe to be fundamentally honest, made no such exaggerated statements as did Gen Biryusov to Gen Crane with respect to the case against Dimitrov. Neither one nor the other made any objection to my statement that I should not take such a positive position in the Dimitrov case were it not that I know that behind me was the whole of Bulgarian opinion that had not been warped by Communist ideology.

If Biryusov really means that the Dimitrov case is back in my hands I am sure it will be possible to notify the Dept shortly of a satisfactory solution of the matter.

Rptd to Moscow as 138.

BARNES

874.00/5-2945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 29, 1945—2 p. m.
[Received May 29—12:34 p. m.]

280. I had further hour and a half talk last night with the PriMin and Genl Velchev. Genl Crane was present. I read to the Ministers my tel 278 and 279 May 28 and again appealed to them to be mindful of the importance of the US Govt and of American public opinion in world affairs. In my conversation earlier in the day I had expressed the personal view that involved in the Dimitrov case were all of the ideals for which the people of the US had participated in two wars on European soil.

The Ministers agreed that for the time being the Dimitrov problem was back in the hands of the Bulgarian Govt and myself. I mentioned in passing as a possible solution that the Govt might exile Dimitrov, thus facilitating from their point of view what I consider to be the only foolproof formula, namely, the temporary departure of Dimitrov from Bulgaria until the internal political situation is more normal.

The conversation left matters about as follows:

The problem remains one for solution between the Mission and the Govt. This may change if Biryusov receives contrary instructions but in that event the Dept's insistence upon a tripartite decision will

become a factor. In the meantime Dimitrov will remain with me, the militia and their civilian Communist overseers, who have put in an appearance again, will probably be replaced by personnel of the regular Bulgarian Army, responsible to the Minister of War, while the competent authorities seek to work out some formula of final solution. A guarantee was given that under no circumstances would the Bulgarian authorities attempt to seize Dimitrov by force, nor would my movements be restricted. By this morning the Russian roadblock had already been withdrawn.

I am by no means convinced that we are near a final solution of the Dimitrov case. The Communists will not give up their prey so easily. Also while officially appearing to have disinterested himself in the case for the moment, Biryusov may spur the Communists to force the Prime Minister's hand. He has used this back door many times already. Furthermore Biryusov may at any time receive orders from Moscow to act peremptorily without regard for US and UK delegates on the Commission.

Rptd to Moscow as 139.

BARNES

874.00/5–2945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 29, 1945—4 p. m.
[Received May 29—2:30 p. m.]

281. In my conversation of last night with the PriMin and the Min of War (Remytel 280, May 28 [*29*]) I could not refrain from repeating the charge of dishonesty against the MinFonAff (re end of third paragraph my tel 277, May 27). At the close of the conversation both Ministers pleaded with me not to be so harsh in my judgment of the MinFonAff. They said that they were sure that he had acted in the best of faith and when the text of his communication to the Russians was available I would be convinced of this. At 3 o'clock this morning the text of that communication was conveyed to Gen'l Crane in a letter from Gen'l Biryusov. It proves the perfidy of MinFonAff. In translation letter from Biryusov reads as follows:

"I have the honor to inform you that I have received from the MinFonAff [and] Cults and Commissar for the fulfillment of the armistice terms the following note:

To: Colonel Gen'l Biryusov, Deputy Chairman ACC in Sofia.

DEAR COLONEL GEN'L: The Bulgarian Govt has the honor to inform the honorable ACC that on the 24 of May 1945 at 0400 hours at the home of the American Political Rep in Bulgaria, Mr. Maynard Barnes, appeared the Bul-

garian citizen Mr. G. M. Dimitrov, the former Secretary of the Bulgarian Natl Agrarian Union. Mr. Dimitrov was under house arrest at his home at Grafignatievst under the order of the Bulgarian Govt.

"Although he was guarded by Militia men Dimitrov climbed through a window and at night walked to the house of Mr. Barnes which is located outside the limits of the city on the road towards the village of Dragelevtsi.

"Mr. Barnes apparently gave refuge to Mr. Dimitrov who escaped from the Bulgarian authorities. The Natl Militia took measures to prevent Mr. Dimitrov's escape from their control until the true nature of the situation could be established.

"I beg you to intervene before the responsible American authorities in order to determine whether Mr. Dimitrov at the present time is located at the house of the American Political Rep and if true that he be returned to the properly authorized Bulgarian authorities who ordered his arrest.

"The MinFonAff and Cults and Commissar for the fulfillment of armistice terms, Signed P. STAINOV

With respect, The Deputy Chairman of the ACC in Bulgaria,
Col Gen Biryusov

May 28, 1945, Sofia"

Gen. Crane has today replied as follows to the above letter:

Dear Gen Biryusov: Your letter No. 2111 was recd this morning. In accordance with our conversation of yesterday afternoon I note that you make no request for any action. Mr. Barnes is trying to reach a solution to this problem directly with the Bulgarian Govt.

Sincerely, John A. Crane,
Major Gen USA
Commanding Gen".

Rptd to Moscow as 140.

BARNES

874.00/5–3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 30, 1945—11 a. m.
[Received May 30—9:51 a. m.]

282. I have been informed on best authority that Mara Racheva, 25-year-old private [secretary] of G. M. Dimitrov while he was Secty Gen of the Agrarian Party and since then private secty of Nikola Petkov, was arrested by the militia on May 24 and died of torture on May 28. Hristo Stratev and Boris Pashev, both prominent supporters of G. M. Dimitrov who were until recently the Agrarian reps on the Natl Committee on the FF, are now being held by the militia. It is also known that numerous other supporters of Dimitrov have likewise been placed under arrest as a result the latter's escape. It is just this sort of thing that makes me so convinced that no confidence

could be placed in any guarantee for the complete safety of Dimitrov that might be given in the name of the Bulgarian Govt.

Rptd to Moscow as no. 141.

BARNES

874.00/5–3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 30, 1945—4 p. m.
[Received 7 : 35 p. m.]

283. Remytel 282 May 30. I told the PriMin this noon of my knowledge of the death of Mara Racheva. He said that he had heard of it yesterday. He added that the Min of Interior had told him she had committed suicide by jumping from a fourth story window of the central police station of Sofia. I replied that perhaps she had but that as the inner facts of what was occurring in Bulgaria were never told to the public there would probably be very few in Bulgaria and certainly nobody abroad who would believe such a version. He agreed unfortunately such was the case. I said it was developments of this sort that made it impossible for me to accept any guarantee of the complete safety of Dimitrov the Govt might give.

I pointed out that the militia including the civilian dregs that oversee them still surround my house and that this morning when one of them again tried to search my car I took the wheel myself and told him to order his uniformed companions to shoot if they had the courage and drove on. This gypsy outcast, for that is really what these civilian militia overseers are, told me in so many words that no matter what my understanding might be of his orders they were to search my car every time I passed and they came directly from Min Yugov. I also showed the PriMin the proof of the dishonesty of the MinFonAff which was communicated to the Dept in mytel 281 May 29.

With respect to the presence of the militia the PriMin said that I should not conclude that he and the Min of War had not made a real effort to have my place guarded by the Bulgarian Army. At first he tried to defend the MinFonAff but when my point was driven home he shrugged his shoulders. I told him I would not keep coming to him if I were not convinced he together with the Min of War and possibly the MinFonAff acted as [they] had under duress, namely, under the compulsion of the Communists, strengthened by the knowledge that Biryuzov is behind them. The conversation was too long

and involved to be reported in detail by tel. It ended with my promise to supply the PriMin with "promemoria" containing views expressed by the Dept in various of its tels and by me in various of mine on the Dimitrov case. The PriMin asked for such a document to help him in his difficulties in discussing the problem with the Govt as a whole.

I should add that since talking to the PriMin I have learned on good authority that about 600 friends of Dimitrov have been imprisoned following his escape despite the fact that I went immediately to the Govt and after revealing the facts requested the "chase" be called off. Dimitrov's wife is also in prison in the best manner of "police state" procedure.

Repeated to Moscow as 142.

BARNES

874.00/5-3045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, May 30, 1945—midnight.
[Received June 2—10 : 30 a. m.]

1819. In reply to my letters of May 26 (re Dept's 1145, May 25, 8 p. m.) and May 27 (re Dept's 1150, May 26, 5 p. m.) Vyshinski has now written me under date of May 29 that my information regarding [*that?*] the villa in which Barnes, Gen Crane and six "other US Army generals" (my letter referred to "six other members of the US Army"—this letter evidently crossed my latest letter to Molotov of May 29 to which I have received as yet no reply—re Dept's 1170, May 28, 8 p. m.) are located five kilometers from Sofia has been cut off by a sizeable Russian military detachment commanded by Col Sviridov is not confirmed and is obviously based on some kind of a misunderstanding. Vyshinski continues that he must state that according to inquiries made by People's Commissariat no obstacles have been placed in the way of Barnes' freedom of movement by the Soviet authorities in Bulgaria. The note then states that the People's Commissariat has also been informed that there have been no threats made to Dimitrov by the Bulgarian authorities. Vyshinski concludes that the Soviet Govt holds the view that the handling of this question comes entirely under the competence of the ACC and the Bulgarian Govt.

To Dept as 1819, rptd to London as 233, rptd to Sofia as 47.

HARRIMAN

874.00/5–3145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 31, 1945—11 a. m.
[Received May 31—11 a. m.]

284. Nikola Petkov, Agrarian Minister without Portfolio in the Govt., saw Lt. Vucinich of Gen. Crane's staff this morning and revealed to him the following info:

"This morning Min Petkov asked me to inform you and Min Barnes that the Russians had sent the Bulgarians a draft of a statement which they wanted to receive from the Bulgarians. The draft contained a statement to the effect that 'it is strange that Min Barnes should give asylum to G. M. Dimitrov' and insinuated that it was not quite the thing to do. The Russians want the Bulgarians to ask the ACC to return Dimitrov to the Bulgarians which is said to be in conformity with internatl law. Georgiev, Petkov and Stainov refused to send the Russians such a statement on the basis that Bulgaria cannot involve itself in a conflict with the USA and hinted that the USSR might make such demands itself.

"Min Petkov says that terrorism continues. Many prominent Agrarians have been arrested, including Hristo Stratev and the doctors who attended G. M. Dimitrov. Petkov's secty committed suicide in jail although body markings indicated that she was beaten or killed by the militia. It is said the militia sought to force certain confessions about the activity of Dimitrov from the secty. Dimitrov's wife has been arrested and has been beaten. Min Petkov added 'something must be done to stop this terror'."

Rptd to Moscow as No. 14.

BARNES

874.00/5–3145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 31, 1945—3 p. m.
[Received May 31—2:15 p. m.]

285. The Senior Regent Ganev lunched with me today. His views remain the same as reported in my 269, May 24, namely, that above all we must save Dimitrov for the future of Bulgaria from the hatred and excesses of the Communists. I reviewed with him all of my conversations on the Dimitrov case with the various Bulgarian authorities since May 24. He urged that "the US stick to its guns" and confirmed me in my estimate of the duplicity of the Communists and of the Russians and of the importance for the future of Bulgaria and of the country's status as a European state that if necessary

the Russians and the Communists be forced into the open and made to reveal their disregard for the fundamental interests of the Bulgarian people. He thinks if we can say to the Bulgarian Govt that we believe it possible for us to obtain the consent of Moscow to the departure of Dimitrov the Govt will capitulate to the position I have thus far taken in the case, that is, that Dimitrov's security can be assured only by his departure. On his advice I am seeing Kostov, Secretary Genl. of the Communist Party, this evening.

Rptd to Moscow as 144.

[BARNES]

874.00/5–3145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, May 31, 1945—4 p. m.
[Received May 31—2:48 p. m.]

286. I have been informed today on the most reliable authority that the body of Mara Racheva was placed in a coffin and deposited in the local morgue and that thereupon her family was informed such funeral services as they might wish could be held. However, according to a report that has reached me a mob subsequently stormed the morgue and seized the body to reveal to the world what had happened to Racheva. According to this report all fingers showed signs of deep burning, there were two bullet holes in the torso, legs and arms had been broken by stretching and twisting and the back of the neck revealed knife cuts. The Sr. Regent Ganev and many others with whom I have spoken have no doubt that Racheva was tortured to death by militia, possibly under direct orders from the Central Committee of the Communist Party and Yugov, Min of Interior.

In this connection I believe I should record my conviction that if I am not successful in effecting the departure of Dimitrov from Bulgaria he will never be taken alive by the militia from my house. He told me the other day that he has experienced too much physical torture in the past to believe that he could endure more and still resist becoming a complacent tool in the hands of the Communists against everything he has fought for during his political career, namely, freedom of political thought and action, and that he could [still] resist denunciation of his political friends and supporters. I believe that should I ever deliver him up to the Bulgarian authorities it would be as a corpse. I told all of this to the PriMin yesterday and asked him how as an individual he would feel if he were in my place. While he did not say it in so many words, he implied he would

feel just as I do which is that I cannot accept any assurances in the name of the Bulgarian Govt for the complete safety of Dimitrov.

Rptd to Moscow as No. 145.

[BARNES]

868.00/5–3145 : Telegram

The Acting Secretary of State to the Ambassador in Greece (MacVeagh)

WASHINGTON, May 31, 1945—6 p. m.

437. From Sofia Barnes reports seeing May 12 issue Greek newspaper *To Phos* in hands Bulgarian MinFonAff on way to cabinet meeting with red printed headlines announcing 40 to 50 kilometer penetration of Bulgaria by Greek and Brit troops and that "Greek occupation of Bulgaria has begun".[75] Despite later official denial such false news, uncontrolled Greek expansionist temper contributes to misunderstanding between Brit and Greek on one hand and Russia and Balkan Slavs on other. In face of such Greek attitude Barnes finds no sympathetic reception for arguments justifying relief shipment Bulgaria to Greece.

Numerous current reports indicate that Greek claims for territorial revision, whether official or unofficial, strengthen alleged belief of Greece's northern neighbors that Greece with Brit backing has aggressive intentions and offer pretext for threatened countermeasures. Dept feels Greek Govt under present circumstances might be well advised to attempt restraint of belligerent expansionist claims. Perhaps you can occasionally and informally indicate this view in appropriate quarters.

Sent to Athens. Repeated to Salonika and Sofia.[76]

GREW

874.00/6–145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 1, 1945—2 p. m.
[Received June 1—1:15 p. m.]

288. The final sentence of Harriman's 1819,[77] Rpt-is [*repeated as*] 47 to this mission, indicates the time still left to us for direct negotiations with the Bulgarian Govt. in the Dimitrov case may be of very

[75] For discussion of Bulgarian-Greek frontier at the Potsdam Conference on July 19, 5 p. m., see *Conference of Berlin (Potsdam)* vol. II, pp. 116–117, 130. No attack on the Bulgarian frontier was confirmed.

[76] As Nos. 20 and 150, respectively.

[77] May 30, p. 240.

short duration. I suggest that we still have one good card to play, namely, that of publicity, and that now is the moment to play it. If after consultation with the Brit Govt. the Dept could instruct me to inform the Bulgarian PriMin that the US and UK Govts feel they can no longer keep the facts of the Dimitrov and the related Racheva case from the public the PriMin might make final effort for a solution that would present matters in the best light possible for Bulgaria. Any such instructions should state that the facts were to be disseminated by both the American and Brit broadcasting systems. Such a statement to the Bulgarian authorities would of course come immediately to the attention of Moscow and might bolster the representations being made there by Harriman. The acting Brit political rep is telegraphing in a similar sense to London.

If Dept thinks well of this suggestion an immediate reply to that effect would be helpful.

Rptd to Moscow as 146.

BARNES

874.00/6–145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 1, 1945—midnight.
[Received June 2—11:22 a. m.]

1857. Re Embs 1811, May 30, 5 p. m.[78] Reply was received yesterday from Molotov to my letter of Mar [*May*] 29 [79] in Dimitrov case. Dept will recall that this letter set forth our hope that Soviet Govt would instruct its reps at Sofia to associate themselves with Barnes in requesting Bulgarian authorities to relieve him of custody of Dimitrov, but in circumstances which would assure the latter's safety. We also stated our view that Dimitrov's lack of Fascist sympathies and his democratic sentiments could not be doubted and invited Soviet Govt to submit any information to the contrary it might have.

In his reply Molotov refers to Vyshinski's answer to my letters of May 26 and 27 (re my 1819, May 30, midnight, London 233, Sofia 47) and says that the Soviet answer was already given in that communication. He says it is clear from Vyshinski's letter that info at disposal of People's Commissariat gives no grounds for raising question of measures to assure the safety of Dimitrov. Therefore he states Soviet Govt sees no reason why its representative in Bulgaria should request Bulgarian authorities to take such measures. With respect to my statement about our information concerning Dimitrov, Molotov simply states that information made public about Dimitrov's

[78] Not printed.
[79] See footnote 72, p. 234.

activities seems to him sufficient to give an adequate idea about him.

Sent to Dept 1857, rptd to London as 238, Caserta as 107, Sofia as 49.

HARRIMAN

874.00/6–245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 2, 1945—1 p. m.
[Received June 2—10:18 a. m.]

290. Since the conversation reported in my 285, May 31, the Sr. Regent Ganev has been working strenuously for a solution to the Dimitrov case along the lines I have supported from the outset, that is, the departure of Dimitrov under the guarantee of refraining from political activity against the present Bulgarian Govt. The Regent believes the Govt may shortly be ready to make a statement in the following sense: while regretting the fact that Dimitrov found refuge in my house the Bulgarian Govt is not opposed to the departure of Dimitrov from Bulgaria on condition that he will not be afforded the means by radio, by the press or in any other public way of engaging in political demonstration against the Govt of Bulgaria. Ganev has obtained a promise of cooperation in this matter from the Communist Regent Pavlov who will undertake to bring the Communist leaders around to this point of view.

I do not believe that because of the foregoing the Dept should refrain from consultation with the Brit Govt on the subject of publicity as suggested in my tel 288, June 1, but I do believe these new developments justify the request by me that no revelation be made by either Govt of the facts in the case before I have had time to report further.

Rptd to Moscow as 148.

BARNES

874.00/6–245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 2, 1945—3 p. m.
[Received June 2—1:48 p. m.]

291. Gen Crane has received the following communication (this is a translation) from Lt. Genl Cherepanov signed by him as Asst to the Pres of the ACC under date of June 1:

"By request of the Bulgarian Govt I have the honor to transmit to you a copy of the note No. 4368–1 of 30 May 1945 which was received by the Vice Pres of the ACC in Bulgaria. Col Genl Biryusov from

the MinFonAff and Cults of Bulgaria, commissioner for the fulfillment of armistice terms, Mr. P. Stainov.

I ask you that this note be brought to the attention of the Govt of the US of America."

The translated text of the enclosure from Petko Stainov, MinFonAff, etc. etc., is as follows:

"In addition to our note of 26 of May, in which the Bulgarian Govt brought the attention of the ACC to this that a Bulgarian citizen G. M. Dimitrov deserting his home where he was under house arrest found refuge with the American rep in Bulgaria Mr. Barnes. The Bulgarian Govt has the honor to declare that the action of G. M. Dimitrov appears in no way justified for there were no threats to him from the side of the Bulgarian authorities. That is why taking into consideration your No. 2125 of 29 May that Dr. G. M. Dimitrov actually received refuge in the home of the American rep Mr. Barnes, the Bulgarian Govt insists that Dr. G. M. Dimitrov be returned to the Bulgarian authorities because this offering of refuge is not based on international law nor on the terms of armistice. The Bulgarian Govt has the honor to ask you, Col Genl, to transmit this note to the American rep in Bulgaria Mr. Barnes and request that he bring this to the attention of the Govt of the US of America."

It should be noted that Stainov's note was communicated without any observations and without any request for action except it be brought to the attention of the US Govt.

In my tel No. 290 of today's date, I have reported on Sr. Regent Ganev's further efforts toward a satisfactory solution of the Dimitrov case. During my conversation with the Regent I showed him the document quoted above. His reaction was the same as mine, namely that the Russians are not yet willing to assume the responsibility of any official action in the case. The Regent then told me that the only real obstacle to the departure of Dimitrov that he fears is that he may not be able to overcome the unofficial stand by the Russians against consent by the Bulgarian Govt to the departure of Dimitrov. He said the Communist Regent Pavlov has promised to try to overcome this unofficial opposition and that anything we might be able to do to strengthen Pavlov's efforts in this matter would be steps in the right direction. Under the circumstances Gen Crane and I strongly recommend that a reply be made to Stainov's note through the ACC drafted along the following lines primarily for the effect it might have on the Russians:

"In the opinion of the US Govt every effort possible should be made to avoid ascribing undue importance in the Dimitrov case. In its opinion the paramount concern of the reps in Bulgaria of the three principal Allied Govts and of the Bulgarian Govt should be furtherance of the major objective of the United Nations, namely, mutual understanding and confidence. The US Govt therefore be-

lieves that in the matter raised in Min Stainov's note of May 30 a decision can be arrived at on the spot that will protect and further these mutual interests by eliminating for all concerned the embarrassment that has resulted from an incident that was not sought by any of those now called upon to find a solution."

Rptd to Moscow as 149.

BARNES

874.00/6-245 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, June 2, 1945—7 p. m.

155. Since Moscow has already released to the press a version of the Dimitrov case the Department is releasing a statement by the Acting Secretary [80] which is being sent to you separately.[81] We of course appreciate the cogency of your recommendations against publicity (urtel 290 June 2) except for this revelation at Moscow of which you were doubtless unaware. Let us have your further recommendations in the light of your continuing conversations.

As regards the note to the ACC proposed in your 291 just received it seems to us that in view of the foregoing developments it may be better to delay any reply whatever to the ACC pending Regent Ganev's further efforts and the reaction to the public statements on the case.

Repeated to Moscow, Caserta and London.[82]

GREW

874.00/6-445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 4, 1945—7 p. m.
[Received June 4—4:40 p. m.]

298. MinFonAff Petko Stainov and I had a love feast today. It was our first meeting since I had first charged him with dishonesty in the Dimitrov case. He said he hoped that I now understood that circumstances had forced him to support a purely legalistic point of view while all along his sympathies had been with me.

We then dealt with the publicity angle of the case. He is fully aware that the Russians were the first to give out the story. He is in

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[80] June 2, Department of State *Bulletin*, June 3, 1945, p. 1023.
[81] Telegram No. 156, not printed.
[82] As Nos. 1204, 544, and 4419, respectively.

no way disposed to resist the Dept's revelations of the facts.[83] He told me that his second note to the Russians (see my 291, June 2) was drafted before he personally had any knowledge of the Racheva case. He said that this case was too much for anyone to condone and that had he known of it in time, the note would never have been sent. The conversation did not advance a solution of the Dimitrov case, but it did serve to emphasize once again that in this matter, we have only the Communists in the Govt and the Russians outside the Govt against a satisfactory solution.

The Min and I agreed that present US-Bulgarian relations should not be allowed to appear to be conditioned solely by Dimitrov case and the two of us should seek ways and means to emphasize publicly that this affair is merely an incident in the mutual affairs of the two countries and that in other matters we continue to have such normal relations as are consistent with the type of representation now maintained in Bulgaria by the US Govt.

We discussed for a second time the designation of a Bulgarian unofficial rep to the US. We agreed this was a matter which should not be dealt with until the existing precarious situation of the present Govt had been overcome or the Govt replaced. I told him of the view I had expressed to Ganev the other day (re my 293, June 3 [84]); he said he thought the advice was good but he was by no means sure the tension now existing within the Govt could be lessened in which event a crisis could not be held off much longer. He told me the Communist-favored Socialist Min Neikov [85] had taken over the Socialist newspaper and the Socialist Party headquarters with the physical aid of the militia. Govt by "Schmeiser" is how we both characterized the situation.

Rptd to Moscow as 15.

[BARNES]

874.00/6–545 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 5, 1945—9 p. m.
[Received June 5—7:40 p. m.]

5678. The Embassy has now recd a letter from FonOff regarding the Dimitrov case (urtel 4242, May 28 [86]). FonOff states that it

[83] See Acting Secretary Grew's statement of June 2, Department of State *Bulletin*, June 3, 1945, p. 1023.

[84] Not printed; Mr. Barnes had suggested trying to avoid a government crisis pending results of the projected conference at Berlin between President Truman, Prime Minister Churchill, and Marshal Stalin in July (874.00/6–345).

[85] Dimiter Neikov, Minister of Trade (Commerce).

[86] Same as telegram 1170 to Moscow, p. 234.

confirms the US Govt's belief "that Dimitrov is unquestionably loyal to the Allies", adding that it is in a position to know this since the British themselves, in order to save Dimitrov's life, arranged his escape from Bulgaria in 1941. FonOff goes on to say that after his escape, Dimitrov worked continuously for the British in the Middle East until the entry of Russian troops into Bulgaria, when he returned to his country. "We are accordingly convinced that no charge of Fascist sympathies could reasonably be brought against him".

FonOff continues by stating that as soon as the recent developments in Sofia were reported, instructions were sent to Lambert to remind the Bulgarian Prime Minister of Brit Govt's knowledge of and connection with Dimitrov and to impress on the PriMin in the strongest terms that persecution of Dimitrov merely because he opposed the policy of the present Bulgarian Govt would cause a deplorable impression in Great Britain and throughout the world. Lambert carried out these instructions on May 28, and FonOff has instructed Brit Embassy in Washington to show Dept a copy of Lambert's report of his conversation with the Bulgarian PriMin.

In conclusion, the FonOff states that, from Lambert's latest reports, it appears unlikely that the matter will be raised in the ACC. "Our representative on the commission, Maj Gen Oxley, has, however, instructions that if the matter should be raised, he should give his support to Gen Crane".

Sent to Dept as 5678; rptd to Moscow as 189 and Caserta as 121.

WINANT

740.00119 Control (Bulgaria)/6-645: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 6, 1945—2 p. m.
[Received June 6—4:05 p. m.]

301. On June 1 the first units of the First Bulgarian Army which numbers some 100,000 men returned to Sofia from the front. It is understood two divisions will remain abroad as a token occupation force in the Russian zone.

In this connection I have learned from sources of sufficient reliability to justify repetition that a new Bulgarian Army of 15 divisions is now in process of being organized under Soviet supervision. This new force is to constitute the standing army and will be equipped with Russian material to be supplied under the Bulgaro-Soviet mutual supply agreement of March 10, 1945.

While it is true that the bulk of Bulgarian officers and men are not Communists and are opposed to exclusive Soviet domination of

Bulgaria, the Russians apparently believe the conventions of military discipline and the presence of Soviet-trained Bulgarian Military leaders in key posts will assure a people's army that may be used as an instrument of Soviet policy. The names of the leading Soviet trained commanders now active in the Bulgarian Army are being transmitted by airgram.[87]

In appraising the loyalty of the new army to Soviet policy it should also be recalled that such non-Communist Bulgarian genls as Lt Gen Krum Lekarski, Deputy Min of War; Lt Gen Ivan Marinov, commander-in-chief; and Lt Gen Vladimir Stoichev, Commander of the First Army, doubtless for reasons of expediency have adopted an attitude of full cooperation with current Russian plans.

Rptd to Moscow as No. 153 and to AmPolAd as 155.

BARNES

874.00/6–745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 7, 1945—2 p. m.
[Received 3:55 p. m.]

302. I believe that I can now inform the Dept that every word contained in the first quoted pgh of my 284, May 31 is true. I believe that I can also state as factual the following information:

1. In the pre-armistice period following Sept 9 the Bulgarian Army spread out into Thrace on the advice of Gen Biryusov, who told the FF Govt that then was the time for Bulgaria to make sure that Thrace should evermore be a part of Bulgaria. Molotov had to reverse this decision at the time of the armistice negotiations in Moscow because of the pre-armistice conditions insisted upon by the US and the UK.

2. Bulgaria was prepared in Jan of this year, having been led to expect support from Moscow after the fact to confront the Allies with a *fait accompli* in the form of a south Slav federation on [*of ?*] Yugoslavia and Bulgaria. All arrangements to the smallest detail had been prepared for the departure of the PriMin, the MinFonAff and other Ministers representing each party in the Front to sign in Belgrade. They were to be conveyed to the Yugoslav capital in the special car of the Shah of Persia which has remained in Sofia for some years now. Even the baggage of the Ministers had been packed. At the last moment word came from Moscow not to place such a strain on Russia's relations with the US and the UK.

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[87] A–13, June 8, not printed.

3. There followed the perfection of plans for an alliance between Bulgaria and Yugoslavia. Again Russia had to say that the US and UK would never accept.

4. And likewise in the Dimitrov case the advocates within the govt of a policy of total disregard for what the US and UK think have been disappointed by the hesitancy of Moscow. They had counted on Dimitrov being taken by Russian force from my house.

In my opinion this info is interesting primarily as support for the view that despite the gangster nature of some of the dominant forces in Bulgaria's present-day political life, even these forces can be impressed with the importance of the US and UK in world affairs.

A further occasion to assert our legitimate interest in the political life of Bulgaria will doubtless present itself shortly now that the electoral decree has been promulgated (please see mission's next following tel No. 303, June 7). I have already had occasion to suggest in high quarters that any general election that might return a minority-dominated govt could hardly be expected to serve the best interests of the Bulgarian people and state as what Bulgaria needs above all else is a govt with which the democratic powers can, when the time arrives, conclude a treaty of peace. I have expressed the personal opinion that a Communist-dominated cabinet subordinated to a Fatherland Front Soviet could not be expected to meet this essential condition.

Rptd to Moscow as 154 and AmPolAd as 156.

BARNES

874.00/6–745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 7, 1945—4 p. m.
[Received June 8—6 : 10 p. m.]

303. The press has published text of the new Bulgarian electoral decree which has been approved by the new Council of Ministers and will appear shortly in the *Official Gazette*. In appraising the extent to which the Communists may be able to dominate the elections despite the apparently non-partisan character of the new electoral procedure, the following provisions of the decree are of particular interest:

1. Bulgarian citizens enjoying political rights, including soldiers and members of militia hitherto disfranchised, are declared eligible as voters at the age of 19 and as candidates at 23. This provision gives political weight to a category of voters whose immature views are thought to be more influenced by extremist ideas than by milder currents of opinion.

2. The question of a single list for the parties constituting the FF is still primarily a matter for decision by the parties themselves. However, the new electoral law provides that if a party participates in a joint FF list in any one of the 24 electoral districts into which the country is divided that party cannot put up separate candidates in the same district. The Obbov Agrarians and the Neikov Socialists would thus be able by participating in common FF lists to prevent any other Agrarian or Socialist candidates from being presented.

3. The whole procedure of casting and counting votes is under the supervision of local and district electoral bureaus selected by lot by the local Administrative authorities 10 days before the election day. As it is a tradition of Bulgarian electoral procedure that the party which controls the electoral bureaus wins the elections the opportunities which this device offers to the Communist Min of Interior are obvious.

4. As the electoral law further provides that all candidates must prove their "freedom from taint" the Communists have a legal excuse for forestalling the candidature of any person whom they may consider objectionable for any reason.

5. The date of the election must be announced 2 months in advance by decision of the Council of Ministers.

Rptd to Moscow as 156 and to AmPolAd as 159.

BARNES

874.00/6-1145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 11, 1945—4 p. m.
[Received June 11—3:37 p. m.]

311. There is now reason to believe that an announcement may be made within the next two weeks that general elections will be held about Aug 23 (see final pgh of my 302 and my 303 June 7). I therefore urgently recommend that the Dept give immediate consideration to what further steps should be taken both here and in Moscow to implement our views in support of freedom of expression and of political activity for all democratic elements in Bulgaria. I believe that a way should be found to permit everyone concerned with the conduct of the elections, with participation therein and with the outcome thereof, including every individual Bulgarian voter who can be reached by radio or otherwise, to know that the democratic powers could not conclude a treaty of peace with any minority-dominated govt that might issue from rigged elections. In this connection I should like to say that the President's message to Stalin [88] (ReDeptel 168, June 8) [89] is most encouraging to Gen Crane and

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[88] See message delivered by Ambassador Harriman on June 7, *Conference of Berlin (Potsdam)* vol. I, p. 358, footnote 5.

[89] Not printed.

myself. If I could be authorized immediately to utilize the substance of this message in my confidential talks about our general relations with Bulgaria and the forthcoming elections with members of the Govt, the Regency Council and other leaders in the present day political life of the country am sure that the results could only be favorable to our interests and the ultimate better interests of the Bulgarian people. In my opinion the only way in which we can hope to affect the Bulgarian political situation is to make our views with respect to it felt from day to day by those who play an important role in shaping the political life of the country. This is exactly what the Russians do. If we and the Brit refrain from such action the field is left alone to the Russians who are thereby given the double advantage of being able freely to express their views and to argue that by our absence from the field we and the Brit reveal our disinterest in what may be the outcome. It is no good to close our eyes to the fact the ACC is purely and simply an instrument of Soviet policy in Bulgaria and that in political matters here it never has and never will express a view in the name of the three principal Allies. I cannot emphasize too strongly the import of the sentence from the press and radio statement reported in my 307, June 10 [90] that "Bulgarian Govt has addressed itself to the ACC in *Bulgaria which at the moment officially represents the Allies in this country.*"

Rptd to Moscow as 161 and Caserta as 162.

BARNES

740.00119 Control (Bulgaria)/5–1745 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, June 12, 1945—7 p. m.

1281. Deptel 1168, May 28 [91] and Urtel 1631, May 17.[92] You are requested to inform the Foreign Office as follows:

During the discussions at London concerning armistice terms for Bulgaria full agreement was not reached on the wording of Article 18 regarding the Allied Control Commission.[93] In accepting the text of that article as it appeared in the terms signed on October 28, 1944, the American Ambassador at London reserved this Government's position in identical letters addressed to his Soviet and British colleagues on the European Advisory Commission on October 22, 1944,[94] and reaffirmed this position in a letter to the Soviet Ambassador of

[90] Not printed; it reported Bulgarian statement in press and radio concerning Dr. G. M. Dimitrov (874.00/6–1045).

[91] Not printed. See bracketed note, p. 821.

[92] Not printed.

[93] See telegram 4, January 1, 11 p. m., to Moscow, p. 135.

[94] See telegram 9077, October 22, 1944, midnight, from London, *Foreign Relations*, 1944, vol. III, p. 472.

January 5, 1945.[95] These letters stated the opinion of the United States Government that Article 18 should have included an additional provision as follows: "Upon the conclusion of hostilities against Germany and until the conclusion of peace with Bulgaria, the ACC will regulate and supervise the execution of the Armistice according to instructions of the Governments of the USA, the USSR and the UK" and that therefore the United States Government might find it necessary at a later date to confer with the British and Soviet Governments concerning the detailed manner in which Article 18 should be implemented during the period subsequent to the conclusion of hostilities against Germany.

In view of the termination of hostilities with Germany the United States Government considers it appropriate to propose at this time discussions among the three Allied Governments regarding the organization and functions of the Bulgarian ACC during the second period.

The following proposals are presented by the United States Government as a basis for discussion by the three Governments concerned:

(A) The functions of the ACC should remain limited to the enforcement of the Armistice terms, and it should operate henceforth under standing instructions of the three Allied Governments, whose principal representatives on the Commission should have equal status, although the Chairman would be the Soviet representative.

(B) No decisions should be taken by ACC without concurrence of all three principal representatives, who on important questions of policy would refer to their respective Governments for instructions.

(C) The right of representation on sections and subcommittees of the ACC, although not necessarily in equal numbers, should be enjoyed by all three Allied Governments.

In submitting the foregoing proposals we are desirous of reaching an agreement which will eliminate all misunderstandings regarding the rights to which the US representative on the Commission is entitled. Although Article 18 of the Armistice terms provides for the "participation" of the United States representative in regulating and supervising the execution of the Armistice terms, effective participation has in practice thus far been denied us.

We have been aware that in the first period certain military operations were based on Bulgarian territory and that direct military responsibility in Bulgaria lay with the Soviet High Command. This Government accordingly was willing temporarily to subordinate its own interests and responsibilities in Bulgaria to the common interest and responsibility in the successful prosecution of Allied military operations, since military considerations were regarded as overriding. This Government has nevertheless been concerned by the denial to the American representative of the right effectively to participate

[95] See telegram 25, January 1, midnight, to London, p. 137.

in the work of the Commission provided by the Armistice terms. Should the Commission henceforth operate as a tripartite body, these grounds for complaint would of course disappear, and the three Allied Governments would be able to proceed in concert during this stage in preparing the way for the eventual resumption of normal relations with Bulgaria.

Sent to Moscow and London; [96] repeated to Sofia.[97]

GREW

874.00/6-1445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 14, 1945.
[Received June 14—3:12 p. m.]

315. The following is a careful translation of a statement appearing in the Sofia press of this morning entitled "Declaration by the Office of the National Militia concerning Mara Racheva":

"With regard to untrue communiqués in the foreign press and the slanderous rumors spread by hostile elements in this country concerning the suicide of Mara Racheva, the former secretary of G. M. Dimitrov and later of the Minister Nikola Petkov, the Office of the National Militia announces:

On May 24 Mara Racheva was arrested in connection with her active participation in the organization of the escape of G. M. Dimitrov.

Confronted with the fact and in the presence of fellow conspirators, Racheva divulged valuable information. At the moment when she was to have put in writing her extensive and reiterated testimony, both confirmed and unconfirmed by her fellow participants, Racheva, comprehending the completeness of the proof of her serious crime, took advantage of the carelessness of the guards and threw herself out of the window of the office, thus committing suicide. Her evidence disclosing the plan for the escape of Dimitrov, the means prepared for his flight abroad, the assurances given by her to Dimitrov that she, together with the foreigner were ready to act, is of particular importance in throwing light on the criminal activities and organization of the Gemetovists, as enemies of the Fatherland Front and as agents of a foreign interest. This evidence was obtained from her without the use of any force whatsoever. This is substantiated by the medical examinations made by Dr. Peter Iordanov Petrov, regular assistance at the medical faculty in Sofia, and Dr. Yanaki Zahariev Holevich of the surgical ward of the Red Cross hospital, in the presence of the witness Iordan Dimov Rusev, 40 years of age, of Sofia, and of Veseli Stoichkov Petrov, 35 years of age, both employees of the public transport service, which established the lack of any traces whatsoever of the use of force. After this examination the body of Racheva was relinquished to her family and was buried by them. The sole purpose

[96] Sent to London as No. 4724, with reference to Department's telegram 4239.
[97] As No. 169.

of the slanderous campaign being conducted in connection with the escape of Gemeto and the suicide of Racheva is a [*to*] discredit Fatherland Front Bulgaria."

In view of certain of the phraseology used and of the intentional or unintentional implications of this phraseology I have today addressed the following letter to the Minister for Foreign Affairs:

"The connection drawn in the declaration of the National Militia, published in today's press, between the death of Mara Racheva and the fact that on May 24 Mr. G. M. Dimitrov sought refuge at my home has been noted by me. In particular my attention has been attracted by the following sentence: 'Her (Mara Racheva's) evidence disclosed the plan for the escape of Dimitrov, the means prepared for his flight abroad, the assurances given by her to Dimitrov that she, together with the foreigner were ready to act' et cetera, et cetera.

I believe you will agree with me that this sentence conveys an impression that does not correspond in any way with the facts in the case as I have communicated them to you. I am also sure that under these circumstances you will feel as strongly as I do that public clarification of the ambiguity of this sentence is imperative.

I therefore request that this letter be brought immediately to the attention of the Bulgarian Minister of Interior and of the Director of the National Militia. I shall expect an early reply from Your Excellency as to what steps the Minister of Interior and the Director of the National Militia propose to take to effect the public clarification that is hereby requested.

I am telegraphing the statement of the National Militia and the text of this letter to my Government."

Brief comment on the declaration will be telegraphed.

BARNES

874.00/6–1445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 14, 1945—4 p. m.
[Received 4:50 p. m.]

316. My preceding tel. No. 315 of today's date reported the militia's declaration concerning Mara Racheva and gave the text of a letter thereon addressed by me to the MinFonAff. The declaration was obviously issued in the name of the militia because of the Govt's unwillingness to assume any responsibility for a statement that would most certainly be refuted if a demand for the exhumation of the body could be made effective. Also the statement appears devised to get around the fact that while originally the militia claimed to possess a deposition written by Racheva herself, no such document has been produced in response to insistent demands of Agrarian Min Petkov

to see the document. I have yet to learn of plans prepared by a "foreign interest" for the escape of Dimitrov on May 23.

Rptd to Moscow as 165.

BARNES

874.00/6–1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 16, 1945—2 p. m.
[Received 11:40 p. m.]

320. It now looks as if the Pri Min and his Zveno group are about to give way before Communist pressure and formally accept Obbov as the Agrarian leader within the FF. Under the circumstances it is expected that Petkov, Bumbarov and Pavlov, possibly also Derzhanski (the four Agrarian Ministers in the Cabinet) will be replaced within the next three days. The probable fate of Cheshmejieff,[98] the Socialist leader who like Petkov has been a target for Communist vituperation, is not yet clear as in the case of the Agrarian Ministers but good reason exists to believe that he too will be forced to make way for a Communist tool. Thus it now seems that within a few days the so-called FF of Sept 9 will consist only of the Communist Party representing a membership certainly of no more than 10% of the country's voters, the Zveno group whose recorded adherents are so few as to preclude expression thereof in terms of population percentage and the "rump" groups of Agrarians and Socialists, the former under the leadership of the Communist tool Obbov and the latter led by the Communist controlled puppet Neikov.

I gave expression to the foregoing estimate of the that is about to be Front in a conversation yesterday with the MinFonAff, adding that I gravely feared he and the PriMin and other Zveno Ministers, were about to fall between two stools, because of their attitude of compromise, and their failure to give any real support to the leaders of the broad current of agrarian opinion. The Min invited the observation by telling me that Obbov was about to be accepted as the Agrarian leader within the Govt while at the same time he referred to Obbov as a "worn out prostitute".

I expressed the view that the US and the UK and the USSR are certain in the end to reach an agreement about matters in Bulgaria: that it would be a pity if in the meantime Zveno became so compromised by its spinelessness to be of no interest in the end to anyone of the principal Allied Powers concerned with the internal situation of the country. I said that as Bulgaria was under an Armistice

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[98] Grigor Cheshmedjiev, Minister of Social Security.

regime it should be obvious to him that what was thought about Bulgaria outside the country must have a deep influence on internal political affairs. I expressed the personal view that one could hardly expect an election held under the absolute control of such a "bobtailed end" lot of political elements as will shortly constitute the Govt and under an election law containing such restrictive and tricky provisions as those set forth in my tel 303, June 7 to bring forth a Govt sufficiently representative of all democratic elements in the country as to justify serious thought of concluding a treaty of peace with such a Govt.

The Minister replied by resort to two time worn Bulgarian excuses. He said (1) so long as the Red Army remains in Bulgaria no one can hope to contend successfully with the Communist Party and (2) he repeated the Bulgarian proverb that "when the big horses in the barnyard (the great powers) begin to kick and cavort it is only the poor little flea (Bulgaria) who is injured". It is my understanding that these are the same arguments used by those in power when Germany dominated here.

Rptd to Moscow as 168.

BARNES

874.00/6-1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 16, 1945—3 p. m.
[Received 5 : 20 p. m.]

321. The Cabinet has now fixed on Aug 26 for general elections. The date does not become definitive until approved by the Regents. Obviously the time has arrived to determine what steps shall be taken to assure if possible free democratic elections in Bulgaria.

The major hindrances to such elections are the provisions of the new electoral law, enumerated in my tel 303 of June 7, the dominant role of the Communists in the FF, the "bob-tailed" nature of the other party representation in that front, as it will probably develop within the next few days (my 320, of today's date), the completely Soviet character of the ACC and the presence of at least 150,000 Red Army troops in the country. The Communists count on the general fear instilled by the presence of Russian authority and synods and at the Communist-controlled militia, plus the restrictive and tricky provisions of the electoral law and the chicanery thereunder to which the Communist minority may freely resort, to assure the election of a Parliament satisfactory to their purposes and productive of a Communist-dominated Cabinet.

The provision of the electoral law not yet mentioned, but upon which the Communists are also counting to assure returns satisfactory to them, is that of compulsory voting, failing which heavy monetary payments must be made. Also it is now clear that the device of single FF list will be imposed. Parliamentary mandates will be apportioned on the bases of proportional representation which in itself will weight results in favor of united lists.

Participation in the joint lists by the "rump" groups of Agrarians and Socialists in the front will effectively preclude the listing of candidates desired by the great mass of the Agrarians and a very large portion of the Socialists. With Burov, Mushanov and the important Agrarian leader Gichev locked up in prison and with Dimitrov in refuge, the great bulk of such truly democratic elements as do exist in the country will be deprived of any effective leadership and of any real means of expression during the electoral campaign.

Under these circumstances the outcome of the elections will be a foregone conclusion unless effective international control is exercised. In my opinion the formula for such control was set forth in Deptel 84, March 29.[99] I consider such control to be imperative if out of the forthcoming elections there is to issue a Govt with which the democratic nations might seriously consider making peace.

I do not believe that a Tripartite Commission of Control sitting in Sofia would alone suffice. First of all, the right for all democratic groups to file lists must be assured. This positive approach would be better than the negative one of opposing joint FF lists. Let those who wish to join in the FF lists but at the same time obtain for those who remain outside the front, Agrarians, Socialists and all other democratic elements, the right to present candidates and to hold onto old line party organizations. Second, all cases of candidates excluded because of "Fascist taint" should be subject to review by the International Commission in Sofia. And third but not by any means least important: the Commission of three should be represented on election day and for several days before and thereafter in each administrative division of the country (about 90 in number) by a subcommittee of two, a Brit or an Amer officer and a Russ officer, with one or two trustworthy interpreters. These subcommittees would tour their respective admin areas by car to receive complaints of election irregularities and to exercise first hand supervision over balloting. They would however be effective primarily because of psychological factor; that is the mere presence of them throughout the country would go a long way to overcome the fear instilled by the militia and the presence of the Red Army.

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[99] Same as telegram 735 to Moscow, p. 179.

Genl Crane and our Brit colleagues also, I believe, are in full agreement with the foregoing analysis and recomendations. The Genl and I hope the Dept will find it possible to communicate its views and recommendations with respect to the foregoing at an early date. Early comment by the Dept on the contents of my 311, June 11 would also be helpful.

Repeated to Moscow as 169 and AmPolAd as 165.

BARNES

874.00/6–1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 16, 1945.
[Received June 17—12:55 a. m.]

322. Reference my 315, June 13 [*14*]. All Sofia newspapers have today carried the following official communiqué:

"As a supplement to its statement of June 14, 1945 concerning the case of Mara Racheva, the Office of the National Militia wishes to announce, in connection with the plan discovered by the Militia for the escape from the country of Dr. G. M Dimitrov, that it had been learned that the following password (probably better translated as signal of readiness) was agreed upon by the participants in the organization of the plan: 'I am ready to act with the foreigner.' This agreed upon signal was to notify collaborators that all was ready. The expression used in the National Militia's communiqué of the day before yesterday that she (Racheva) 'is ready to act with the foreigner' was merely the reproduction of this accepted password. In no case should the reproduction of this expression be interpreted to refer to any foreign diplomatic or political representative in Bulgaria".

Repeated to Moscow as number 170.

BARNES

874.00/6–2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 20, 1945—6 p. m.
[Received June 20—6 p. m.]

328. Regent Ganev has just told me that during the past 3 days PriMin Georgiev has appeared less yielding to Communist pressure for the ejection of the Agrarian Ministers and the Socialist Cheshmedjieff from the Cabinet. He thinks that the PriMin has been impressed with the argument that the Zveno leaders in the present govt

may fall between two stools if they become too amenable to Communist pressure while at the same time Russia may be giving ground in Eastern European affairs before the pressure of the US and Britain. Ganev therefore has some hope that the Communists may be held in check until the effects of the understanding to be arrived at the forthcoming meeting of the Big Three can be felt here. He is also hopeful of being able to hold off general elections until Oct which would provide a reasonable period of time before the beginning of the electoral campaign for the decisions of the Big Three to have their effect on local political situation. The Regent expressed regret that he had not been able to make any noticeable progress toward a decision in favor of departure of G. M. Dimitrov from the country but he said that he did feel that the Communists are now less agitated about Dimitrov having found refuge in my house and therefore less inclined to insist upon immediate and drastic action in the matter.

Rpted to Moscow as 174.

BARNES

874.00/6-2645: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, June 26, 1945—10 a. m.
[Received 2:58 p. m.]

333. The press of June 24 carried a "manifesto to the Bulgarian people" from the FF Natl Committee reviewing the achievements of the regime since last Sept and warning the Bulgn people against efforts now being made by the "black reaction" both at home and abroad to undermine the Front's prestige. The manifesto employed such time-worn Communist phrases as "internatl financial speculators", "black market operators" etc., and bulked the Front's enemies together under the term "Gemetovists" (re my house guest) and "reactionaries". It claimed that by means of rumors and intrigues these reactionaries, "who call themselves democrats", are directing their attack at the vital juncture of workers and peasants collaboration. The document threatens dire consequences to those who raise theirs against the unity of the four parties, an essential condition, so the Committee maintains, to internal and internatl stability for the country and reiterates the view doubtless first expressed in Padev's article from San Francisco (Mytel 317, June 14) [1] that all elements of public opinion in the US and England support the FF except those reactionaries in the two countries who seek to embitter Soviet-Anglo-Saxon relations.

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[1] Not printed.

The shrill tone of the manifesto suggests that criticism of the FF expressed in the US and England has touched to the quick the more rabid members of the Front's National Committee. In my opinion the manifesto represents an effort to reply and constitutes at the same time a sort of red herring prepared to distract the gullible in Bulgar from the true issue, namely, police govt versus free democratic elections.

Further evidence is available that criticism from abroad is having its effect on the local political situation. The Agrarian Ministers have not yet been ejected from the Govt and there is now some reason to believe the Communists are trying to patch matters up by having Petkov reinstated as Secy Genl of the Agrarian Party and Bumbarov, who was "ejected" from the Party a short time ago by Obbov's Committee, rehabilitated as a party member. In exchange for those concessions it is suggested Bumbarov accept the post of Minister to Czecho[slovakia] and that he be replaced in the Cabinet by Obbov.

Each day I become more convinced that we can influence the political situation in Bulgar for the better if we are prepared to make our views known from day to day to the Bulgar people and in Bulgar political quarters.

Rptd to Moscow as 179.

BARNES

740.00119 Control (Bulgaria)/6-2645 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 26, 1945—midnight.
[Received June 27—7 : 20 a.m.]

2277. Failure of Soviet Govt to respond to Greek request for liaison officer with ACC Bulgaria was taken up by Brit Amb in letter dated June 2, 1944 [*1945*] to Vyshinski.

Clark Kerr also expressed his Govt's concern over nonfulfillment by Bulgaria of reparations commitments to Greece. Greeks have recd only 85 horses and 18 mules all in shocking condition. Ultimate responsibility for this evasion of Bulgn responsibility rests in Brit view on Soviet authorities. Amb contrasted this situation with vigorous Soviet extraction of reparations from Finland, Hungary and Rumania on behalf of itself. Clark Kerr warned that continued lack of progress on payments to Greece would produce deplorable impression on public opinion in Greece and elsewhere. He therefore hoped USSR would enable Greek liaison officer and staff to proceed to Sofia.

To Dept 2277, rptd to Athens 28, Sofia 60, London 325.

HARRIMAN

874.00/7-645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 6, 1945—7 p. m.
[Received July 8—12:50 p. m.]

340. In my tel of June 10 [2] I expressed view that for time being no progress toward final solution Dimitrov case could be hoped for. Nearly a month has passed, during which nothing really significant has occurred although in interval numerous of militiamen posted around property where I live have sought to intimidate my servants and other employees on place. Some have even gone so far recently as to suggest the militia will if necessary find means of "doing away" with Dimitrov while still a "guest" or will take him by force and later satisfy protest by claiming that irresponsible underlings involved have been disciplined. Since ejection of Bumbarov from Cabinet (re my tel July 6),[3] guards around property have been increased and for the first time uniformed militiamen have been stationed immediately opposite entrance.

I still feel the only acceptable solution is departure of Dimitrov from Bulgaria. Therefore urge that Dept authorize me to notify Govt in writing (perhaps should stress here that Bulgaria declared war on us and was brought to heel by our war efforts and not by Russia's dubious declaration of war) that the U S expect[s] Bulgaria authorities to issue the necessary orders permitting departure of Dimitrov. If Dept has other views it would be helpful to know them.

Rptd to Moscow as 18.

BARNES

874.00/7-745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 7, 1945—11 a. m.
[Received 4:10 p. m.]

341. Mission reliably informed that formula for composition of single FF lists in forthcoming general election is: Communists 95 seats; Agrarians (Obbov hand picked in agreement with Communists) 95; Zveno 46; Socialists (Neikov also hand picked) 31; Independents 9; total seats 276. Post-election in session by deputies from Com-

[2] No. 308, not printed.
[3] No. 339, July 6, 3 p. m.; an extract of this telegram is printed in *Conference of Berlin (Potsdam)*, vol. I, p. 401.

munist-dictated FF program, to which each party of the Front long since gave its formal adherence, is dealt with by article 105 of electoral law providing for cancellation of mandates and for by-elections in cases where deputies stray from party's pre-election program.

Following is reliable estimate of what free elections based on proportional seating formula with whole country constituting one circumscription would return:

Communists 50; Zveno 20; Socialists 20; Democrats, Radicals, etc. (now excluded by single list formula) 35; Agrarians 151. If former election system of separate circumscriptions and plurality votes were employed it is thought that Communists could not gain at the outside more than 20 seats.

Rptd to Moscow No. 184.

BARNES

811.91274/7–745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 7, 1945—11 a. m.
[Received July 8—12: 50 p. m.]

342. In connection with our unsuccessful efforts thus far to obtain entry for United States correspondents into Bulgaria, believe that following reply to [*of*] Bulgarian Ministry of Propaganda to a protest from the one American journalist here, Constantine Poulos, Overseas News Agency, about the strict censorship to which his messages are subjected while those of Russian and Yugoslav correspondents are not censored, will be of interest to the Department:

"Your statement concerning sending despatches by Russian and Serbian correspondents without being conformed (*sic*) to the censorship regulations, cannot be investigated for the simple reason that there are no such correspondents in Sofia.

If you have in mind the agencies Tass and Tanjug we would like to inform you that they are government institutions enjoying full diplomatic privileges provided by the international relations [apparent omission]."

Repeated to Moscow as 185.

BARNES

874.00/7-745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 7, 1945—6 p. m.
[Received July 8—12:53 p. m.]

345. My next following tel No 346 [4] is translation of text of Petkov's confidential circular (339 [5]) to country chairman [*county chairmen*] of Agrarian Union. This is a courageous document, given the political situation. If it could be supported by some action on our part and by Brit such as insistence on tripartite control of the election it should help greatly to bring about a more satisfactory state of political affairs in this country. It contains much that OWI supplied with some background material by [*which?*] the Dept would be able to put to effective use over the radio. Certainly Petkov and his associates should receive full credit for the courage they have shown in drafting and circulating the document.

BARNES

874.00/7-845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 8, 1945—noon.
[Received 3:33 p. m.]

347. Last night the three Regents expressed to me the view that Petkov (nr. 345, July 7) has taken only patriotic course left to him as result of Communist and Obbov maneuvers to gain control of Agrarian Party. They anticipate immediate reaction by Communists and their Agrarian stooge Obbov that will precipitate deep governmental crisis involving perhaps even change in members Regency Council and most certainly widespread arrests of Agrarians. It has been suggested to me from numerous quarters I should be on alert for some sort of militia coup against Dimitrov. Dimitrov himself fears Communists and Russians may seize upon present situation to stage fake counter revolutionary coup, thus preparing way for Russian military to take over police authority and place Communists in full charge of Govt.

First move by Obbov was taken this morning in radio announcement of decision by his so-called executive committee of Agrarian Party "to withdraw its confidence from Petkov as member of Cabinet

[4] Not printed.
[5] Telegram 339, July 6, 3 p. m. from Sofia; for extract, see *Conference of Berlin (Potsdam)*, vol. I, p. 401.

and as its rep on FF Natl Committee." Next development will probably be arrest of Petkov.

Rptd to Moscow as 188.

BARNES

874.00/7-645 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, July 12, 1945—4 p. m.

201. Urtel 340 July 6. You may in your discretion inform MinFonAff in writing that, although Bulgarian authorities were promptly informed by you of circumstances in which Dimitrov sought refuge in your residence on May 24 and although you have since that time been in constant touch with the Bulgarian Govt with view to satisfactory solution of affair, Bulgarian authorities have not so far made any acceptable proposal to this end. US Govt continues to consider it desirable that satisfactory disposal of this case be arranged at early date and believes it incumbent upon Bulgarian Govt to make arrangements which will satisfy US representatives in Bulgaria that Dimitrov's protection from irresponsible violence is assured. It accordingly would like to be informed by Bulgarian Govt as soon as may be possible of measures which Bulgarian Govt is prepared to take, whether by arranging for safe departure from Bulgaria or otherwise, to enable US representatives to be relieved of his custody.

GREW

740.00119 Control (Bulgaria)/7-1745 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, July 17, 1945—10 p. m.
[Received July 17—8:30 p. m.]

2604. Noting that Vyshinski had said in June 30 letter to British Ambassador that ACC Bulgaria had been instructed to permit Greek liaison officer[6] proceed Sofia in connection with reparations, British Chargé[7] stated in letter of July 16 to FonOff that British Govt felt Greeks could not, as Vyshinski implied they should, be expected to have yet compiled claims list accurately related to Bulgaria's capacity to pay. Circumstances have thus far necessitated submission only list damage inflicted by Bulgaria.

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[6] In reply to the Department's inquiry (telegram 718, July 20, 8 p. m., to Athens), Ambassador MacVeagh in telegram 744, July 24, 6 p. m., from Athens, named the Greek liaison group to Bulgaria, headed by Col. George Hoapage Orgiou (740.00119 Control (Bulgaria)/7-1745, 7-2445).

[7] Frank K. Roberts.

Roberts stated British Govt agrees that a function of ACC is to exact reparations in fulfilment armistice terms and only asks same ACC vigor on Greece's behalf as exhibited for USSR. Among several suggestions was one that instead of broadening rail gauge Sofia–Kula for which no military justification exists material used might better be given Greeks as part payment on reparations. Chargé concluded with request that instructions be issued ACC Bulgaria to examine without delay how Bulgarian Govt can promptly begin implementing reparations obligation to Greece through deliveries of type suggested.

To Dept 2604; Athens 35; Sofia 69; London 370.

KENNAN

874.00/7–1745 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, July 18, 1945—8 p. m.

209. Urtel 367 July 17.[8] Question of recognition of ex-satellite Govts and conclusion of peace treaties has been placed on agenda for discussion at Potsdam meeting and your views, which accord with course of action preferred by Dept, have been incorporated in substance in memoranda prepared for use of President and Secretary[9] in such discussions.

Meanwhile, pending outcome consideration at that meeting, we think it inadvisable for you to give expression to our position in conversation with Bulgarian political and Govt leaders.

GREW

874.00/7–1945 : Airgram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 19, 1945—11 a. m.
[Received July 30—6 p. m.]

A–16. My tels 321, June 16, 336, June 28[10] and 341, Jul 7. On July 13, 1945, the National Committee of the Fatherland Front published its election program. In view of the manner in which the elections are scheduled to be conducted and the consequent absence of any competing platforms, this statement of policy does not have the significance usually associated with such documents. Furthermore, as it is primarily an expression of the views of the Central

[8] *Conference of Berlin (Potsdam)*, vol. II, p. 694.
[9] See *ibid.*, vol. I, pp. 357 ff.
[10] Telegram 336 not printed.

Committee of the Communist Party, its numerous references to "safeguarding the personal security of the citizen", the "struggle against bureaucracy", "safeguarding the freedom of speech, etc.", "complete respect for the established legality", and so on, must strike a strange note in the ears of most Agrarians, Socialists and Zvenars. It should also be noted that the many innocuous and frequently praiseworthy objectives contained in this platform are all predicated on a totalitarian state structure dominated by the Communist Party.

[Here follows text of major provisions of the platform.]

BARNES

740.00119 Control (Bulgaria)/7-2445 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, July 24, 1945—8 p. m.

216. In further effort to improve unsatisfactory situation regarding clearances for entry into Bulgaria where, in contrast with Rumania and Hungary, difficulty is apparently still being experienced in all cases, Dept will appreciate current information on following points:

1. Should clearance be requested in first instance through General Crane or through Moscow for (*a*) official personnel regularly assigned or temporarily detailed your staff and (*b*) private individuals (journalists, business men etc) ?
2. In event application should first be made through General Crane, should simultaneous approach be made in Moscow ?
3. Is there any possibility, by analogy with practice in Hungary, of satisfying clearance requirements for official personnel merely by notifying ACC of individual's presence on board a scheduled airplane proceeding to Sofia with simultaneous notification to Moscow ?
4. Have you any other suggestions as to practical means accomplishing entry either officials or private individuals ?

GREW

874.00/7-2545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 25, 1945—6 p. m.
[Received July 26—9:25 a. m.]

382. Senior Regent Ganev told me last night that the decision of the Govt to go ahead with elections as reported in my telegram 381 of today's date,[11] may go sour on the Prime Minister and the Communists. He said that Petkov is seriously considering an appeal in [*to*]

[11] *Conference of Berlin (Potsdam)*, vol. II, p. 716.

the three principal Allies by a letter to be sent to the three members of Allied Control Commission in which he will raise the question of whether the Yalta declaration on liberated Europe is to be applied in Bulgaria.

Repeated to Moscow as 197.

BARNES

874.00/7-2545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 25, 1945—7 p. m.
[Received July 26—8:50 a. m.]

383. The more I deal with MinFonAff Petko Stainov the more I am convinced of his intellectual dishonesty and deceit. On July 14 I handed him a note requesting a prompt statement of steps the Bulgarian Govt is prepared to take to assure safe departure of Dimitrov from Bulgaria or would otherwise permit me to be assured of personal safety of Dimitrov if he were to depart from my house. Since then Stainov has sought by various means to impress me with the Herculean nature of his efforts with Communists in interest of satisfactory settlement of Dimitrov affair. He even went so far some days ago to have Secretary General of Foreign Office talk to me about arrangements for early despatch of Bulgarian representative to Washington (Deptel 139, May 22 [12]) in view of bright prospects for an early agreement on Dimitrov.

Yesterday afternoon the Minister laid before me with some show of pride the miserable little mouse his labor has brought forth, namely, a draft note proposing that on leaving my house Dimitrov would be free to take up his residence where he wished in an apartment, in a villa or even in his native village where his wife and children are now installed but, of course, under the surveillance of militia. The draft also provided the Bulgarian Govt would assure the safety and well-being of Dimitrov. Before springing this draft on me, in seeking to impress me with his abhorrence for police cruelty and with his deep and abiding friendship for and efforts in behalf of such truly democratic leaders as Burov, Mushanov and Gichev, he told me with a sly wink that, of course, he could not put the full details of his formula into a note but that he could assure me if I accepted the note he had reason to believe some time later Dimitrov might hope to apply with success for permission to leave the country.

I am afraid I was not successful in hiding my disgust when I replied to the Minister that, of course, he was free to answer my note in

[12] Same as telegram 43 to Budapest, p. 819.

the sense of whatever was the decision of the Bulgarian Govt. I referred to his protestations of friendship for democratic leaders now in prison by asking him if he had informed himself as to treatment to which they had been subjected since escape of Dimitrov. He replied these men are now being subjected merely to prison regime to which they had been condemned and that their former treatment was of a favored nature. This is a good measure of merit and worth of the Minister's friendship. I told him Washington is aware of recent arrests and militia intimidation of political visitors to house of Agrarian Minister Petkov and I pointed out that the whole world knows about Racheva. I explained to him that living in a house having only one room not utilized as a bedroom and in constant companionship with a Bulgarian political refugee (no matter how charming and interesting) and two or more American soldiers was hardly a state of affairs that I desired to perpetuate, but that taking everything into consideration I, as a friend of Bulgaria, could only advise against the despatch of his proposed note.

It was not necessary to make specific mention of a midnight militia provocation at my property a week ago when militia learned efforts were under way again to assure safe departure of Dimitrov. On that occasion militia sought to simulate an attack on them by the American soldiers in my house. They even produced a wounded militia man next morning. Subsequent investigation by Chief of Militia revealed matters of sufficient interest to him about manner in which his own men operate as to cause him to withdraw the uniformed guard around property. Since then only a few civilian scalawags have been on watch about the place vainly trying to conceal themselves in adjoining grain fields. All of these facts were too fresh in mind of Minister to require mention by me.

The upshot of the convers[at]ion was the Minister decided not to communicate his proposed note. He did not however offer any assurance of a further and more satisfactory proposal. I therefore trust Dept will give this telegram and my earlier reports on Dimitrov case the study I believe they deserve and that it will instruct me further in the matter. There is a limit to what human nature will support and this applies not only to myself but to Dimitrov also. I have felt all along a second escape by him would be unfortunate. Perhaps I have failed to see the woods for the trees. This has been intimated to me by non-Communist members of Govt who thus far have dealt so unsuccessfully with case.

An interesting sidelight on my conversation with Stainov is fact that Sr. Regent Ganev last night assured me that my note of July 14 has not yet been brought up in Cabinet meeting.

Repeated to Moscow as No. 198.

BARNES

874.00/7-2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 27, 1945.
[Received July 27—12:25 p. m.]

387. The following statement issued yesterday by the Ministry of Interior explains why the Petkov Agrarians and the Cheshmedjieff Socialists are filing lists as Independents:

"Paragraph 2 of Article 53 of electoral law provides that a party which participates with candidates duly designated by it in the ticket of the Fatherland Front in a given electoral district, cannot place separate lists of candidates in the same district. As it is already known, all Fatherland Front parties have reached an agreement to come out with common Fatherland Front tickets in all electoral districts. Under the circumstances, it is obvious that none of the existing parties can place separate lists of candidates in any electoral district.

All other candidates, which candidacies have been placed in the name of ten individual voters, cannot represent in the elections any party group or organization. Such candidates are, consequently, obliged to carry out their pre-election campaigns—printed as well as oral—in their own names, but they have no right to speak or act on behalf of any party, nor can they appear as representatives of such parties anywhere.

The candidates must conform with these regulations of the law and must observe them most strictly."

Although thus deprived of their party organizations and party organs, Petkov, Cheshmedjieff and the Independent Stoyanov will do their best to contrive an effective electoral campaign.

Repeated to Moscow as No. 201.

[BARNES]

874.00/7-2545 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, July 27, 1945—5 p. m.

222. Urtel 383, July 25. In considering further action in Dimitrov case Dept will appreciate your present views[13] whether we could accept any, and if so what, arrangements and assurances by Bulgarian Govt as providing adequate protection for Dimitrov should he remain in the country. Please ascertain Dimitrov's own attitude toward any such arrangements and assurances.

GREW

[13] For reply, see telegram 481, August 28, 9 a. m., from Sofia, p. 313.

740.00119 Control (Bulgaria)/7-2845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 28 (*27?*), 1945—midnight.
[Received July 28—3:05 p. m.]

392. ReDeptel 216, July 24. Clearance situation has improved during past 2 weeks for all official personnel. Believe local requests for such personnel will be sufficient henceforth. Requests for journalists must still be handled by Dept direct with Moscow. Request for Patterson [14] has been renewed. Believe procedure in numbered paragraph 3 of Dept's telegram can be worked out in time. Efforts will be made to handle clearances businessmen, etc. locally.

Repeated Moscow as No. 203.

BARNES

874.00/7-2845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, July 28, 1945—3 p. m.
[Received July 28—12:46 p. m.]

395. My 393, July 28.[15] Ganev has just suggested to me that a statement by Voice of America in Bulgarian of substance of Petkov's letter [16] requesting application to Bulgaria of Yalta Declaration and tripartite Allied control over Bulgarian elections when they are held and indicating approval in US of this expression of desire for democratic procedures in Bulgaria might have a most beneficial effect at this time on Bulgarian political situation. If Dept and OWI approves word to this effect would be greatly appreciated by me.

BARNES

811.91274/7-745 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, July 31, 1945—6 p. m.

229. Urtel 342 July 7. Unless you feel such action would be detrimental to Poulos' position in Bulgaria or perceive other objection, please inform MinFonAff, in reference to communication from Ministry of Propaganda to Poulos that this Govt cannot accept view

[14] Gardner Patterson was on a mission to the Balkans for the Treasury Department.

[15] Not printed.

[16] See telegrams 385, July 27, 10 a. m., and 286, July 27, from Sofia, *Conference of Berlin (Potsdam)*, vol. II, pp. 722 and 724, respectively.

that agencies such as Tass and Tanjug, by virtue of their alleged status as governmental institutions, "enjoy full diplomatic privileges" or any other facilities over and above those normally accorded to representatives of the press and this Govt expects that any facilities or privileges granted to those agencies will likewise be made available to American correspondents. Although Tass agency has long been represented in the US, no special privileges have ever been accorded its correspondents here nor has any claim ever been made to us that correspondents of that agency might be entitled to favored treatment.

GREW

874.00/7–2845 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 2, 1945—6 p. m.

231. Dept transmitted substance Urtels 385 and 386 [17] to the Secretary of State at Potsdam for consideration.

Meanwhile, suggestion urtel 395 July 28 has been communicated to OWI which indicates it will include in its Voice of America Broadcasts in Bulgarian substance Petkov's letter with expressions of approval by press or other private sources in this country of desire for democratic procedures evidenced therein.

GREW

874.00/8–345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 3, 1945—2 p. m.
[Received 3 : 33 p. m.]

410. Reference my telegram 403, July 31.[18] The Fatherland Front has now launched general campaign for invalidation of candidatures on opposition list. Some are held ineligible on grounds that they are members of FF parties, such as Nikola Petkov, or failed to resign government positions within allotted time, as Peter Koev, Agrarian Secretary General of Ministry of Finance, or others are charged with being supporters of G. M. Dimitrov, even of Alexander Tsankov,[19] or collaborators with pre-FF governments, anti-Semitic or simply Fascists. Three latter charges are utterly ridiculous when examined in light of fact that most candidates in question played leading role

[17] *Conference of Berlin (Potsdam)*, vol. II, pp. 722 and 724, respectively.
[18] *Ibid.*, p. 734.
[19] Bulgarian Prime Minister after *coup d'état*, June 1923; convicted *in absentia* as war criminal.

in public affairs from Sept 9 until very recently. Intimidation by widespread arrests in the provinces even beatings authentically reported.

Repeated Moscow as 211.

BARNES

874.00/8-445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 4, 1945—noon.
[Received August 4—10:10 a. m.]

416. Speaking over radio yesterday p. m., Petko Stainov sought to make political capital for FF (Fatherland Front) out of Potsdam declaration.[20] He presented those portions of declaration that relate to recognition of and peace negotiations with ex-satellites as a special victory for FF Bulgaria by referring to his note to deputy president of ACC (Allied Control Commission) requesting establishment of regular diplomatic relations and acceptance of Bulgaria as a United Nation and pointing out Allies have now prepared way for peace negotiations with Bulgaria. The Minister spoke of Bulgaria's loyal and complete (question mark) fulfillment of armistice terms and of contribution of Bulgarian arms to Allied victory. He said that one condition alone remains to complete the requirement laid down by Allies for passage from present abnormal state of affairs to state of official and peace time relations with Allies, namely, that in "Plebiscite" scheduled for August 26 (and he emphasized this Plebiscite will be held on August 26): the Bulgarian people give a resounding "yea" in support of all that FF has done since September 9, 1944. Judging from Minister's remarks it is clear he and his colleagues in Government remain firm in faith that Russia can arrange matters for them no matter what. If the Potsdam declaration means what I hope and believe that it does—unfettered elections as a condition precedent to recognition, and recognition as a condition precedent to place [*peace?*] negotiations—then Petko Stainov's record of consistent misinterpretation remains unmarred. On the other hand prospects for unfettered elections in near future will remain—until the Allies speak out and make it clear to every Bulgarian that they do not intend to conclude peace without [*with*] minority-dominated governments. Freedom of speech, press and of assembly are denied to all but the candidates of the FF and these [*their?*] supporters. The

[20] For communiqué issued at the Berlin Conference on August 2, see *Conference of Berlin (Potsdam)*, vol. II, p. 1499.

campaign of press calumny and of militia intrepidation [*intimidation?*] against those who helped to bring the FF into being, but who are now in opposition because what they fashioned with so much hope has turned out to be a Frankenstein in the hands of the Communists and against all other advocates of democratic processes, continues unabated.

Petko Stainov's radio speech is printed in the press today under the headline "The elections of August 26 and the government's policy to date opens the doors of peace to us."

Repeated Moscow 214.

BARNES

874.00/8–645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 6, 1945—2 p. m.
[Received 7:45 p. m.]

417. My 410 of August 3. Following are verified examples of method used by Fatherland Front to obstruct registration of opposition candidates for coming elections.

1. Numerous arrests have been made of persons visiting Agrarian leader Nikola Petkov before his resignation; 7 persons arrested in Samokov and 6 in Kyustndilon July 16; during last week of registration of candidates, July 19 to 26, 14 persons who had sponsored candidates on opposition lists were arrested in various provincial towns.

2. Candidate in Belacherkva received from local authorities required document certifying that he enjoyed full civil and political rights, but with the additional note that "this person has Fascist tendencies and is engaged in extreme Fascist activity."

3. Opposition list in Pernik was invalidated by court when 3 sponsors were forced by militia to withdraw their signatures, even though these withdrawals took place after the final date of registrations.

4. Candidates in Starazagora forced by militia threats on July 30 to withdraw his legally registered candidacy.

5. Pazardjik District Court accepted opposition list as valid in document dated July 27 but reversed its decision on same day on ground that, while list had been legally registered on last day of alloted period, registration had taken place after office hours of court and was therefore invalid.

6. In Viden 3 sponsors were held under arrest on last day of registration. Thus preventing registration of opposition list.

7. Hristo Stoyanov, Minister of Interior in Stamboliski Cabinet of 1920–23, kept under house arrest in Shumen without charges from June 12 to July 26 and upon release informed by police chief that purpose of arrest had been to prevent him from organizing opposition list in Shumen district.

It goes without saying that only a relatively small number of these cases illegal obstruction come to the Mission's attention in the form of verified reports.

Repeated to Moscow as 215.

BARNES

874.00/8–645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 6, 1945—5 p. m.
[Received 5:30 p. m.]

418. The press this a. m. contains an interview with a member of the central electoral committee of the FF (Fatherland Front) who states emphatically that there will be no postponement of Aug 26 elections. According to this spokesman, rumors of postponement originate with "*agents provocateurs* in the service of foreign interests". If his statement reflects position of the Govt, and there seems no reason to believe that it does not, it would appear that Moscow has given the "go ahead" signal, despite whatever may have been agreed to at Potsdam. If in the hopes of affecting the election situation, the US and UK contemplate any plain speaking to the Bulgarian Govt on the subject of recognition they should act promptly.

In my opinion a few well chosen words addressed to the Bulgarian Govt by the western democracies might avoid for them a lengthy post-election period of bickering and frustration with respect to this country and the problems of recognition and peace negotiations. Only an emphatic warning that unfettered elections will give Bulgaria the peace its people so earnestly desire can now alter election matters here.

Speaking at Pleven yesterday one of the closest of the Prime Minister's collaborators said "Who wants the intervention of foreign powers in the internal life of the country, when the FF won independence for Bulgaria with the help of the brotherly Soviet troops." He added that "No other govt, no other political combination could save Bulgaria from the threatening catastrophe of civil war, hunger and misery; that if Bulgaria today is not one of the defeated, humiliated and devastated countries, this is because of the foreign policy of

the FF, and that this foreign policy will be continued after the elections".

Rptd to Moscow as 216.

BARNES

740.00119 Control (Bulgaria)/8-645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 6, 1945—9 p. m.
[Received August 7—10:47 a. m.]

422. Re Dept's telegram 216, July 24 and my 392, July 28 [*27?*]. Strongly urge Dept instruct me to request General Crane to notify General Biryusov in writing that henceforth American official personnel will be transported into Bulgaria by plane without adhering to clearance procedure established for first period of armistice but that several days advance notice of arrival and details concerning identity, nature of official position and purpose of assignment or visit will be given. I believe that only in this manner can we solve locally the present vexatious problem of clearances. British take strong line with Russians in these administrative matters and usually get what they desire.

Repeated AmPolAd as 182 in reply to its 64, August 4 concerning Patterson. Repeated to Moscow as 218.

BARNES

740.00119 Potsdam/8-745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 7, 1945—3 p. m.
[Received 4:20 p. m.]

424. In several occasions during the past month or two the Minister for Foreign Affairs has said to me when we have been discussing the Bulgarian election situation that the Declaration of Yalta on Liberated Europe has no bearing, so far as he and his Cabinet colleagues are concerned, on the state of affairs in Bulgaria as the Bulgarian Govt has never been officially apprized of the existence of any such declaration. Recalling this observation I naturally wonder what arrangements have been agreed upon for notifying the Bulgarian Govt of the contents of the Potsdam declaration.

Rptd Moscow as 21.

BARNES

874.00/8-745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 7, 1945—5 p. m.
[Received 6:15 p. m.]

426. In my telegram 78 of February 10 I said that there is a feeling that the non-Communist elements in the government showed great weakness in bowing without protest to the severity of the sentences of the Peoples' Courts and that they had become more completely than ever prisoners of their Communist colleagues. I pointed out that responsibility for the excesses was collective.

I recalled the foregoing this a. m. while listening to an estimate of the local political situation and of the probable trend of events if a way is not found to delay general elections scheduled for August 26 given to me by a Bulgarian of leftist but patroiotic views known to me for many years and in whose sober qualities I have considerable confidence. He said that the Communists in the government know that free elections would place the Agrarians in power and that the Agrarian mass would exact heavy penalties of those responsible for the excesses of the militia and of the People's Courts. In his estimation the Communists are prepared to go to any length to retain power. He believes that in the circumstances no appeal to the better instincts of such men as Kimon Georgiev and Petko Stainov to delay elections can be effective; that the responsibilities of these non-Communist government leaders are as grave as those of the Communists and that they know there is no turning back. Nevertheless my informant deeply hopes that every effort will be made by the US and UK to postpone elections. It is his conviction that if elections are held August 26 the first note [*vote?*] of the "Red Parliament" will be to declare Bulgaria a Soviet republic following which Russia will cede northern Dobrudja to Bulgaria thus giving the two states a common frontier. The next step would be for Bulgaria to ask for incorporation into Russ-Soviet system. Under these circumstances Russians would have little interest in whether we accept the election results or not, or whether we would or would not conclude a treaty with or about Bulgaria. The relationship between such possible developments and the problem of the Straits and of other Turkish territory in Europe and Salonika is too obvious to require elaboration.

I do not report the foregoing as a rumor but as the conviction of a solid intelligent Bulgarian who possesses a knowledge of what is going on in the minds of Communist leaders here including some of the general officers placed in the Bulgarian Army by Moscow.

Repeated to Moscow as 220.

BARNES

740.00119 Control (Bulgaria)/8–745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 7, 1945—7 p. m.
[Received August 7—4:25 p. m.]

428. Day after issuance Potsdam declaration local newspaper *Izgrev* published article containing among other things suggestion that ACC was about to become really tripartite. Biryusov has just had editor in to tell him that such "stupid and unpatriotic" interpretations will not be tolerated.

BARNES

874.00/8–945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 9, 1945—noon.
[Received 12:43 p. m.]

429. I stated in my telegram 78, February 10, that comment to effect that Great Britain, Russia and United States had not protested against sentences of People's Courts was so widespread as to justify suspicion of semi-official inspiration. The fact is at a later period the Minister Foreign Affairs specifically justified Govt's failure to take any actions to stay excessive sentences of first and second People's Courts of February 1 by pointing out neither United States nor United Kingdom political representatives had protested against nature of sentences.

In conversation this a. m. the Minister Foreign Affairs followed a similar line with respect to election situation. He said to me, "You have never told me it is desire of your Govt that elections be postponed". The occasion for this remark was my reply to his official request I now inform my Govt the Bulgarian Govt desires to send Lieutenant General Vladimir Stoichev as political representative to United States. In my opinion General Stoichev is a desirable choice. He led first Bulgarian Army in its campaign under Marshal Tolbukhin against German forces in Yugoslavia and Hungary. He is close to innermost politico-military circles of FF (Fatherland Front) yet is a traditionalist by upbringing, training and experience. He possesses a striking personality and speaks numerous languages including English.

I told the Minister that as the two of us are friends and admirers of Gen Stoichev I should be pleased if he would amend his request to having me ask whether Washington is still prepared, as it was on

May 22 (re Deptel 139 [21]) to receive an informal representative of the Bulgarian Govt. I explained that the electoral situation in Bulgaria was so at odds with what I understood Washington expectations to be, that I was uncertain as to whether my oral communication to him of May 23 still stood. I then informed him again on a purely personal basis of the concern that Washington has expressed in the past over the trend of developments in the Bulgarian electoral situation and of the American view that all democratic parties and political groups should have full freedom to bring their independent platforms to the attention of the electorate and to present their lists of candidates for the voters choice. I said that I had recently told Washington that apparently the govt was determined to go ahead with its plan to hold elections on Aug 26 in complete disregard of our views that democratic processes must be applied to Bulgaria. His reply was the comment contained in the third sentence of this telegram. However, he agreed with me that I should consult urgently with Washington to determine its present views before his request for the presentation of Stoichev's name be considered official.

The Minister then told me he was now in a position to do something a little better about Dimitrov than I reported in my telegram 383 of July 25. I am to see him again tomorrow morning at which time we may be able to come to terms that will lead to the departure of Dimitrov from my house and a few days thereafter from Bulgaria. I do not mention Dimitrov case here for purpose influencing in any way Department's present position with respect to acceptance of unofficial Bulgarian representation. I will accept solution of Dimitrov case as a possibility only after realization of the fact. However, I do not believe this case should seriously influence Department's view on acceptance of a Bulgarian representative. I think this view should be based squarely on electoral situation, on discussions at Potsdam with respect to this situation and on whatever policy Department has decided to follow with respect to recognition of Bulgarian Government and peace negotiations with it.

I can formulate no definite recommendations as I do not know enough about factors listed in foregoing sentence. Both Government and Opposition will draw conclusions from whatever decision to bolster the one and weaken the other depending on whether answer is in affirmative or negative. If answer is in negative the sooner I have it the better so far as electoral situation is concerned. As pointed out above I am seeing the Minister of Foreign Affairs again tomorrow at 10 o'clock. He is leaving in afternoon for a somewhat extended electoral tour.

Repeated to Moscow 221.

BARNES

[21] Same as telegram 43, May 22, 7 p. m., to Budapest, p. 819.

874.00/8-945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, August 9, 1945—midnight.
[Received August 10—9:42 a. m.]

2835. Assuming that neither British nor American Govt is prepared to take any action to forestall coming totalitarian election in Bulgaria, British Ambassador is recommending that his Govt consider possibility of providing press with facts concerning background of these elections. British have suggested we support this proposal.

I have no hesitation in saying that I think this is the least we can do. If Bulgaria is to be run by a minority Communist dictatorship, I consider highly desirable that our public should know this and should draw its own conclusions from it.

To Dept as 2835, repeated Sofia 79, London 398.

HARRIMAN

874.00/8-945

Memorandum by the Assistant Secretary of State (Dunn) to the Secretary of State

[WASHINGTON,] August 9, 1945.

MR. SECRETARY: In the attached note from the British Embassy [22] the British inform us of their intention to state publicly British objection to the Bulgarian electoral law on the basis of which the Bulgarian Government has announced that it will conduct elections on August 26, 1945. The British inquire whether we would be prepared to take similar action.

While we agree in general with the British attitude that the elections are not likely to return a representative democratic government, we feel that it is preferable not to take a stand in opposition to the electoral law specifically and, if you approve, we propose to instruct our representative at Sofia to convey to the Bulgarian Government the views of this Government on the general lines set forth in the attached telegram.[23] At the same time we think it advisable that we make our position clear before the elections take place and consequently propose the issuance of a public statement containing the views of this Government as expressed in the second paragraph of that telegram.

We would inform British Embassy on this action.[24]

JAMES CLEMENT DUNN

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[22] Note 381, August 9, not printed.

[23] No copy attached, but telegram sent was No. 249, August 11, 3 p. m., p. 282.

[24] Notation by the Secretary of State: "I agree. J.F.B." For note to the British Chargé, August 20, see p. 297.

740.00119 Potsdam/8–1145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 11, 1945—1 p. m.
[Received August 11—11:10 a. m.]

431. No one could be more delighted with or convinced by such evidence of power of US as the President's radio speech on Berlin Conference [25] than General Crane and myself. To peoples of western mentality, at any rate to Americans, such a speech is convincing in itself. To the skeptical Balkan mind, and judging from our experience to date the same holds for Russians, something more concrete than words—even the words of President of US [—] is necessary to be convincing. To these minds, the anomaly of overwhelming world power and way those of us who represent US in Bulgaria are pushed around by Russians and even by Bulgarian authorities is explainable only by acceptance of treatment as evidence of true position of US with respect to matters in this part of world, and not words of President. Everybody knows Bulgaria has been governed since signature of armistice not by a tripartite control commission but by connivance between Moscow, local Communists and Russian-supported FF government. The vast majority of Bulgarians cling to hope that President's promise that a control commission participated in on a basis of equality by US and UK will govern Bulgaria until a democratic govt has been recognized and peace concluded with it. But the determination of FF to continue with its projected Hitlerite plebiscite described by them as general elections, and failure of US and UK thus far to make any open protests against this project are pointed to by FF supporters, both Bulgarians and Russians, as proof of inconsequence of words as compared to acts.

While foregoing summary has been personalized by injection into it of views of General Crane and myself, it still remains an accurate estimate of local commentary on Berlin Conference and President's speech explaining agreements reached there.

BARNES

874.00/8–1145 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 11, 1945—3 p. m.

249. With regard to your recent telegrams concerning the Bulgarian political situation with particular reference to the scheduled elections,

[25] Speech delivered August 9, 10 p. m.; for text, see Department of State *Bulletin*, August 12, 1945, p. 208.

paragraph X of the report on Berlin conference [26] provides that the Council of Foreign Ministers will proceed with the task of preparing a peace treaty for Bulgaria for conclusion with a recognized democratic Government of Bulgaria and in the meantime each of the US, UK and Soviet governments separately may, if it deems it desirable to do so, establish diplomatic relations with Bulgaria.

The US Govt is desirous of recognizing and of establishing diplomatic relations with a Bulgarian government which will be adequately representative of all democratic opinion in that country as soon as conditions in Bulgaria give evidence that the free expression of political views and the free exercise of political rights are sufficiently safeguarded. However, we cannot overlook the preponderance of current evidence that a minority element in power in the country is at present endeavoring by the use of force and intimidation to prevent the effective participation in the scheduled elections of a large democratic section of the electorate. In the absence of full and unhampered participation in the election of all democratic elements a situation would seem likely to result so as to preclude the formation of a fully representative government.

Please convey the substance of the foregoing views of this Govt to members of the Bulgarian Govt adding that this Govt proposes to make its position public.

BYRNES

874.00/8–1145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 11, 1945.
[Received August 11—2 p. m.]

433. In statement issued this morning, presumably aimed at forestalling foreign criticism, Prime Minister Georgiev reiterated Yugoslavia's [*Bulgaria's*] guarantee of complete freedom of press and of assembly for opposition candidates, claimed credit for reestablishment of constitutional freedoms here and promised early publication by association of journalists of non-party daily newspaper. In contrast to this pronouncement, it should be noted that not a single public meeting has been held by opposition candidates nor have any views other than those of Government [been published?]. Pressure on opposition candidates and their sponsors continue[s] throughout country. Only exception to this ruthless campaign is confirmation by Soviet district court of most persons on two opposition lists in Sofia.

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[26] Protocol of Proceedings of the Berlin Conference, *Conference of Berlin, (Potsdam)*, vol. II, pp. 1478, 1492.

These lists include such prominent persons as Nikola Petkov, Grigor Chesmedjieff, Kosta Lulchev, Petko Stoyanov and Peter Koev. Unconfirmed in Sofia are four originally on lists, including Minister Asen Pavlov and Agrarian leader Boris Pashev who allegedly had not sanctioned use of their names by opposition. No news of court action in provinces yet received but opposition lists there have already been so decimated that their confirmation at this date would have little meaning. At same time house to house visits by Fatherland Front intimidation agents are becoming general even in Sofia. Traditional election procedure in Bulgaria subjects provinces to more devastating control than capital.

BARNES

874.00/8-1435 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 13, 1945—7 p. m.
[Received August 13—5:03 p. m.]

436. I have followed literally instruction contained in final paragraph of Department telegram No. 249 August 11 in order to bring the Dept's views on the electoral situation to members of the opposition as well as to those responsible for the undemocratic election procedures now imposed. The final paragraph of my note contains the list of persons, all "members of the Bulgarian Govt" to whom I have communicated the Dept's views. Local procedures that the ACC (Allied Control Commission) and the Regency Council be apprized of the action taken. The text of the note follows in my next following telegram No. 437.

BARNES

874.00/8-1445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 14, 1945—2 p. m.
[Received August 15—10:10 a. m.]

437. "My Dear Mr. Minister: I have been instructed by the US Secretary of State, Mr. James F. Byrnes, to convey to members of the Bulgarian Government an expression of the US Government's apprehension over the present electoral situation in Bulgaria.

My government recalls that paragraph X of the report on the Berlin Conference provides that the Council of Foreign Ministers shall

proceed with the task of preparing a peace treaty for Bulgaria to be concluded with a recognized democratic Bulgarian Government; also that in the meantime the Governments of the US, the UK and the USSR, acting separately, may independently establish diplomatic relations with Bulgaria if they deem it desirable so to do.

The US Government is desirous of recognizing and establishing diplomatic relations with a Bulgarian Government which will be adequately representative of all democratic opinion in Bulgaria as soon as conditions in Bulgaria give evidence that the free expression of political views and the free exercise of political rights are sufficiently safeguarded. It is the view of the US Government that in the absence of full and unhampered participation in the elections of all democratic elements in Bulgaria a situation precluding the formation of a fully representative government will exist. In this connection I have been instructed to state that the US Government cannot overlook the preponderance of current evidence that a minority element in power in Bulgaria is at present endeavoring, by the use of force and intimidation, to prevent the effective participation in the scheduled elections of a large democratic section of the electorate.

I have been instructed to add that it is the intention of US Government to make public the foregoing views.

I am addressing Your Excellency directly in this matter as president of the Bulgarian Council of Ministers and as principal member of the government for Zveno. Identical communications are being sent by me to Mr. Petko Stainov, in his capacity as Minister for Foreign Affairs and Cults and Commissar for the Application of the Armistice Terms, to Mr. Anton Yugov, as principal member of the government for the Communist Party, to Mr. Asen Pavlov as principal member of the government for the Agrarian Party, to Mr. Grigor Chesmedjiev and Mr. Dimiter Neikov representing the two groups of the Social Democratic Party in the government, to Mr. Petko Stoyanov representing the Independents in the government and to the Council of Regents. A copy of the communication to the Ministers for Foreign Affairs and Cults and Commissar for the Application of the Armistice Terms is being sent to the Allied Control Commission for its information.

As of possible convenience to you I am enclosing the text of the report on the Berlin Conference as it was issued and transmitted by radio by the US Government. The text of President Truman's speech of August 9 reporting to the people of the US on the results of the Berlin Conference will be transmitted to you as soon as the official transcript has been received by me."

BARNES

874.00/8-945

Memorandum by Mr. Josiah N. Macy of the International Information Division to the Assistant Secretary of State (MacLeish)

[WASHINGTON,] August 14, 1945.

Subject: Moscow's Secret Telegram No. 2835, August 9, 1945

Although he did not divulge the nature of the action, Mr. Durbrow [27] informed INI that he is recommending that the Department take action to prevent the imposition of a dictatorship of the Communist minority in Bulgaria. If the action he has recommended does not achieve the desired results, Mr. Durbrow is in favor of our following Ambassador Harriman's suggestion that the Department give the American press background material on the Bulgarian elections.

Entirely aside from the question of whether or not this Government proposes to take action to prevent the imposition of a dictatorship of the Communist minority in Bulgaria, there is the very definite obligation of this Department to the American people to see that the true story of the elections in Bulgaria is told them. Reference is made to the text of the communiqué issued at the conclusion of the Potsdam Conference in which it was stated: "The three Governments have no doubt that in view of the changed conditions resulting from the termination of the war in Europe, representatives of the Allied press will enjoy full freedom to report to the world upon developments in Rumania, Bulgaria, Hungary and Finland."

The American people will be satisfied with nothing less than accounts by their own press association representatives of any elections in Bulgaria. To be an intelligible report, these correspondents must have complete background information and the American public must have sufficient background information to put spot news reports in their proper perspective.

INI recommends that without regard to whatever action the Department may take with regard to these elections, this Government should join with the British in providing the press with facts concerning the background of these elections, and further, that this background be made available to the American public, and that this Government insist that representatives of the American press associations be enabled to cover these elections.[28]

874.01/8-1545

The Chargé of the Soviet Union (Novikov) to the Secretary of State

[Translation]

The Chargé d'Affaires of the Union of Soviet Socialist Republics in the USA presents his compliments to the Secretary of State and

[27] Elbridge Durbrow, Chief of the Division of Eastern European Affairs.

[28] Mr. MacLeish noted on the margin for the Assistant Secretary of State (Dunn): "I agree. AMacL."

has the honor to inform him that on August 14, 1945 the Deputy Chairman of the Allied Control Commission in Bulgaria, General S. S. Biryuzov, by instruction of the Soviet Government informed the Prime Minister of Bulgaria, Mr. Kimon Georgiev, that the Soviet Government had decided to restore diplomatic relations with Bulgaria and suggested an exchange of ambassadors.

The decision of the Soviet Government to restore diplomatic relations with Bulgaria was adopted because, beginning September 9, 1944, Bulgaria took an active part in the war against Germany on the side of the United Nations and because the Bulgarian people, by its struggle, contributed its share to the task of the defeat of Germany, and also taking in account that Bulgaria is loyally fulfilling the obligations imposed upon it by the armistice agreement.

WASHINGTON, August 15, 1945.

874.00/8–1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 15, 1945—2 p. m.
[Received 5 p. m.]

442. Yesterday opposition Ministers Cheshmedzhiev, Stoyanov, Pavlov and Derzhanski declared to the Prime Minister that unless elections were postponed and civil liberties restored as promised, they could no longer remain in Cabinet. As government's electoral campaign is continuing in full force here resignation of these four Ministers is expected shortly. Their stand is motivated by refusal of Government to grant opposition candidates newsprint or radio time, thus limiting them to occasional handbills and posters distributed at great personal risk. "Independent" daily *Den* which commenced publication yesterday as alleged concession to opposition is edited by two Communists and in first two issues has contained no contributions by opposition.

In addition this mission had abundant documented evidence that arrests and beatings of Agrarian leaders, forced withdrawals of opposition candidates and suppression of all civil liberties are continuing throughout the country.

Yesterday opposition was for first time able to set forth its views in form of electoral platform distributed as handbills and in few instances as posters. In general lines this program is identical with that of Fatherland Front put [*but*] after granting that a Bulgarian democracy must be based on cooperation of peasants and works [*workers*] it insists that "this cooperation must be based on full independence, equality and freedom of organization for the political parties representing the Bulgarian peasants and workers as well as for their youth movements. The basis of the Fatherland Front should be

independent political organizations which respect each other and which have equal rights as well as equal obligations and responsibilities. Only in this way can a genuinely free and democratic Bulgaria be created".

Repeated to Moscow as 227.

BARNES

874.00/8–1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 16, 1945.
[Received August 16—10 : 12 a. m.]

443. The following statement was issued to the Bulgarian press last night by Prime Minister Georgiev in name of the Council of Ministers:

"On the 26th of last month I received a letter in which Mr. Nikola Petkov, at that time Minister without Portfolio, requested that the elections be postponed and that they be held under inter-Allied control. The Council of Ministers in a full session unanimously rejected and definitively condemned this attempt to seek foreign intervention in the internal affairs of Bulgaria. Not a single Minister associated himself with the step of Mr. Petkov.

On the 13th of this month in the evening I received from the American political representative of the Allied Control Commission, Mr. Barnes, a note in which he expressed the opinion of the Washington Government regarding our elections and made suggestions as to what we should do under these circumstances. Copies of this note were sent by Mr. Barnes to other places and persons. The note of the American representative will be published.

On the following day August 14 in the morning Messrs. Nikola Petkov, Grigor Cheshmedjiev, and Petko Stoyanov and their friends sent me a copy of the letter to the Regents in which these gentlemen announced that they had decided to withdraw their candidacies in the coming elections because the election had already been compromised. On the same day in the evening I received a letter in which the Ministers, Grigor Cheshmedjiev, Petko Stoyanov, Asen Pavlov and Angel Derzhanski informed me that unless the elections were postponed they would hand in their resignations. The Government examined all of these facts and their accompanying circumstances in their entirety and with regard to their domestic implications and, taking into consideration:

1. The decision to hold legislative elections was taken in good time with the unanimous agreement of the Council of Ministers in the presence of all Ministers, and that no objections were raised either within the country or abroad;

2. The holding of the elections then appeared and still appears as the one indispensable and essential step for the full democratization of the Government and for the completion of the establishment of a new free democratic order in the country;

3. The Government took in good time a series of measures to assure the full freedom of the elections and these measures were recently broadened and enforced;

4. A large number of opposition lists (19) were confirmed by the courts. In many places the opposition candidates had already begun their oral and written agitation without being limited by anyone whatsoever;

5. The statement and acts of certain persons and groups makes obvious the intention to provoke foreign intervention in the domestic life of the country;

6. Only some ten days separate us from the date of the elections and just at this time steps are being taken against their execution;

Taking all these things into consideration the Government has decided to present to the Bulgarian people all these facts and at the same time to appeal to them to unify themselves even more closely behind the Fatherland Front Government so that they may continue their efforts for the complete establishment of the new political and social order in the country on a broad, democratic and progressive basis. The Government condemns decisively all attempts to seek or provoke by whoever it may be and under whatever pretext, foreign intervention in our domestic affairs. It hopes at the time that its efforts and the efforts of the whole Bulgarian people to make their contribution to the struggle against the common enemy of mankind and to create a free, democratic government are being properly evaluated by all free[dom?] loving peoples and in the first place by their great power, toward whom Fatherland Front Bulgaria has always conducted itself with absolute, correct and sincere respect.

The Government is convinced that all Bulgarians will preserve to the end in these difficult days an honorable conduct if controlled and restricted and that they will not yield to any provocations but will avoid the fanning of political passions. We are likewise convinced that with our common efforts, we will overcome the remaining difficulties and inequalities in different spheres of life.

With this conviction and these hopes, I call upon the Bulgarian citizens to come in large numbers to the elections urged on August 26 and to support the lists of the Fatherland Front in order to continue the historic act of September 9, 1944 which has released the country from the most terrible catastrophe and to guarantee the Bulgarian people a happy future in a new, free, democratic, peace loving and powerful Bulgaria."

My comments will follow.

BARNES

874.00/8-1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 16, 1945—noon.
[Received 12:10 p. m.]

444. The Prime Minister's press declaration, reported in my immediately preceding telegram (443, August 16) reveals how heady

is the wine of Russian support to neurotic temperament of a Communist-dominated Bulgarian Govt led by a confirmed totalitarian.

For Georgiev's views which in my opinion explain to a great extent this extraordinary statement of the leader of a govt existing under armistice terms, please see my telegram 399, July 30.[29] I believe my telegram 431, August 11 throws considerable light of [*on*] Prime Minister's obvious total disregard of those passages in President Truman's speech on the Berlin Conference that relate to ex-satellites and to position of the US in world affairs and determination of US to exert its tremendous influence in support of "a society of self-governing men." The obvious failure of Minister of Foreign Affairs to give Prime Minister some real insight into actual state of world affairs is I think explained to great extent by my telegrams 416, Aug 4 and 383, July 25. As for determination of Govt to go to any lengths, see my 426, Aug 7.

My own reaction to Prime Minister's declaration is Bulgarian Govt should now be asked by us to explain Prime Minister's action in light of existence of armistice and President Truman's following statement:

"At Yalta it was agreed you will recall the three Govts would assume a common responsibility in helping to reestablish in liberated and satellite nations of Europe govts broadly representative of the democratic elements in population. That responsibility still stands. We all recognize it as joint responsibility of the three Govts. It was reaffirmed in Berlin declarations on Rumania, Bulgaria and Hungary. These nations are not to be spheres of influence for any one power. They now are governed by ACCs (Allied Control Commissions) composed of representatives of the three Govts that met at Yalta and Berlin. These control commissions it is true have not been functioning completely to our satisfaction; but improved procedures were agreed upon at Berlin."

Also I believe and General Crane agrees with me that General Biryusov should now be asked to state when headquarters proposes to hold a meeting of the ACC to consider the situation dealt with in my note of Aug 13th a copy of which was conveyed immediately to ACC for its information.

However, whatever the Dept may decide in the circumstances to do the fact remains that views expressed by US Govt on Aug 13th have brought true state of affairs in Bulgaria into open. The curtain behind which the Communists, Zveno and Russians have conspired to destroy all opposition to a one party totalitarian regime has been torn aside. The whole of the Bulgarian people will talk now and from the words of the Prime Minister himself to what extent of Sept 9 has become a police Govt of type that formerly ruled their destinies, the main difference between present regime and former one

[29] *Conference of Berlin (Potsdam)*, vol. II, p. 728.

being merely that masters of today look to Moscow for guidance and inspiration instead of to Berlin. They will also know from very words of Prime Minister that US remains firm in its opposition to police Govt and as defender of democratic processes.

A detail worth noting is fact Prime Minister mentions written protest of opposition of July 26 and yet complains it is only in these last 10 days of electoral campaign that opposition comes out against elections on Aug. 26. Text of my note of Aug 13 has not yet been published although Prime Minister promised last night it would be.[30]

Repeated to Moscow as 229.

BARNES

874.00/8–1745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 17, 1945—noon.
[Received 6 : 30 p. m.]

446. At a noisy mass meeting held here yesterday evening and at others held in the provinces, FF (Fatherland Front) "double victory" of Soviet recognition and Prime Minister's rejection of [US note?] and opposition demands. This morning Government organ, *Otechestven Front*, concludes that after these signs of national enthusiasm "every honest Bulgarian and every honest foreigner must realize that the workers, peasants, craftsmen, civil servants, intelligentsia and GC (abbreviation unknown) middle class are united FF (Fatherland Front). Every statement to the contrary is result either of ignorance or of conscious and ill intentioned distortion of Bulgarian actuality."

In their efforts which bordered on hysteria to reassure nervous Bulgarian opinion, Cabinet members frankly juxtaposed Soviet recognition to "efforts of opposition groups to provoke foreign intervention". Undismayed by incongruity of his Government's position, Stainov went so far as to state formally that Bulgaria "had every reason to hope and to expect that Soviet recognition would be followed by that of other great powers who signed armistice, because they cannot deny that Bulgaria has made supremely decisive effort to contribute to defeat of Fascism and to fulfill its armistice obligations.["] Yugov on his part made the following startling guarantee: "I may boldly state in my capacity as Minister of Interior of FF Bulgaria, that there is not a single case of pressure on opposition throughout the whole country".

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[30] In telegram 454, August 18, Mr. Barnes reported that the text of his note of August 13 was published in all Sofia newspapers the morning of August 18 (874.00/8–1845).

Perhaps most interesting of all that was said yesterday by nervous Government leaders was Stainov's following admission that the FF has never thought of holding free elections on August 26: "what difference does it make if the opposition has withdrawn? That is its affair. However if it desires for the sake of convenience to save the electoral arena and to betray those Agrarians who have never left the field of struggle we must not conclude that we have already gained victory. We desire that you appear and confirm by a plebiscite the act of September 9—the question is one of a plebiscite and there is no question of elections. It is not important which individuals we may elect. What is important is the idea that we will support—the idea of FF". This statement savours very much of Marshal Tito's recent declaration to the effect that the people of Yugoslavia will soon be given the opportunuity to declare "yes or no".

Repeated Moscow as 230.

BARNES

740.00119 Control (Hungary)/8-1745: Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 17, 1945—6 p. m.

1852. Difficulties placed in the way of entrance of American citizens into ex-satellite countries, whether civilians having bona fide interests such as journalists, relief workers, reps of American business interests etc (re Budapest's 43, 45 and 50 Aug 6, 8 and 11) [31] or military and civilian officials not directly attached to our Missions or the American military missions (re Budapest's 39 Aug 3) [32] are not in Dept's view justified in the light of situation in Hungary and other ex-satellite states since end of hostilities in Europe.

This Govt feels most strongly that during second period of armistice in these countries ACC activities must be on a truly tripartite basis along lines envisaged at Potsdam and that local authorization for entry is quite properly one of ACC functions. This Govt does not believe that any one of the three countries represented on the ACC is justified in imposing onerous conditions involving a complicated procedure and consequent delays.

This Govt is most seriously concerned over the incident reported by Gen Key [33] in his Z-400 regarding the virtual expulsion from

[31] These numbered telegrams were repetitions to Moscow of telegrams 377, 393, and 410 sent to the Department. Nos. 377 and 393 not printed; for No. 410, see p. 840.

[32] Not printed.

[33] Maj. Gen. William S. Key, U.S. representative on the Allied Control Commission for Hungary.

Hungary by the Soviet representation on the ACC of three American army officers having official business with our Military Mission and sees no valid reason why requests of this nature for entry should not be granted without delay.

Please bring foregoing to attention of Soviet Govt and endeavor to obtain improvement of present unsatisfactory situation through immediate agreement of Soviet authorities to prompt local clearance by ACC's in Hungary, Rumania and Bulgaria of applications, including pending cases, for entry into those countries when presented by US or UK reps. It may be helpful in this connection that Voroshilov [34] is reported to be in Moscow.

Sent to Moscow; rptd Budapest, Bucharest, Sofia and Caserta.[35]

BYRNES

811.91274/8-1745 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 17, 1945—8 p. m.

258. In line with Potsdam decisions and President's August 9 address Dept has obtained from their home offices the names of correspondents of representative American press associations and newspapers desiring entry into Poland, Bulgaria, Rumania and Hungary.

Dept wishes to implement these decisions immediately and accordingly desires you to ask General Crane to request ACC clearance for entry into Bulgaria of the following American correspondents who would enter individually:

Christian Science Monitor—Reuben Markham, now in Boston.
Associated Press—W. B. King, now in Athens.
United Press—Robert Meyer, now in Rome.
International News Service—Desider Geleji, now in Belgrade, and Mrs. Mary V. R. Thayer, en route from US to Belgrade.
New York Times—Sam Pope Brewer, now in Istanbul.
Chicago Tribune—David Darrah, now in Paris, who would visit Bulgaria after Rumania.
Nation and *PM*—Hal Lehrman, now in Belgrade.

When clearance is granted inform Dept and appropriate American authorities at above indicated points of origin in Europe.

Unquestionably, Dept will begin receiving other applications and will submit them to you as received.

As you undoubtedly know, Markham has been pressing for some months to enter Bulgaria, where the *Monitor* plans to restation him.

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[34] Marshal of the Soviet Union Kliment Efremovich Voroshilov, Chairman (President) of the Allied Control Commission for Hungary.

[35] As Nos. 312, 425, 257, and 751, respectively.

White House is also interested in facilitating entry of Markham into Bulgaria and Dept hopes some of above may be able to reach Bulgaria in time to cover August 26 elections.

BYRNES

740.00119 EW/8–1845 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 18, 1945.

260. Following statement has been released today:

"STATEMENT BY THE SECRETARY OF STATE

Regarding Conclusion of Peace Treaty with Recognized Democratic Government of Bulgaria

With regard to the provisions of Paragraph X of the report on the Berlin Conference concerning the conclusion of a peace treaty with a recognized democratic government of Bulgaria, and having in mind the elections now scheduled to be held there on August 26, 1945, the Department has instructed the United States Political representative in Bulgaria to convey to the Bulgarian Government the following views of the United States Government:

The United States Government has been desirous of recognizing and establishing diplomatic relations with a provisional Bulgarian Government which would be representative of all important elements of democratic opinion and which would arrange for free and untrammeled elections under conditions which would safeguard the free expression of political views and the free exercise of political rights.

The information available to the United States Government has not satisfied it that the existing provisional Bulgarian Government is adequately representative of the important elements of democratic opinion or that the existing government have arranged for the scheduled elections to take place under conditions which will allow and ensure the effective participation therein, free from the fear of force and intimidation, of all democratic elements.

In the opinion of the United States Government the effective participation of all important democratic elements in the forthcoming election is essential to facilitate the conclusion of a peace treaty with a recognized democratic government. The will of the majority of the people can be determined only if all the people are able to vote free from force and intimidation."

Sent to Sofia, repeated to London and Moscow.[36]

BYRNES

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[36] Repeated to London and Moscow as Nos. 6980 and 1853, respectively; repeated also to Paris as No. 3880.

874.00/8–1845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 18, 1945—10 a. m.
[Received 2:15 p. m.]

450. Adjusting itself to resignation of opposition, Minister of Regime has appointed Alexander Obbov to replace Petkov as Minister without Portfolio and temporarily to administer Minister of Agriculture; Stefan Tonchev, another Communist-dominated Agrarian, is taking Derzhanski's place as Minister of Communications; George Popov, Neikov specialist, replaces Cheshmedjiev as Minister of Social Policy; Stancho Cholekov, former Minister of Education, will temporarily administer Minister [*Ministry*] of Finance. Instability of political situation doubtless explains failure of Prime Minister to find anyone willing to accept responsibility of Finance Ministry; probably same in case of Agriculture. In effect only change is that tools of Communist political bureau replace men who finally showed courage of their convictions by refusing further to contribute to disintegration of democratic forces. I believe that before the 26th of the month is reached more resignations perhaps even one or two regents may occur.

Repeated Moscow as 231.

BARNES

761.74/8–1845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 18, 1945—noon.
[Received 3 p. m.]

453. I have just seen what I consider to be an absolutely authentic résumé of the report of the Bulgarian Representative in Moscow on a conversation he had with Vyshinski after latter's return from Potsdam and immediately before departure of Biryusov for Sofia this week bearing Moscow's message of recognition and reestablishment of diplomatic relations with Bulgaria. Vyshinski pointed out that Russia and Russia alone has in the past run the Control Commission in Bulgaria and declared that it will do so in the future. He said the term "most important questions" (see paragraph 1 of Voroshilov's letter of July 12 [37] was a very elastic term and Russia will

[37] See telegram 286, July 13, 11 p. m., from Budapest, p. 834; see also text quoted in Protocol of Proceedings of the Berlin Conference, August 1, *Conference of Berlin (Potsdam)*, vol. II, pp. 1478, 1494.

exploit its elasticity to the limit. Replying to the Bulgarian representative's question as to whether the US and UK will try to impose a Bulgarian Mikolajczyk[38] on the FF, Vyshinski asked: "What did our Allies accomplish in Poland by such step?" He also assured Bulgarian representative Russia has no intention of permitting foreign journalists to observe electoral procedures in Bulgaria. He said he considered Allied demand at Berlin for entry of journalists an impudence. He added the temperature at Berlin had been very high at times but the US delegation left realizing eastern Europe has been permanently lost to Russia by Anglo-Americans.

Rptd Moscow as 232.

BARNES

874.00/8–2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 20, 1945—2 p. m.
[Received 3:20 p. m.]

456. Assistant editor of Obbov Agrarian-wing newspaper, *Zemedelsko Znate*, has informed member General Crane's staff that yesterday Obbov spoke to *Znate* staff about association with Americans, stating they should restrict contact to Constantine Poulos, correspondent Overseas News Agency, described by Obbov as "real friend FF and Communist". Same source states Soviet Komandatura has granted Poulos permission enter any office or go anywhere at any time as Russians "are convinced that he is ideologically on their side". I know that recently Obbov has been diligently "at work" on Poulos to convince him that FF excesses are unimportant in light of "great human task FF is seeking to accomplish" and that Obbov has assured Poulos that I am entirely under influence "Bulgarian Fascists"; that I deliberately misrepresent local situation Washington and misrepresent Washington's views to Bulgarian Govt. Obbov has declared on several occasions during past few days he will have me "thrown out" of country within a month. Such unrestrained statements by man who is recognized by his own political associates as most venal character in Bulgarian politics since defeat in 1918 come as no surprise. I was warned 10 days ago by Regency Council and by friends high up in Foreign Office that Obbov, Yugov, Kostov and Dragoicheva, latter three all members of Communist Central Committee, were elaborating plans for "smear campaign" against me and so-called

[38] Stanislaw Mikolajczyk, leader of the Polish Peasant Party in exile during the war and Prime Minister until November 1944; he became Vice Premier and Minister of Agriculture in the Polish Government of National Unity in June 1945.

black reaction in the US to which reference is now made in the Bulgarian press every time views critical of FF expressed abroad.

Mission in friendly daily contact with Poulos. His material censored Caserta, not here.

Rptd Moscow as 234 and Caserta as 184.

BARNES

874.00/8–945

The Secretary of State to the British Chargé (Balfour)

The Secretary of State presents his compliments to the British Chargé d'Affaires ad interim and, with reference to the latter's note no. 381 of August 9, 1945 [39] concerning conditions in Bulgaria and particularly the elections in that country scheduled for August 26, 1945, has the honor to confirm that, in accordance with his intention of which the Chargé d'Affaires has already been informed orally, the Secretary of State has now made public the views of the United States Government in this regard in a statement released on August 18, 1945 which reads as follows:

[Here follows text of statement quoted in telegram 260, August 18, to Sofia, printed on page 294.]

It will be observed that the foregoing does not make reference to the Bulgarian electoral law of which several provisions are regarded by the British Government as inconsistent with democratic principles. The United States Government prefers to base its attitude in this matter on the general situation existing in Bulgaria rather than to express specific disapproval of particular provisions of the electoral machinery established there.

WASHINGTON, August 20, 1945.

874.00/8–2145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 21, 1945—3 p. m.
[Received August 22—10:50 a. m.]

461. Yesterday afternoon I called on Regents to impress on them once again, in terms of peace for Bulgaria, significance of views held by United States with respect to so-called elections scheduled August 26 and to clarify any misunderstanding on their part that United States position stems from hostility *per se* to Communist and Union of Soviet Socialist Republics. I asked them for any suggestion they might be in position to make to avoid "dead end" into which present

[39] Not printed, but see memorandum dated August 9, p. 281.

government seems determined to lead country by insistence on August 26 "plebiscite".

Regents readily admitted gravity of situation resulting from government's disregard views two great powers with which it signed armistice but pointed out Union of Soviet Socialist Republics accepts Fatherland Front "democracy", that Russian forces are in actual occupation of country and Allied Control Commission is "operated" by Union of Soviet Socialist Republics. While conceding that problem of composing conflicting Bulgarian views on what constitutes democracy is primarily one for local governments and local parties, they implied that until three great powers could agree on what constitutes free democratic elections, Bulgarian Government would follow Soviet views on subject. At same time they agree that even if elections are held according to schedule central issue would remain unsolved and that ultimately a truly tripartite Allied Control Commission, or Washington, London and Moscow directly would have to deal with situation. In end it was agreed that Regent Pavlov (Communist) would try to impress upon General Biryusov today gravity for Bulgaria of non-recognition by United States of America and United Kingdom and that Regents would confer with Prime Minister this afternoon possibility of getting all parties together with Russians, British and ourselves in effort to avoid deadlock.

It was clear throughout conversation that Regents, including Pavlov, deeply troubled by Bulgaria's dilemma; also that they are entirely powerless to influence decision of Government unless it received conciliating instructions from Russians. I am not at all hopeful that today's meetings will point toward a solution. Bevin's statement,[40] coming after our own, should have sobering effect on more thoughtful. I am to see the Regents again tomorrow.

Repeated Moscow as 236.

BARNES

874.00/8–2145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 21, 1945.
[Received August 22—10:45 a. m.]

462. Following Tass dispatch is of considerable interest in connection with local election situation and post election plans of Fatherland Front:

"The Presidium of the Supreme Council of the USSR has granted the request of the Deputy of the Soviet Union, Georgi Dimitrov, to

[40] For text of Statement by Ernest Bevin, British Secretary of State for Foreign Affairs, in the House of Commons on August 20, see *Parliamentary Debates*, House of Commons, 5th series, vol. 413, col. 283.

be relieved of his function as a Deputy of the Supreme Council of the USSR and of Soviet citizenship because he is standing as a candidate on the Fatherland Front list of elections to the Bulgarian National Assembly."

BARNES

740.00119 Control (Bulgaria)/8-645 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 21, 1945—8 p. m.

268. On basis Berlin agreement Dept. agrees adoption clearance procedure suggested urtel 422, Aug. 6 at least 7 days advance notice of arrival and identity etc. of official personnel to be given in each case, and you may so inform Gen. Crane. However, we prefer that pending final agreement on revised statutes for operation of ACC Gen. Crane not formally advise Gen. Biryusov of intention to adopt this procedure unless he believes there is compelling reason to do so.

BYRNES

874.00/8-2145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 21, 1945.
[Received August 22—9:16 a. m.]

463. Director of Bulgarian press and propaganda service has issued following statement with respect to US note August 13 on Bulgarian election situation.

Report on Berlin Conference:

"We are surprised by the letter of Mr. Barnes. The points raised in it reveal an insufficient familiarity with Bulgarian reality. It is obvious that his information has not been procured through a direct and unprejudiced study of this reality.

That is why we invite American and British journalists to come to Bulgaria in order to ascertain where is 'the minority element' as well as where and with whom does the majority of the Bulgarian people stand.

We are convinced that their judgment will not be in favor of the dissidents, but rather of Fatherland Front which enjoys mass support of Bulgarian people and represents only true democratic line in Bulgaria."

Reference to invitation to American and British journalists is first we have heard of this matter. As Department knows, entry journalists up to present time has been prohibited even for such well known

friends of Bulgaria and personal intimate of Minister of Propaganda as Reuben Markham. Clearances desired Depts 258[41] requested yesterday. Favorable action these requests will not bear out statement director of press and propaganda as "rigging" of elections already accomplished and outcome in no way depends on "plebiscite" voting August 26. Unlikely any journalists will be here by then.[42]

BARNES

740.00119 Control (Bulgaria)/8–2145: Airgram

Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 21, 1945.
[Received August 22—7 p. m.]

A–141. The following is an English translation of the text of statutes of Allied Control Commission Bulgaria as communicated to the British Delegation on the ACC Bulgaria by Soviet authorities:

1. "The functions of the Allied Control Commission in Bulgaria is to regulate and control, till the conclusion of peace, the fulfilment of the armistice conditions as laid down in the agreement on 28 October 1944 between the governments of the Soviet Union, USA and UK on one side and the Government of Bulgaria on the other.

2. "At the head of the Allied Control Commission is a Chairman who must be representative of the Soviet Armed Forces. He has under him a Deputy Chairman of the Commission, a political adviser, two assistant chairmen, and the COS of the Commission. Within the body of the Allied Control Commission there will be representatives of the UK and USA. The Allied Control Commission has its own seal. The seat of the Allied Control Commission is in the town of Sofia.

3. "The Allied Control Commission comprises:

(*a*) A Staff.
(*b*) A group under the political adviser.
(*c*) An Administrative Section.
(*d*) A Military Section.
(*e*) An Air Force Section.
(*f*) A Naval Section.
(*g*) An Economic Section.
(*h*) A Transport Section.

4. "During the period up to the conclusion of peace with Bulgaria the Chairman (or Deputy Chairman) of the Allied Control Com-

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[41] August 17, 8 p. m., p. 293.

[42] For Department press release of August 24, reporting clearance for entry into Bulgaria of American newspaper correspondents, see Department of State *Bulletin*, August 26, 1945, p. 283. This was reported in telegram 470, August 23, to Sofia, not printed (811.91274/8–2345).

mission will call regular meetings with the British and American representatives for the discussion of the most important problems relevant to the working of the Allied Control Commission. The meetings are to be called at short notice every 10 days and if necessary even more often. The directives of the Allied Control Commission on matters of principle are issued to the Bulgarian authorities by the Chairman of the Allied Control Commission (Deputy Chairman), after agreement has been reached on those directives with the British and American representatives.

5. "The British and American representatives in the Allied Control Commission will take part in general conferences, called by the Chairman of the Allied Control Commission, of heads of sections and mandatories of Allied Control Commission, conferences which should have a regular character, and will also take part in relevant cases, personally or through their representatives, in penal commissions appointed by Chairman of Allied Control Commission (Deputy Chairman) on matters connected with the carrying out by Allied Control Commission of its function.

6. "During that period the representatives of UK and USA will have the right:

(*a*) To receive oral and written information from Soviet officials in the Commission on any matters connected with fulfilment of armistice agreement.

(*b*) To bring up for consideration of Commission the suggestions of their governments on matters connected with fulfilment of armistice agreement.

(*c*) To receive copies of all communications, reports and other documents which might be of interest to governments of UK and USA.

(*d*) Of free circulation over the country, which is granted to British and American representatives on condition that Allied Control Commission is notified in advance of time and route of these journeys.

(*e*) To take part in general conferences or meetings of heads of sections of ACC.

(*f*) To communicate with departments of Bulgarian Govt. through Chairman of the Commission, D/Chairman, and chiefs of the relative sections.

(*g*) To decide numbers and composition of their own representation. All questions connected with authorization of coming into Bulgaria and going out of Bulgaria of collaborators of British and American representatives are decided by Chairman of ACC locally and within no more than a week.

(*h*) To freely communicate with their respective governments by means of ciphered telegrams and diplomatic mail. The reception and expedition by air of mail, goods and diplomatic couriers of British and American representatives in ACC will take place in accordance with regulations and times laid down by ACC and in special cases on preliminary agreement with Chairman of ACC.

(*i*) To fix amount of cash required from Bulgarian Government for expenses of their respective personnel and to receive such funds through the Commission.

7. "For organization of the local control the ACC has mandatories of the Commission in the provinces, districts and ports and at the main establishments (?).

8. "The D/Chairman and Assistant Chairman of ACC and heads of sections as well have right to call through local military commander on specialist-officers for consultation, inspection or study of special problems arising in the course of work of ACC.

9. "The liaison with Bulgarian Government depts. is carried out by representatives of ACC *not* below heads of sections of the Commission and in the provinces, districts and ports by the respective representatives of the Commission."

KIRK

874.00/8–2245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 22, 1945—2 p. m.
[Received 4:07 p. m.]

464. My British colleague delivered a note against the present situation yesterday evening to the Prime Minister, the Regents, the opposition leaders. I assume that the Department has received text from British Embassy Washington.[43]

Repeated to Moscow as 237.

BARNES

874.00/8–2245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 22, 1945—3 p. m.
[Received 7 p. m.]

465. I received a message from the Regents this a. m. that yesterday they had been informed by Prime Minister Georgiev that the Government persists in its plans to hold "elections" on August 26; hence that there was no point in my meeting again with the Regents this a. m. (please [*see*] my 461, August 21). This declaration by the Prime Minister preceded receipt by him of the British note (see my 464, August 22). However, there is no reason to believe that at this late date the British note will materially change matters. Therefore Houstoun-Boswall and I have asked Generals Oxley and Crane to inquire of General Biryusov what steps can be taken in matter by the Allied Control Commission. They have an appointment with

[43] Text transmitted in telegram 8533, August 22, from London, not printed.

the General at 6 this afternoon. They will make following oral statement to him:

"We have come by virtue of the two notes on the present electoral situation in Bulgaria which our respective Governments have passed to Bulgarian Government and with which we have supplied you copies. The situation appears to us to have reached an impasse. This is an important matter. You have always said that you were prepared to discuss anything with us and it is in the spirit of this invitation and of Russian, American and British friendship that we have come to see you today. It appears to us that if a solution agreeable to the three Governments could be reached locally it would save everybody a great deal of trouble and enhance your already great prestige. Therefore we suggest for your consideration that you summon as early as possible a conference in presence of both of us and such advisers as we may wish to bring, of the Prime Minister, party leaders and leaders of the opposition with a view to producing a formula for future procedure which will be acceptable to all. We do not wish to discuss this matter any further with you today but leave it to you in your capacity as Deputy Chairman of the Allied Control Commission to let us know your views if possible by tomorrow."

We are all most anxious to avoid possibility that later Russians may contend that US and UK representatives on Allied Control Commission did not solicit General Biryusov's assistance. It is obvious to us that it is he who is supporting the Government in their determination to hold "elections" and therefore we do not anticipate any help for response to appeal that Generals Oxley and Crane will address to him.

Repeated Moscow as 238.

[BARNES]

874.00/8–2245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 22, 1945.
[Received August 22—11:50 p. m.]

466. Following is very carefully prepared digest statement made late this afternoon by Stainov to local correspondent[s] foreign press agencies:

"The Foreign Minister said tonight that the Bulgarian Government has received since August 13 two American and one British note expressing the opinion of the respective Governments on the regime in Bulgaria and the electoral law stating that the American and British Governments will not be able to recognize any government emanating from a parliament to be elected in accordance with this law and consequently they will not be able to conclude peace with the same.

'These notes,' he continued, 'imply but do not formulate demands for postponement of the elections nor any other demand. But even if they did we can under the circumstances only acknowledge their receipt. Our juridical position under the armistice terms is such that the demands can be directed towards us only by or through the ACC. Messrs. Houstoun-Boswall and Barnes cannot make demands on us except through ACC which until now they have not done. ACC which alone can make such demands has not done anything until now. We expected the Allies to be more specific.' Stainov went on to say that should the three Allies decide to do something there is still time. ['']If by midnight on Saturday August 25 there is no order from the Foreign Ministers of the three Great Powers submitted to us through the ACC the elections will be held as scheduled.

All these notes were sent directly to us with copies to the ACC, that is to say, the Russians. It would have been much better and time would have been saved if the notes had been sent directly to the Russians with copies to us.

From the political point of view the opinions of Mr. Byrnes and Mr. Bevin have great significance. From the juridical view however it only matters what ACC decides for us.['"]

Repeated to Moscow as No. 239.

BARNES

874.00/8-2245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 22, 1945—9 p. m.
[Received August 22—7 p. m.]

467. General Biryusov was taken by surprise this afternoon by the oral statement of Generals Crane and Oxley (my 465, Aug 22). In the main he took same line as Stainov (my 466, Aug 22) but not in such detail. He asked why we had not approached him earlier. He said that the Bulgarian Government must do what it is ordered to do by the Allied Control Commission. He emphasized the fact that the United States and United Kingdom notes on the electoral situation had made no specific demands. The more he talked about the matter the more his spleen distended and he finally terminated the brief interview by stating that in any event this was a matter he would have to refer at once to Moscow. In view of this fact and as Stainov has left the door wide open until midnight August 25 for Allied action with a view to postponement of elections, Houstoun-Boswall and I are requesting Generals Crane and Oxley to inform General Biryusov tomorrow morning that it is the desire of the United States and United Kingdom Governments to have the elections postponed until Allied Control Commission can agree on such remedial measures as will assure unfettered elections at earliest moment possible.

Repeated to Moscow as 240.

BARNES

874.00/8–2345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 23, 1945—11 a. m.
[Received 3:20 p. m.]

468. I have just sent the following note to the MinFonAff:

1. "Yesterday evening at 6 o'clock the US and UK representatives on the Allied Control Commission called on General Biryusov, Deputy Chairman of the Commission, and made to him the following oral statement:

2. (Here follows oral statement as reported in my 465, Aug 22.)

3. "This morning General Crane has addressed the following letter to General Biryusov:

4. 'The purpose of the oral statement made to you last evening by General Oxley and myself was to let you know, as Deputy Chairman of the Allied Control Commission, that it is the desire of the US and UK Govts that the general elections scheduled for Aug 26 be postponed until the Allied Control Commission can agree on such remedial measures as will assure unfettered elections at the earliest moment possible. In this connection, I wish to refer to the declaration made yesterday evening to local correspondents of foreign press agencies by the Bulgarian MinFonAff and Cults and commissar for the fulfillment of the armistice terms. Mr. Stainov stated that should the three Allies decide to do something about the elections there is still time. He added that if by midnight Aug 25 there is no order from the Foreign Ministers of the three Great Powers transmitted through the Allied Control Commission, the elections will be held as scheduled. The Minister's inference is clear.'

5. "A similar letter has been addressed to General Biryusov by General Oxley."

Repeated to Moscow as 241.

BARNES

874.00/8–2345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 23, 1945—noon.
[Received 3:15 p. m.]

469. Re my 467, Aug 22. I believe if Dept makes very strong representations immediately Moscow, there is possibility Aug 26 elections may be postponed. US–UK action to date is beginning to have effect (see my 466, Aug 22); also widely advertised address of Georgi Dimitrov to be read at largest mass meeting election campaign at 7 p. m. last night was replaced after reader was already at the microphone by speech of Dimitrov's brother-in-law who said that he was sure that if Dimitrov were here he would have much to say similar to what he (the brother-in-law) was saying. Substitution was explained on technical grounds by confused voice over the microphone. Whether speaker was expressing views of Dimitrov or not, last minute an-

nouncement that Dimitrov's speech would not be read greatly impressed large open air audience and today all Sofia is talking about the change. I am convinced visits of Generals Crane and Oxley to Biryusov turned the trick.

Rptd Moscow as 242.

BARNES

740.00119 Control (Bulgaria)/8-2445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 24, 1945—2 p. m.
[Received 3:50 p. m.]

471. Biryusov, Cherepanov, Kirsanov,[44] Oxley, Boswall, Crane and myself met from midnight until 5:15 this a. m. At meeting of three ACC (Allied Control Commission) representatives earlier last night Biryusov had requested concrete proposal from British and ourselves to complement request for postponement of elections contained Crane's and Oxley's letters (my telegram 468, Aug 23.)

Following proposal was made by ourselves and supported by British as basis for discussion:

I. *Conditions of Elections:*

1. Elections be postponed until following conditions are met: (*a*) holding of Agrarian Party Congress under party constitution; (*b*) same for Social Democrats; (*c*) registration by government of so-called Democratic Party if basis for such party manifests itself; (*d*) five parties Communists, Agrarians, Socialists, Zveno and Democrats to decide individually on accepting common lists or individual lists.
2. Freedom of speech, of press, of radio and assembly for all five parties.
3. Free and secret balloting.

II. *Suggested governmental procedure to accomplish foregoing:*

1. Cabinet of Affairs for sole purpose of holding elections.
2. Decree law conferring upon Regents for period of Cabinet of Affairs powers of Prime Minister.
3. Reorganization present cabinet with leaders of five parties taking principal ministries and equal distribution of other portfolios among parties, according to their weight.
4. Complete freedom of all former leading Agrarian and Democratic Ministers now in prison or under house arrest to participate in party affairs.

III. *Conclusion:*

Reconstitution of FF (Fatherland Front) as it existed on Oct 28, 1944 enlarged to include a Democratic Party if actual basis for such party established.

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[44] Stepan Pavlovich Kirsanov, Minister of the Soviet Union in Bulgaria.

I believe it is impossible to convey to anyone not present last night the feeling of futility and frustration caused, probably in both directions, by 5 hours of western mental gymnastics and Russian dialectics. I can best describe the meeting by saying that had there been a neutral onlooker he doubtless would have thought of two acrobats on flying trapezes so juxtaposed that in swinging in opposite directions the acrobats could never clasp hands but still so closely aligned that swinging for a moment out of perpendicular the acrobats would be jostled and each time frantically grasp the bar or rope fearing to be dislodged and not saved by a friendly net below. At times such an onlooker might even have suspected that the acrobats were clowning, except that they were so deadly earnest in clinging to their swinging trapezes whenever accidental contact was made.

After hearing the Anglo-American suggestions, General Biryusov, without regard for fact he himself had asked for specific proposals, announced meeting would consider two questions, namely, is the electoral law democratic and is it applied in a democratic manner.

All efforts to discuss such basic factors, morseling of Agrarian and Socialist Parties by Communists, militia and total absence, at any rate until opposition had been virtually destroyed, of freedom of speech, radio and assembly were blandly set aside as being extraneous to discuss. Efforts to dwell on spirit of the law and on repressive treatment of opposition were ignored. Time after time we were reminded of Russian view that it is the "letter" that states the law.

After some hours of dialectics on part of Mr. Kirsanov as to merits of the law which were convincing to him and to Biryusov but not to British and ourselves, Biryusov summarized discussion in his own words to effect that it was obvious no one present had any acceptable objections to the law. We and British registered our dissent. Second question was more or less passed over by default. By time we reached it little spirit was left to continue in manner of medieval philosophers seeking to determine number of angels (better imps in this case) that might stand on point of a needle.

Finally, about 5 a. m. Biryusov suggested we all have another look at situation when Govt issuing from elections had been formed. Boswall and I filed reservations on basis of US and UK notes, saying, of course, we could not undertake to alter position taken by our respective Govts. Biryusov then returned to suggestions we and British had made at the outset of the discussions. He said as we now placed discussion on a governmental level he must consult with Moscow. I asked him whether he could hope to have a reply before elections August 26 and he said he could add nothing to his remark that he must now consult with Moscow. Thereupon an exhausted and mutually uncomprehending group disbanded.

I left the meeting with the definite feeling that on the Russian side it had been purely fictitious, a scene staged for the purpose of justifying the contention later, if necessary, that ACC has given careful consideration to the views of the US and UK, and also to gain time for the elections to transpire without a hitch. It is my firm conviction that all possibilities of local effort to change political situation in Bulgaria have been exhausted and that further action can be taken only on a Govt-to-Govt level between the three Great Powers. General Crane agrees.

Repeated to Moscow as No. 243.

BARNES

874.00/8–2445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 24, 1945—4 p. m.
[Received 5 : 45 p. m.]

473. Two days before scheduled election date only 49 opposition candidates remain on lists in 11 electoral districts. In only 8 districts does opposition have more than 2 candidates. Police intimidation and suppression of civil liberties largely responsible this situation. Thus Stainov's statement (my 446, August 17) that plebiscite rather than election to be held fully substantiated. Final week electoral campaign reached new heights of excitement with slogans such as "no postponement of election", "no foreign intervention in our internal affairs", and "we are not afraid of atomic bomb" bandied about freely.

Repeated Moscow as 244.

BARNES

874.00/8–2345 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 24, 1945—6 p. m.

273. Urtel 469, Aug 23. Dept is not making representations to Moscow nor can it support your action in requesting Gen Crane to make the communications to the Chairman ACC reported in urtels 465, Aug 22 and 468, Aug 23, nor your own letter to MinFonOff set forth in latter message.

Instructions contained in Deptel 249 Aug 11 authorized you to inform the members of Bulgarian Government of our attitude toward situation existing in Bulgaria but before taking further steps Dept should have been consulted. The views expressed in Deptel 260,

Aug 18 did not contemplate our making specific request for postponement of elections and Dept has consistently felt the formation of a representative democratic Government in Bulgaria is matter for Bulgarians to undertake and in absence of pertinent provisions in armistice not for consideration by ACC.

BYRNES

874.00/8-2445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 24, 1945—midnight.
[Received August 24—11:50 p. m.]

474. My telegram 471, August 24. Despite my pessimism of this morning, "battle of elections" has been won. This evening Bulgarian Government informed General Biryusov that in interest of "early peace for Bulgaria with USSR, US and UK, and in consideration for the points of view recently expressed by Mr. Byrnes and Mr. Bevin" it was prepared to postpone elections scheduled August 26.

General Crane and I have just come from meeting of Allied Control Commission at which Bulgarian note was read by General Biryusov who announced that if all were in agreement he was prepared to inform Bulgarian Government that its willingness to postpone the elections should be made operative immediately. Official announcement of postponement will be made throughout country tomorrow morning.

I am sure Department will agree with me that this decision reflects credit on Bulgarian Government and on the USSR. It will be a tremendous blow to prestige Bulgarian Communist Party and should reveal to a much wider section of world's population than Bulgarian people that Russia can be brought to cooperate with the US and UK. General Biryusov in opinion myself and General Crane is deserving considerable credit for having at last decided to throw his weight with us. It should not be overlooked that Prime Minister and Minister Foreign Affairs have now given positive evidence of correction their former views on world affairs.

I have just called on Minister Foreign Affairs to express appreciation for decision in name US Government and I shall call early in the morning on Prime Minister for same purpose. I sincerely hope under circumstances that Department will be able to instruct me immediately to convey appropriate message to leaders Bulgarian Government and General Biryusov. Respect latter, news of US decoration for him should help us materially in future dealings with Allied Control Commission. Respect Bulgarian Government, acceptance their desires send General Stoichev to US would be most welcome (my telegram 429, August 9).

Also now appears to be moment to pour oil on Bulgarian troubled opinion viz [*via ?*] Voice of America and to manifest interest in country and people in whatever way possible consistent with overall policy. USSR may likewise respond to flattery in Bulgarian case.

Repeated to Moscow as No. 245.

BARNES

[On August 24, 1945 the British Embassy sent an *aide-mémoire* to the Department of State setting forth the view of the British Foreign Secretary that the problem of the political and economic situation in the Danubian and Balkan area, including Bulgaria, should be treated as a whole rather than piecemeal (840.811/8–2445).]

874.00/8–2545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 25, 1945.

[Received August 25—10:30 a. m.]

475. Following official texts published all press this morning:

1. Official communiqué of Bulgarian Govt August 25:

"The Govt, taking under serious advisement the notes of England and US communicating the views of their respective Foreign Ministers, has sounded the ACC (Allied Control Commission), which in its communication of today's date recommends to the Bulgarian Govt that, in view of its desire to facilitate and expedite the conclusion of peace, it postpone the scheduled elections. Taking under advisement this recommendation and in its desire to avoid the apprehensive [*apprehension*] expressed regarding the preparation and conduct of the elections the Govt has decided to postpone the elections until a later date."

2. Note of Bulgarian MinForAff to General Biryusov August 24:

"In corroboration of the oral *démarche* which I made in person before the ACC (Allied Control Commission) I directed to you today a note in the name of the Bulgarian Govt.

The Bulgarian Govt desires to conclude as soon as possible a treaty of peace with the Soviet Union, United States and Great Britain in accordance with decisions taken at Potsdam and to obtain the assistance of the three great powers for the rehabilitation of the country and for its acceptance into the family of freedom loving peoples.

It is most seriously concerned by the recommendations made to it in this connection by Mr. Byrnes, Minister of Foreign Affairs of the United States, and by Mr. Bevin, Minister of Foreign Affairs of Great Britain, which were expressed in the notes recently sent to us.

If the ACC (Allied Control Commission) likewise considers that a postponement of the elections would be a contribution to hastening the conclusion of peace, the Bulgarian Govt declares that it is prepared to comply with such a recommendation."

3. Reply Deputy President ACC (Allied Control Commission) August 24:

"In reply to your note of August 24 concerning the desire of the Bulgarian Govt to postpone the Parliamentary elections I have the honor to inform you that ACC (Allied Control Commission) of Bulgaria considers it possible to recommend to the Bulgarian Government that it postpone its Parliamentary elections until a later date."

Repeated to Moscow as 246.

BARNES

874.00/8–2545 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 25, 1945.

278. Following statement released by Dept to press today:

"In response to a request for comment upon the announcement by the Bulgarian Government of the postponement of national elections, Secretary of State James F. Byrnes said:

> 'I am gratified to learn that the Bulgarian Government has announced the postponement of the national elections originally scheduled for August 26.
>
> This decision should make it possible for the Bulgarian people. at a later date, to choose in free elections a fully representative government which will be able to conclude a treaty of peace and to reestablish normal relations with the United States.
>
> It is especially gratifying to me that the representatives in Sofia of the Soviet Union, British and United States Governments were unanimously in accord with the decision of the Bulgarian Government. This is a striking demonstration of the unity of purpose of the three nations to work together to assist the liberated peoples of Europe in the establishment of democratic governments of their own choice.' "

BYRNES

874.00/8–2545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 25, 1945—5 p. m.
[Received 5:30 p. m.]

476. Department's telegram 273, August 24. Before requesting General Crane to communicate with Chairman Allied Control Com-

mission I reread with great care all instructions received from Department back to and including Department's 84, March 29;[45] also passages President's speech Berlin Conference regarding Allied Control Commission. The logic of these instructions, the fact that it was already August 23 and that since my arrival at this post repeated efforts to obtain immediate instructions from the Department have invariably failed (elections were scheduled for August 26), plus first hand knowledge of the actual situation confronting the three Allies in Bulgaria, caused me to act as I did. Since the receipt of the Department's 273, I have searched my conscience and have reexamined the judgment that I exercised from every point of view possible to one who, being the subject of the censure under consideration, admittedly is prejudiced. I remain at a loss to understand what prompted the Department's telegram. Obviously the purpose of expressing the views of the US Government was to forestall rigged elections and consequent formation of a government that US could not recognize. Events reported in my telegrams 461, August 21, 466 and 467, August 22, 471 and 474, August 24 heighten my inability to comprehend. I can only add that when from the Regents and Ministers of State down to the lowest of Bulgarians I am receiving expressions of thanks for what US policy has done for Bulgaria, my only regret springs from the doubt cast by the Department's 273 on what has been done.

BARNES

874.00/8–2445 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 25, 1945—6 p. m.

279. Urtel 474 Aug 24. Dept is gratified at postponement of elections and agrees that full credit should be accorded Bulgarian and Soviet Govts for their part in decision which will permit reconsideration of election procedures. You are accordingly authorized to convey message in the following sense to Bulgarian Govt:

"The Government of the United States has received with gratification the decision of the Bulgarian Government to postpone the elections which were to have taken place on August 26. This Government considers that the action of the Bulgarian authorities in this connection is a constructive act worthy of the self-respecting democratic traditions of the Bulgarian people. When appropriately implemented, your decision will ensure to the Bulgarian people full freedom of choice in the establishment of a representative government. It is the confident hope of the United States Government that it will also open the way to a fruitful relationship between our respective govern-

[45] Same as telegram 735, March 29, 8 p. m., to Moscow, p. 179.

ments and peoples and will contribute to cooperation and mutual understanding between Bulgaria and the United Nations."

In same or separate communication you should inform Bulgarian Govt that US Govt would welcome appointment of Gen Stoichev as informal Bulgarian Rep in this country.

You may convey to Biryusov appropriate message indicating appreciation of the spirit in which he has dealt with the elections problem in Bulgaria.

Your recommendation regarding possible award of decoration to Biryusov, which Dept agrees might be a useful step, has been referred to War Dept.

OWI has been given substance of final paragraph of your 474.

BARNES

874.00/8–2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 27, 1945—3 p. m.
[Received 4 : 25 p. m.]

479. Directions contained in Dept's 278 [*279*], Aug 25 carried out yesterday. News acceptance of Stoichev and text message to Bulgarian Govt announced by radio and press this morning. Effect excellent. Weekend passed in complete calm. Govt and FF (Fatherland Front) yesterday issued most conciliatory statements explaining postponement elections in interest early peace. General *détente* felt throughout country. Even Cabinet members Govt now express relief. Gen Biryusov received message appreciation with every sign great pleasure and satisfaction.

Rptd Moscow as 247.

BARNES

874.00/8–2845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 28, 1945—9 a. m.
[Received 11 : 40 a. m.]

481. ReDeptel 222, July 27. Now that election situation has been cleared up for time being anticipate settlement of Dimitrov case within next few days. Dimitrov insists that it would not be safe for him to remain in country and I agree. Prime Minister and Minister Foreign Affairs also think this best solution and have persuaded General Biryusov to consent to departure (tentative plan is that he

shall depart with me on Sept 5, please see my 482[46]) for Caserta, proceeding later from Italy to US or British-controlled territory in Near East. He will travel on Bulgarian passport. What are Dept's views?

BARNES

874.00/8–2845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 28, 1945—3 p. m.
[Received 9 : 25 p. m.]

483. The British Govt's views on postponement of the Bulgarian elections are set forth in a Foreign Office telegram of congratulations to Boswall and Oxley. It states that while British and American representatives in Bulgaria accomplished far more in their dealings with Soviet authorities and Bulgarian authorities in this matter than London had ever anticipated, nevertheless, Foreign Office considers postponement of elections as only initial step toward satisfactory solution internal political situation. In this connection, I might add that British representatives have requested instructions as to what line they should follow in event ACC continues to occupy itself with election matters. I assume from Deptel 273 of August 24, I should not ask General Crane to participate in such activities, even though General Biryusov may desire tripartite action to continue in political field.

Repeated to Moscow as 249.

BARNES

874.00/8–2845 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 29, 1945—8 p. m.

282. Urtel 481, Aug. 28. Dept approves proposed departure Dimitrov to Italy with you and is gratified at Bulgarian and Soviet agreement this solution of matter.[47] As regards Dimitrov's subsequently proceeding this country or British territory in Near East, Dept will consult with British after his arrival in Italy.

BYRNES

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[46] August 28, not printed; in it Mr. Barnes requested a brief period of leave (123 Barnes, Maynard B./8–2845).

[47] Telegram 507, September 5, 11 a. m., from Sofia, reported that "Dimitrov and wife departed without incident for Italy this morning accompanied by Barnes". (874.00/9–545

711.74/8–2845 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 29, 1945—8 p. m.

7421. Urtel 8776, Aug. 28.[48] Please explain to FonOff that this Govt has not resumed diplomatic relations with Bulgaria but has merely signified to Bulgarians our willingness to accept General Stoychev as informal Bulgarian representative in this country, an arrangement we approved in principle in May. Stoychev will have no diplomatic status.

Sent to London, repeated to Sofia.[49]

BYRNES

874.00/8–3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 30, 1945—6 p. m.
[Received September 1—8 : 30 a. m.]

495. PriMin Georgiev's statement to American correspondents on August 29, no doubt already published in US press, is characteristic of calm public approach taken by FF (Fatherland Front) to problems resulting from postponement of elections. Like Georgiev, press takes attitude that, while Cabinet changes will have to be made, militia restrained and election law altered, basic program and structure of FF need not be changed radically. (August 27 Communist Central Committee issued Mild No. 251). Well informed persons almost unanimous that postponement was wise and that FF should now proceed cautiously. Burov and Mushanov were transferred from prison to house arrest several days before scheduled elections. They too have been seeing politically active subordinates and leaders of other political groups.

BARNES

874.00/8–3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, August 30, 1945—7 p. m.
[Received September 1—3 : 20 a. m.]

496. Mytel 495, today's date. While on the surface all is "light and reason", underneath the militia continues to bear down and in-

[48] Not printed.
[49] As No. 283.

timidate somewhat and the Communists to rail against the "Fascists" and to shout rather shrilly that they will yet prove the predominance and the unity of the FF. For example, yesterday morning the Agrarian leader, Petkov, was warned by the head of the militia that he and his followers must be mindful of the laws of the country against the distribution of political tracts and pamphlets and that the "law for the defense of the people's rights" (mytel 124 March 9) is still in force.

Yesterday the official newspaper of the FF also warned the populace that this law is still in effect. The journal's leading article stated that "the people's regime has sufficient power to frustrate by a single blow any hostile attempt directed against the people and their regime. Let the enemies know that the Bulgarian people will defend their rights and liberties at the cost of all sacrifice, however heavy that may be." The article concludes by giving the following sound advice to anyone tempted to exaggerate the significance of the decision to postpone elections: "The Government's decision was dictated only by its great desire to facilitate the conclusion of peace and to give proof that it follows firmly and systematically the principles incorporated in the Atlantic Charter [50] as well as in the Yalta and Potsdam decisions. The decision had nothing to do with the aspirations and plans of reactionary Fascist circles here. May this also be remembered".

Burov and Mushanov have apparently been too active politically past few days for taste of militia chief and Communists. Today all visitors turned away with explanation militia must guard health of the two.

Repeated to Moscow as No. 252.

[BARNES]

874.00/8-2845 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, August 30, 1945—8 p. m.

287. In the event Gen Biryusov desires continuance tripartite ACC consideration of election matters, you should ask Gen Crane to take part (urtel 483, Aug. 28). However, while Dept agrees with British that postponement of elections is not of itself assurance that democratic processes will be followed in future in Bulgaria, we feel that moral effect of postponement not only in Bulgaria but also throughout Balkans will contribute greatly toward development of events in that direction and we consequently are anxious that no subsequent

[50] Joint statement by President Roosevelt and British Prime Minister Churchill on August 14, 1941, *Foreign Relations*, 1941, vol. I, p. 367.

steps be taken which might detract from that victory. Accordingly, we believe great caution will have to be exercised in conduct of further discussions and we will wish to be consulted before Gen Crane makes any specific proposals or agrees to any Soviet or British suggestions or proposals which might constitute or lead to commitments on behalf of this Govt.

BYRNES

874.00/9-345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, September 3, 1945—5 p. m.
[Received September 4—1:36 p. m.]

500. In its telegram of August 30 (No. 287) the Department used the terms "moral effect" and "victory" in connection with postponement of Bulgarian elections. General Crane and I appreciate Department's anxiety now to proceed cautiously and we shall, of course, be guided by our instructions. At the same time, I feel that I must emphasize the following points:

1. The "victory" gained thus far was attained by dint of constant effort in the face of aggressive Russian policy and all-out Communist support—for the past year there has been daily Russian interference in the internal political life of Bulgaria.

2. The US is credited by both the enthusiasts and the opponents of the "victory" with almost sole responsibility for the turn of political events in Bulgaria of the past 2 weeks.

3. It is obviously impossible for me to recapitulate in this telegram the facts and opinions that I have presented so extensively to the Department over past 4 months in support of the course that finally attained postponement of the elections. (Please do see my 311, June 11.)

4. General Crane and I believe that these facts and opinions are as valid today as when currently presented.

5. They sum up, in our opinion, to the conclusion that any disposition at the present time to rest on our oars can only give final victory in Bulgaria and throughout eastern Europe to the Communists and the USSR.

6. Russian policy and Communist activity continue positive, even aggressive—only a momentary setback has been accomplished.

7. In the opinion of those of us on the spot, free elections in Bulgaria can be assured only by continued surveillance on our part, accompanied by a disposition to make our views known and our influence felt at every moment until a government has been brought into being that

all three of the Allies can recognize and with which they can conclude peace.

8. The two essentials to neutralization of Russian and Communist aggressiveness in Bulgaria are (1) replacement of Russian-dominated Allied Control Commission by regular diplomatic relations and (2) evacuation of Bulgaria by Russian troops through conclusion of peace.

9. If the active policy on the part of the US and the UK essential to the accomplishment of these ends is, for some over-all reason, out of the question, then in truth the Yalta and Potsdam agreements can have no helpful meaning in fact for Bulgaria and the term "liberated countries" can in the end evoke only derision in eastern and southeastern Europe.

10. It can hardly be expected that the effect of ultimate failure to assure democratic procedures for this area will be attenuated by recollections of momentary, interim successes.

I am leaving Bulgaria on the morning of September 5 for a brief stay in Paris. I should welcome the possibility of expanding the above views to those of our delegation who will shortly be in London as part of the council of the five Foreign Ministers. In my opinion we have not merely a chance here, but we have a brilliant opportunity. It is my very sincere hope that we are prepared to exploit that opportunity in the interest of those principles for which we have fought two wars on the continent of Europe and one in the Pacific.

Repeated to Moscow as No. 253 and to London as No. 5.

BARNES

740.00119 Control (Rumania)/9–545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, September 5, 1945—2 p. m.
[Received 4:35 p. m.]

3174. In connection with my immediately preceding telegram [51] concerning question of revision of statutes of Balkan Control Commissions, I feel Department should give careful consideration to Barnes telegram of Aug 18, noon [52] and particularly to reference in that message to "most important questions". This account bears all the marks of verisimilitude and we should go on assumption that Russians will indeed stretch the elasticity of this phrase to the limit.

Sent Department 3174; repeated Sofia 99.

HARRIMAN

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[51] Telegram 3173, p. 862.
[52] Telegram 453, p. 295.

874.00/9–745 : Telegram

The Acting Secretary of State to the Secretary of the United States Mission in Bulgaria (Rewinkel)

WASHINGTON, September 7, 1945—8 p. m.

300. Brit Emb on instructions from FonOff has furnished Dept text of FonOff telegram 827, Aug 31 to British representative in Sofia [53] concerning possible further steps in connection with Bulgarian elections. Embassy has requested Dept's comments.

You will observe that Brit tel 827, which Embassy says will be made available to you by Houstoun-Boswall, discusses various aspects of electoral law and suggests specific changes in that law and in the Bulgarian Govt as well as possible ACC action which the British, subject to Houstoun-Boswall's recommendations, might consider desirable to ensure democratic elections. Upon receipt of his recommendations, FonOff proposes to instruct British representative to place detailed proposals before ACC as soon as possible for discussion there.

As indicated in Deptel 287, Aug 30, Dept would prefer not to initiate specific proposals to ACC. However, if British follow such procedure, Dept is prepared to lend its support to fullest possible extent. In any case, we feel it desirable to formulate our views.

We agree with the six objectives listed by the Brit and are in accord with their view that an impartial administration during interim period is best guarantee of fair elections. Consequently, we believe that the reorganization of the Govt to include proportionate representation of all important democratic factions should be primary concern and we have noted recent statements by Prime Minister Georgiev and other indications that Bulgarians may themselves take steps to this end although further prompting may be necessary. However, we doubt the likelihood of our obtaining replacement of Communist Minister of Interior and it seems to us that tripartite control of the militia and police by the ACC even if it were possible to obtain in principle would not in fact be effective. If only nominal control were achieved, we would, we believe, be placed in undesirable position.

As regards provisions of electoral law, we are in full agreement with British desire that Article 53 be amended to give right to all parties to present separate lists or combined lists with other parties or with independents in whatever manner they wish but we doubt the advisability of raising question of eligibility of persons "with fascist ideas" in which our motives probably would be distorted to furnish material for adverse propaganda.

We would expect to see legal guarantees either in the electoral law itself or in accompanying separate legislation unambiguously and

[53] Not printed.

unequivocally assuring freedom of assembly, speech, and of the press to all democratic elements of the electorate. This is the essence of our position.

Dept is informing Brit Emb in sense of foregoing. Please discuss with Gen. Crane and report immediately by telegraph. Dept will also appreciate Barnes comments upon his return.

Sent to Sofia. Repeated to London.[54]

ACHESON

874.00/9–945 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 9, 1945—8 p. m.
[Received 8:30 p. m.]

517. Following are replies to points in Department's 7743 to London, repeated to Sofia as No. 302.[55]

1. There has been no meeting of ACC Bulgaria since that of August 24 which, acting for first time on truly tripartite basis, decided on postponement of elections (reMistel 474, August 24 to Department). Previous to that date ACC has been purely Russian in character and operation with not even consultation with US and British delegates. Issuance of orders and regulations by Russians in name of ACC without prior consultation or notification was protested by British and ourselves with result that Russians agreed to issue such orders in name of Soviet High Command. This agreement has not been strictly followed and ACC orders are known to be issued without our or British consultation.

Excepting sole case of election issue the ACC has not operated on tripartite basis or any semblance thereof. Its decisions and orders have been purely unilateral and Russian. The Russians, however, have now proposed to conduct ACC Bulgaria on basis of statutes issued by them for ACC Hungary and have called a joint meeting for September 11 with further meetings of ACC scheduled at weekly intervals thereafter. Tentative agendas have been published for meetings on September 11, 18, and 25. Until this first meeting of September 11 has taken place under new plan it will not be possible to evaluate present participation (if it should prove to be more than nominal) of British and ourselves on ACC.

The US Political Representative has no formal seat on ACC nor would he normally participate in meetings. He is, however, superior to General Crane, the US Delegate with whom he has complete exchange of information and whom he advises and supports.

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[54] As No. 7718.

[55] September 8, not printed.

2. Election issue has been only instance of US participation in directives to local government. Other so-called ACC orders and directives to Bulgarian ministries and administrative bodies have been Russian and the British and ourselves while not having been consulted have frequently learned of them through hearsay or from Bulgarian authorities, who naturally assumed we were fully cognizant of them.

3. US civil and military officials can now circulate freely in Bulgaria except for air travel upon prior notification to the ACC (Russians) of time of departure, route, destination, duration of stay and names of travelers and Bulgarian companions, if any.

The entry into and departure from Bulgaria of all persons military or civilian, including journalists, are subject to prior clearance by the chairman (Russian) of ACC. In contrast to earlier refusals for entry or simple failure to reply to requests there has recently been little difficulty aside from sore [*some?*] delays and frequent requests for additional data on the applicant. Journalists are now admitted and are permitted to circulate freely in Bulgaria. Innocuous and noncontroversial press reports are submitted through local channels and cleared. Existence of Bulgarian censorship precludes local transmittal of adverse or critical material factual though it may be. Journalists are, therefore, forced to resort to writing such reports outside Bulgaria or to jeopardize their continued stay by smuggling a story from the country.

4. All communications and access to officials or sections of Bulgarian Government must be through the Chairman of the ACC or through chiefs of various sections of ACC (all Russians). This procedure usually entails lengthy delays, complete lack of response or inadequate replies. Although General Crane adheres in the main to this requirement, both he and this mission frequently resort unofficially to direct and personal contacts and channels as the only means of securing information. This latter course is, however, handicapped by fear and evasion on part of local officials.

5. There are very few US interests and nationals in Bulgaria and obstacles are, therefore, at minimum. Chief obstacle has been obtaining clearance for entry of American heads of educational and business institutions. (Clearance for Dr. Black,[56] President of American College, has been pending for 8 months.) Physical status of US interests and nationals has been thus far satisfactory. Minor difficulties have been locally resolved.

Any significant changes or new developments resulting from September 11 ACC meeting, the first such regularly scheduled, will be promptly reported.

Repeated to Department as 517, and Paris for Barnes as No. 3.

REWINKEL

[56] Floyd H. Black, president of American College, Sofia, since 1926.

811.91274/9–1045 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 10, 1945—1 p. m.
[Received 6:30 p. m.]

520. Re Department telegram 258.[57] Department indicated that White House was especially interested in facilitating entry into Bulgaria of Reuben Markham of *Christian Science Monitor* whose long residence and intimate knowledge of conditions in Bulgaria give great weight to his observations.

In response to earlier suggestion to him by Charles Ross, Presidential secretary, he requests that his following comments based on intense study of events and contacts with all persons of importance within and without local government as well as with workers and peasants, be urgently conveyed to Mr. Ross for attention of the President.

He observes that majority of Bulgaria considers itself in totalitarian prison. Present regime which has done some good things and enjoys support of workers who constitute only small part of nation is extremely dictatorial, brutal and utterly irresponsible. He lists its main characteristics as follows:

1. The FF (Fatherland Front), completely dominated by Communists who work in constant and intimate contact with Russians, is in almost absolute control of Government. Bulgarian Communists recently arrived from Russia hold many vital posts and other Bulgarian Communists occupy most important positions in Cabinet and administration. This front has nearly the power in Bulgaria which Nazi Party had in Germany.

2. FF imposes will by violence using murder and terror unprecedented since time of Turks. It maintains a Communist-dominated militia equipped with tanks, artillery, machine guns and rifles as well as special shock troops resembling Hitler's SS men. It and other Communist agencies recognize no law and threaten every opponent with death. He estimates that no fewer than 20,000 non-Communist Bulgarians have been killed with many more thousands held in concentration camps. Threat of blood baths and camps casts its shadow over every non-Communist in Bulgaria from two members of Regency through Cabinet ministries to the last peasant.

3. No property is safe. Militia seize furniture, houses and factories on few hours notice simply appearing and expelling occupants.

4. Regime is one of extortion. People are jailed in order to force them to deliver arbitrary sums in gangster kidnapping tradition.

[57] August 17, 8 p. m., p. 293.

Billions of leva have been stolen at point of guns. Such money is sometimes used for government and other times used for party purposes and even for purely personal advantages.

5. There is complete suppression of freedom of expression. It is worth one's life to hold an independent meeting or express opposition of opinion. Communists are turning youth into fanatics who shout for death of non-Communist Bulgarians.

6. Not only *bourgeoisie* but especially peasants are subjected to this terror. Most Bulgarians are village peasants whose villages are terrorized by armed, organized Communist bands who willfully dispose of life and property. Regime is *exact antithesis* of people's government and is regime of dictatorship by small group of workers and intellectuals directed against people.

7. Through their FF regime Communists employ all branches of state apparatus *for their own* political purposes. They are hastening to communize people's thoughts and to press nation's mind into Communist mold. To accomplish this they are using press, schools, sport, labor unions and all worker's functionaries, agencies and institutions.

8. The considerable belief well founded that if Communists win elections they will become more cruel than ever, throw aside all pretense and by placing forceful Georgi Dimitrov of Moscow in charge of country make Bulgaria a part of USSR and thus exclude all American intervention. Many Communists openly boast that this will take place.

9. There can be no fair elections in this atmosphere of terror. Acts of present regime are marked by illegality and violence and no Bulgarian believes that voting managed by Communists could be fair. They fear that every ballot will be secretly marked and that every oppositional vote will bring dire reprisals.

10. Markham believes that US Government should now make it clearly known that it will not recognize any Bulgarian government until FF is deprived of its dictatorial power, the militia transformed and Ministry of Interior placed in non-Communist hands. It should be stated that US cannot conclude peace with conspiratorial government which would perpetuate regime of unlimited autocracy. Prestige here of US is very high and its opportunity great.

I realize that transmission of this report may be irregular but it is submitted to Department as good résumé of Bulgarian situation by recognized objective observer and for decision as to its further disposition as concerns Markham's request.[58]

REWINKEL

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[58] This information was given to the White House on September 11 by the office of Donald D. Edgar, information officer.

874.00/9–1045 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 10, 1945.
[Received September 17—10:30 p. m.]

521. National Committee of Fatherland Front, after a series of meetings on subject of elections and opposition groups, has finally issued and published following five resolutions addressed to the Government:

No. 1. In interest of democratic development of Bulgaria to give and guarantee to all non-Fascist circles and groups the right and possibilities to organize legal political parties within their own printed organs.

No. 2. To secure free participation in elections for legal political parties and to this end to make, if necessary, certain changes in and additions to electoral law.

No. 3. To take by legislative and administrative order any further measures which would increase guarantee for holding free elections.

No. 4. In order that public control during the preparation and holding of elections may be secured, the National Committee desires to establish a central commission with sub-divisions in the various constituencies, composed of representatives of National Committee, of all political parties participating in elections and of prominent non-party members.

No. 5. To hold elections as soon as possible and under present Fatherland Front Government headed by Kimon Georgiev. No changes in composition of this Government should be made unless any other political group is eventually incorporated into Fatherland Front.

The committee issued a statement that gates of Fatherland Front are open to everyone who recognizes its program and is ready to work for it and who will guard with all his strength national independence and sovereignty of Bulgaria.

REWINKEL

874.00/9–1045 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 10, 1945—7 p. m.
[Received 8:30 p. m.]

524. Re my telegram 521, September 10. It is becoming increasingly apparent that Communists are pressing Government circles for early holding of elections and that active consideration is being given to revisions of electoral law, with view to obtaining their adoption by the Ministerial Council which can of course take place only with

Allied Control Commission (Russian) approval. To forestall possibility of revised electoral law being "sprung" before the US and UK delegates have had opportunity to present it to their Governments, General Crane is, with my concurrence, submitting the following letter to General Biryusov, Chairman of Allied Control Commission.

"Dear General, I have been informed that several of the daily Bulgarian newspapers have carried the news that Mr. Yugoff, the Minister of the Interior, is considering proposing changes in the present electoral law.

Inasmuch as my Government is very interested in making certain that any elections held in this country are free and democratic by standards understood in the US, I request the Allied Control Commission to furnish me with a copy of any such proposed changes in the electoral law prior to final action being taken so that I may submit them to Washington for comment."

British delegate has taken similar step. British mission has received detailed instructions from its Foreign Office in a telegram of August 31, copy of which was also transmitted to British Embassy Washington,[59] concerning viewspoints of British Government on electoral law and basic objectives which it desires to be secured in Bulgaria. It would be most helpful to General Crane and to this mission if Department would indicate more specifically the policy it desires followed and what steps if any we are authorized to take in Allied Control Commission with Bulgarians in pursuance thereof.

REWINKEL

874.00/9–1145 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 11, 1945—1 p. m.
[Received September 13—7 a. m.]

525. Although Ministerial Council has granted permission to four oppositional groups outside Fatherland Front to publish their own newspapers, no publications have as yet appeared. It is known that difficulties are being encountered in recruiting their workers and technicians, inasmuch as the printers, publishers and writers unions are Communist controlled. It also remains to be seen how generous Government will be in its newsprint allocations and in facilities granted for obtaining quarters and equipment.

Petkov's Agrarians have as yet chosen no name for their paper. The remaining three will be: *Svobodennaro* (free people) by Cheshmedjiev's Social Democrats; *Zname* (banner) by the Democrats; and *Radikal* by the Radicals.

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[59] See telegram 300, September 7, 8 p. m., to Sofia, p. 319.

These groups are not yet legalized parties outside Fatherland Front because under law on juridical persons they must first publish their newspapers and on basis of this fact make applications to become juridical political parties after which they can commence organized political opposition (re my telegram 513, September 6).[60]

In light of foregoing it is obvious that all generous statements of the government regarding freedom for opposition by press and political activity are mere dust deliberately thrown in eyes of western Democracies. There will only be freedom for the opposition when their newspapers actually materialize and are published without physical or censorship restrictions and when they subsequently become juridical parties entitled to conduct free and organized political activity (re my telegram 521, September 10).

Meanwhile Communists are agitating for earliest elections possible while obstructing by every means the organization and activities of opposition groups. The decision of Ministerial Council setting date of elections is expected daily.

REWINKEL

874.00/9–1245 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 12, 1945—6 p. m.
[Received September 13—8 : 17 p. m.]

529. Bulgaria's No. 2 Communist, Vasil Kolarov, has just returned to this country after 20 years residence in USSR. Mission has learned from most reliable and highest source that he called on Regents yesterday to inform them that Russia will make seeming concessions in London Conference[61] regarding Bulgarian situation but that he has come with instructions which are to preclude their actual application. He said further that although certain revisions should be made in procedure of and law on elections they are to be merely eyewash for the US and UK. He emphasized that elections must be held as soon as possible under present Fatherland Front Government headed by Georgiev and that Interior Ministry, including militia, must remain in Communist hands. Elections must be conducted by same methods, and with utter ruthlessness to achieve desired ends. He stated that after elections a Constituent Assembly would be called to proclaim a republic and Dimitrov of Moscow would come to Bulgaria to assume presidency of country.

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[60] Not printed.

[61] The Council of Foreign Ministers (United States, United Kingdom, Soviet Union, France, and China) held its first meeting in London, September 11–October 2; for documentation, see vol. II, pp. 99 ff.

It has also been stated to General Crane and myself by a source close to Regency that on September 7 General Biryusov, Chairman of ACC, called on Regents to inform them that elections must take place under aegis of present Fatherland Front Government headed by Georgiev, or Russia would be compelled to withdraw her protection from Bulgaria. The meaning of this threat is not clear but it is obviously the Russian reply to certain indications that Regents Ganev and Boboshevsky and Prime Minister Georgiev were giving serious consideration to reorganization of Government on line of an *ad interim* Cabinet of Affairs for conduct of elections.

In connection with foregoing it is reported that Petkov was last week approached by Communists with offer that if he would bring his group into Fatherland Front he would after elections be given post of Foreign Minister in a Government with Kolarov as Prime Minister (remytel 528, September 11)[62] and Yugov remaining as Interior Minister. He refused.

I cannot emphasize too strongly confidential nature of the above information which is known by such few persons that its disclosure would bring merciless reprisal upon certain patriotic individuals.

Repeated to Moscow as 256.

REWINKEL

874.01/2–1447

Memorandum by the United States Representative in Bulgaria (Barnes) to the Secretary of State[63]

[LONDON,] September 14, 1945.

The United States Government has taken the position that the present Bulgarian government is not broadly representative of democratic opinion in the country. The Government has already made the important concession to the United States point of view of postponing the general elections set for August 26. That setback for the Communist-dominated Bulgarian government was, however, more apparent than real, and such will continue to be the case until there has been a reorganization of the cabinet in the following sense:

(1) Inclusion therein of the real leaders of the Agrarian and Social Democratic Parties in place of the Agrarian and Social Democratic stooges, Obbov and Neikov.

(2) Acceptance within the government of a representative of the Democratic Party—a party which to date has been proscribed but whose leaders throughout the period of German domination remained faithful to the Anglo-American cause.

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[62] Not printed.

[63] The Secretary of State was attending the meeting of the Council of Foreign Ministers in London, and Mr. Barnes had been called there for consultation.

(3) Replacement of the present Communist Minister of the Interior by the representative of a less aggressive and a more democratic political element, or by a neutral figure in the country's life.

Reorganization of the government along the above lines is imperative to accomplish the following prerequisites to free elections:

(1) The holding of party congresses by the Agrarians and the Social Democrats by the party organizations as they existed prior to May 8, 1945, and June 10, 1945, respectively, on which dates the aim of the Communist Party to split the Agrarians and the Social Democrats into numerous opposing groups, thereby establishing Communist domination over those elements of these parties within the government, was accomplished.

(2) Revision of the existing electoral law so as to assure free opportunity for any non-Fascist party or candidate to participate in the electoral campaign from its outset to the end. This will require the elaboration of some fair test to determine "Fascist" views.

(3) Freedom of speech, press, radio and assembly for all.

(4) Measures to assure honest recording of election returns.

(5) Reorganization of the militia in the sense of a police organ for the maintenance of domestic peace and order instead of a Communist instrument of intimidation and oppression, as it now is.

(6) Liberation from prison or house arrest and restitution of political rights of such important and democratically inclined political leaders as Bourov (Democrat), Moushanov (Democrat) and Guitchev (Agrarian).

The Russians are anxious to maintain the present order of things in Bulgaria. It is therefore reasonable to assume that they will try by every means to force early elaboration of a treaty of peace for Bulgaria. Even if at the present time they accomplish no more than discussion of the treaty provisions between the Big Three, the effect in Bulgaria will be to bolster the present government and further to cower the opposition. The Russians have told the present government that it need not reorganize itself as Russia will be able effectively to handle the United States and the United Kingdom in this matter. Action at this time looking to the early elaboration of a treaty of peace with Bulgaria can only confirm the existing Bulgarian government in the hope that Russia is truly the master in Eastern and Southeastern Europe.

There is a further consideration of importance that weighs against the early negotiation of a treaty of peace with Bulgaria, namely, the problem of the Straits. One of the major objectives of concluding peace with Bulgaria should be the withdrawal of the Russian troops of occupation, variously estimated at the present time from 115,000 to 200,000. This figure is not an accurate estimate of Russia's immediate potential in Bulgaria against Turkey. Three of four existing pontoon bridges across the Danube constructed by Russia, with a reservoir of perhaps more than a million troops in Rumania and

Hungary, constitute a better gauge of Russia's plans and possibilities. It seems hopeless to believe that until the question of the Straits has been settled, peace treaties with the ex-satellite States would cause Russia to withdraw her military forces from the Balkans.

In the above connection the Russian proposal to elaborate a treaty of peace with Bulgaria merely by expanding nine or ten articles of the existing armistice seems significant. For us to accept such an instrument would be very much like signing a blank check in favor of Russia. The treaty would contain nothing assuring our interests, either material or political, and would leave the future entirely clear for utilization of Bulgaria as an instrument of Russian policy alone.

MAYNARD B. BARNES

P.S. As of possible interest in connection with this memorandum I am attaching a paraphrase of a telegram sent by me to the Department after the postponement of the Bulgarian elections and just before my departure from Bulgaria.[64]

M. B. B.

874.00/9–1445 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 14, 1945—4 p. m.
[Received 9 p. m.]

531. Re my telegram 529, September 12. Last night I had a meeting with Nikola Petkov in which he confirmed report that Communists are bidding for his cooperation in present FF (Fatherland Front) Government and coming elections with offer of post of Foreign Minister. He informed them that as long as Communists control Ministries of Interior and Justice which they refuse to relinquish under any conditions there can be no political rights or liberties and he would not betray Agrarians who represent political majority of country and who look to him as leader. He told me that his leadership of party is not one of his person but of the principle which his opposition to minority Government and suppression of liberty represents. Were he to cooperate with an FF (Fatherland Front) the key positions of which are held by Communists, he would in effect sanction their methods and aims and his party far from following him would brand him as another Mr. Obbov and continue its opposition.

Pressure on Petkov continues and today he is on communist request to have a meeting with Kolarov who, within one week of his arrival in Bulgaria after 20 year[s'] absence, is already taking active command

[64] See telegram 500, September 3, 5 p. m., p. 317.

of local Communist party and strategy. Petkov is apparently remaining firm and his attitude is most courageous. Next following telegram No. 532 summarizes a letter published in today's press which he addressed to Prime Minister on subject of his publication of Agrarian newspaper (re my telegram 525, September 11) and the Minister of Information's public reply thereto.[65]

REWINKEL

874.00/9–1745 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 17, 1945—5 p. m.
[Received September 18—2:15 p. m.]

539. It is announced that by a decree signed by Regents on September 15 the elections are to be held on November 18. Weekend press also carries the approved changes in election law signed by Regents on September 13. Changes in law are insignificant except those concerning articles 38 and 53. The phrase "persons with Fascist ideas" in article 38 (reDeptel 300, September 7) has been changed to "proven Fascists" but there is no stipulation as to machinery for establishment of such proof. Article 53 now permits all political parties which have been legalized as juridical persons or groups of such parties to put up lists on candidates provided that they became legal persons before the expiration date for placing of candidacies. In addition any ten literate citizens of the same constituency and whose qualifications have been certified may put up a candidate. The phrase on Fascist tendencies is now deleted from this article. Candidates must now provide to the local court their written consent to candidature. Other changes are largely technical and of terminology but complete report will follow as will comments on Deptel 300 received September 16.

Opposition leaders agree that changes are insufficient to ensure free elections. Fact remains that the machinery for conduct of elections, the militia, and the courts are still in control of Communists who can interpret law to their will and have the force with no safeguards to achieve their desired results. It is obvious to us here that Communists are preparing to pursue same path employing the same methods which they planned for the elections scheduled for August 26 and that only joint action by three major powers looking to a re-

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[65] Telegram 532, September 15, from Sofia, not printed, reported letter signed by Nikola Petkov and six other Agrarian Party members who declared they would not take part in election if not given freedom to manifest political rights, including publishing of a newspaper, and reply of Minister of Information opposing choice of name for newspaper (874.00/9–1545).

organization of present Fatherland Front Government with an effective independent control of militia and an impartial administration of electoral law will achieve free elections resulting in a representative democratic form of Government.

REWINKEL

871.00/9–1745 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 17, 1945—6 p. m.
[Received September 18—8:50 a. m.]

540. Re mytel 524, September 10. General Crame has received reply to his letter of September 11 in which General Biryusov states that since the revisions and additions to electoral law have already been approved and published he assumes that the question is no longer relevant. Since these changes were only approved by Regents decree on September 13 (re mytel 539, September 17), there would have been time for consultation with US and UK members on ACC (Allied Control Commission) after receipt by Biryusov of above letter had he so desired.

REWINKEL

874.00/9–1745 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 17, 1945—7 p. m.
[Received September 18—11:45 p. m.]

541. Re my telegram 450, August 18. The leader of Social Democratic Party outside FF (Fatherland Front) and former Minister of Social Policy, Grigor Cheshmedjiev, died yesterday morning of cerebral hemorrhage. On same day the new newspaper *Svoboden Narod* of which he was editor made its first appearance carrying editorial written by him on subject of liberty. He stated that since this subject must be written about all cannot be in order in Bulgaria and that after 50 years cruel and severe methods and customs remain unchanged here.

Initial issue of this paper also carries declarations by Nikola Petkov, Agrarian leader, regarding his attitude on Government and political situation. He calls for resignation of Cabinet and formation of new Government to conduct free elections. This should be done within framework of FF (Fatherland Front) but with addition to it of other democratic organizations to insure complete representa-

tion of public opinion. All democratic organizations must receive right to exist freely as political groups and to publish their newspapers including these outside FF (Fatherland Front). He calls for liberty of speech, press and assembly, and personal liberty and security for all persons. He states that present changes in electoral law are not sufficient to guarantee free elections (re mytel 539 of today). He again insists on right of his group to publish Agrarian paper *Zemedelsko zname* and to be legalized as real Agrarian Party instead of Obbov's group which split from original party and with aid of militia and Communists seized premises of party and newspaper and was legalized as the Agrarian Party within FF (Fatherland Front).

Initial issue of new paper is remarkably frank and its tone refreshing in contrast to monotonous line followed by FF (Fatherland Front) papers. I am convinced, however, that its appearance now as opposition paper with apparent freedom of expression is but strategy of Communist-dominated FF (Fatherland Front) to instill confidence on party [*part?*] of US and UK and to further illusion of freedom of press and political activity for opposition. It remains to be seen if many other opposition papers will be permitted to appear and how long they can unhampered speak freely.

REWINKEL

874.00/9-1845 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 18, 1945—5 p. m.
[Received September 20—8:40 a. m.]

547. It is ever more apparent that new directives of Communist Party in Bulgaria aim at effecting a *rapprochement* with Petkov's Agrarians with a view toward obtaining their participation in FF (Fatherland Front) Govt and forthcoming elections (remytel 531, September 14). I have now received from Petkov through an intermediary the results of his conversation with Kolarov of September 15. At this meeting Petkov anticipating renewed blandishments of the Communists submitted to Kolarov conditions on which his Agrarians and the Social Democrats would participate in any FF (Fatherland Front) Govt. In summary these conditions are as follows:

(1) Since Agrarian Union is greatest political force in country, it must have post of Prime Minister in Cabinet.

(2) Post of Minister of Interior (now Communist) must be held by another political organization in FF (Fatherland Front) or by an independent in order to create tranquility in country. Posts in militia and in its administration must be proportionately distributed among parties of FF (Fatherland Front). Petkov stated that Com-

munist Party has through its effort to maintain a "revolutionary fierceness in the people" caused internal disorder and civil and economic uncertainty. Although Communist Party may use this line for its own internal purposes, it is unjust that this policy should be pursued through govt means and institutions.

(3) FF (Fatherland Front) must revert to its composition and internal structure as of September 9, 1944.

(4) Communists must completely acknowledge their mistaken interference in internal organization and policy of Agrarian National Union and Social Democratic Party with dismissal from FF (Fatherland Front) of the Obbov and Neikov rump groups.

(5) New FF (Fatherland Front) Govt must solemnly declare that it will restore completely the provisions of constitution regarding liberty of persons, press, property security of all Bulgarian citizens.

[(6) ?] Such a new Govt must grant amnesty to Muraview Cabinet in order to ensure confidence in Bulgaria and to carry out elections which will express exactly political feeling of country. With some purpose of ensuring tranquility certain past illegal actions of FF organs since Sept 1944 should be amnestied (i.e. forgiveness of Communist acts).

(7) Govt must frustrate by all legal means any attempt to restore present 1944 type of Govt or any other type of Fascist regime. It must prevent with all authority of its democratic people's power the establishment of any type of dictatorship cast right, left or solitary.

(8) Cabinet Ministers must act autonomously under law within their ministries but they must all be jointly responsible for Govt and must have a common interest in administration of all ministries.

(9) Bulgarian Agrarian National Union Anti- [*and*] Social Democratic Party must be legally recognized without formalities and they must be permitted without hindrance to publish their newspapers *Zemedelsko Zname* and *Nawod* [*Svoboden Narod*].

(10) Electoral law should be in complete conformity with constitution, the fundamental law of country.

Meeting went into immediate deadlock over question of Minister of Interior with Kolarov stating flatly that any changes here would be impossible and that this Cabinet [post] must be held by Communists. Conversation thereupon became heated with Petkov stating that his party would refuse to participate in elections if his conditions were not met, and with Kolarov accusing him of again attempting to bring foreign intervention into Bulgarian affairs. Amid further mutual recriminations, the meeting ended with no results.

Meanwhile, however, Communists are attempting to work on Agrarians from bottom and it is reported that in many villages and townships Communists or Militia are offering prominent local Agrarians position of mayor as evidence of their alleged desire to cooperate and share administration of country. These offers have thus far all been refused pursuant to unified policy of Agrarian Party.

REWINKEL

874.00/9–1945 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 19, 1945—5 p. m.
[Received September 20—2:35 p. m.]

550. As reported in mytel 539, Sept 17, the changes in electoral law have been approved and published and the date for elections set for Nov 18.

ReDeptel 300, Sept 7, received Sept 16. Two decrees effecting this came as a result of deliberations and recommendations of the National Committee of Fatherland Front and the Govt without regard to wishes or suggestions of opposition groups and without consultation or prior discussion with US and UK representatives. As in case of all decrees, however, they must have had express or tacit approval of General Biryusov, Chairman of Allied Control Commission, although US and UK delegates were not consulted (mytel 540, Sept 17).

Changes in the electoral law are insignificant and are deemed most unsatisfactory by opposition groups without the Fatherland Front. While article 53 as amended gives political parties or groups of parties the right to submit lists of candidates for election it is qualified by stipulation that such parties must first be recognized as legal persons. This is accomplished by court action under law on juridical persons, which states that before application for recognition can be made party must have received permission to publish and is in fact publishing a regular newspaper. Thus far no opposition group has been granted right of legal individuality although Social Democrats are now with difficulty publishing a paper. This article is also now qualified by amendment that if two or more lists of candidates are submitted by same legally registered party, the central administrative body of party will decide which list will be placed in name of party. Since Obbov's and Neikov's groups in Fatherland Front are still registered as legal Agrarian and Social Democratic parties, the inference is clear. For change in article 38 see mytel 539, Sept. 17.

Dept will have noted from mytel 529, Sept 12 the apparent Russian and Communist viewpoint on direction and methods of forthcoming elections. It is quite clear that present Fatherland Front Govt under Georgiev, with a possible addition of two nominal opposition ministering [*ministers*] to create impression of a representative Govt, will conduct elections unless Russian agreement is secured in London or Moscow to joint insistence by Allied Control Commission on reorganization of Govt on an *ad interim* Cabinet of Affairs basis, including proportionate representation of all democratic groups now in opposition outside Fatherland Front. I see no possibility of obtaining an

independent or other party control of Communist Ministry of Interior, but even were this achieved it would be only nominal unless entire militia were reconstituted on a proportionate basis between the parties. Communists, who have the arms, state they will fight before yielding control.

The six objectives listed by British would in theory ensure free elections, but as long as Communists effectively control militia, courts and electoral administrative machinery, they will remain only idealistic desiderata. Should we request such assurances, I am convinced that Fatherland Front Govt, and perhaps even the Chairman of Allied Control Commission would provide written guarantees on observance of these points.

Essence of Bulgarian electoral situation is that the minority Communist Party, now in effective control of country and its legal and administrative machinery, and at least passively supported by presence of Russian occupation troops, has specific program for future of Bulgaria which it will not abandon by permitting elections which would result in representative Govt controlled by Agrarians and other democratic groups. With this end it will in self-survival ensure the vitiation of all nominal guarantees of essential freedoms, although Fatherland Front is now making increasing efforts, for United States and United Kingdom consumption, to create illusion of freedom of press (remytel 541, Sept 17) and political activity. In meantime threats and intimidation by militia against the population especially rural continue. All laws on and guarantees of liberty are but worth paper they are written on as long as their implementation is in hands of group striving to retain and increase its power.

Thus, if US and UK Govts are determined to effect application of democratic principles in Bulgaria resulting in a representative Govt responsible to majority of population, I feel that it can be done only on a governmental level by agreement with USSR, to which country Communists look for directives and approval. A minimum concession by Soviets toward establishment of at least a basis for free elections might be withdrawal of their occupation troops, presence of which is so reassuring to Communists and present Fatherland Front Govt. Failing this or in addition thereto, it might be agreed by three powers publicly to authorize Allied Control Commission to undertake a tripartite investigation of conduct of the electoral campaign and actual elections and to submit tripartite report to three Govts for their decision before results of the elections are announced and accepted. Since Bulgaria is a defeated enemy country under an Allied Control Commission there should be no question of respect for her sovereignty in this regard.

The course of events again appears to be laid and Communists are preparing to follow it to their determined goal, viz, complete control

and communization of Bulgaria within the Soviet orbit. Whether they are to be restrained and whether a semblance of democracy is to be established in Bulgaria will depend, in my opinion, in large measure on extent of Russia's desire to cooperate with Western Powers in Eastern Europe.

I have discussed this telegram with General Crane who concurs in its contents.

Rptd London for Barnes as No. 9.

REWINKEL

740.00119 Control (Bulgaria)/9-2245 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 22, 1945—2 p. m.
[Received September 23—1 a. m.]

553. General Crane has just received from Turkish Minister [66] copy of FonOff note to him dated August 31 in which question of neutral merchandise in transit through Bulgaria at time of armistice in 1944 is discussed. Such merchandise, a large quantity of which was Turkish property in transit from Switzerland, was blocked by ACC (Allied Control Council) order until neutral ownership could be established. FonOff informed Turks that it had vainly tried to secure from ACC (Allied Control Council) release of such goods and that now it had received a notification dated July 10, and signed by Chairman of ACC (Allied Control Council), to effect that all such blocked transit merchandise in customs and railroad warehouses must be delivered to booty section of the Red Army for disposition by ACC (Allied Control Council). Notification further informed FonOff that this step was taken because changed circumstances had made it impossible to determine exactly ownership of such goods and question of payment therefor. FonOff stated that pursuant to these ACC (Allied Control Council) orders it was forced to seize all neutral merchandise caught in transit through Bulgaria at time of armistice.

Generals Crane and Oxley had no prior knowledge of this situation nor were they consulted concerning order issued by General Biryusov in name of ACC (Allied Control Council). They learned of it from the appeal to them, as members of ACC (Allied Control Council) by Turkish Minister. They will insist on discussion of subject in September 25 ACC (Allied Control Council) meeting.

Please inform JCS.[67]

REWINKEL

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[66] Vasfi Mentes.
[67] Joint Chiefs of Staff.

874.00/9-2545 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 25, 1945—6 p. m.
[Received September 26—8 p. m.]

558. Social Democratic Party (united) outside Fatherland Front was yesterday recognized by Sofia court as a juridical person, one week after initial appearance of its newspaper *Svoboden Narod* (remytel 541, September 17). This is first opposition party to receive such recognition with [*which*] entitles it to right to organized political activity and fact is proclaimed by Fatherland Front Govt as further evidence of freedom in Bulgaria.

Deliberate Communist campaign to create illusion of liberty and political freedom continues and every effort is being made to present window dressing for American and British eyes. Yesterday a second opposition newspaper, the *Zname* (*Banner*), organ of the small Democratic Party, was permitted to appear for first time. In its initial issue it calls for restoration of its civil liberties, personal freedom, security of home and the application of principles of Tirnovo constitution, basic law of country. It demands change in present Fatherland Front Govt of Georgiev and says that only a govt of all democratic forces in country can ensure free and democratic elections.

The entry of a section of disunited unimportant Radical Party into Fatherland Front (remytel 552, Sept 22) [68] is stated by Govt leaders to be evidence that it is not opposition but Fatherland Front which united all honest democratic forces in Bulgaria. Communist Vasil Kolarov informed press that admission of Radical Party was no reason for any change in Georgiev Cabinet before elections, but that its connections abroad would prove to world true democratic character of present Government.

REWINKEL

740.00119 Council/9-2545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 25, 1945—9 p. m.

8460. Secdel 120. For the Secretary: Brit Emb here has furnished Dept with paraphrases of Houstoun-Boswall's message Sept 7 to FonOff and latter's reply Sept 11 [69] regarding difficulties encountered by Greek reparations mission in Sofia and has requested that US Rep

[68] Not printed.
[69] Neither printed.

on ACC Bulgaria be instructed to support Brit position set forth in latter message. Dept is assured AmEmbassy London can obtain from FonOff paraphrase of these messages.

Subject to your approval, we propose to instruct Amrep Sofia to request Gen Crane to inform ACC that this Govt perceives no justifiable grounds for questioning liaison status and powers of Greek mission as fully accredited agent of Greek Govt which status has received approval of all three ACC powers and that accordingly request for confirmation by Govt Athens of claims submitted by Chief of Mission seems unwarranted.

Moreover, although we agree with Gen Biryusov's contention (See Brit telegram from Sofia to FonOff no. 1061 of Sept 14) [70] that rights and privileges of ACC members in Bulgaria cannot be claimed for Greek Mission, we feel ACC should, in the discharge of its functions with regard to the execution of the Armistice, invoke provisions of Article 15 of the Armistice to require Bulgarian Govt to provide such services and facilities as may be necessary to the fulfillment by the Greek Mission of the purposes for which its establishment was approved. In this connection, Dept would request Gen Crane to add that there is no basis for Bulgarian Foreign Minister raising question of reciprocal treatment for possible Bulgarian Mission as Greek Mission's presence in Bulgaria is predicated on Bulgarian obligations under the Armistice.

ACHESON

768.74/9–2645 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 26, 1945—3 p. m.
[Received 10:40 p. m.]

559. It has been reported to me that Foreign Minister Stainov has on several occasions stated in conversation that Bulgaria's only defense against Greek demands is complete friendship and collaboration with Russia who he maintained has declared her support of Bulgaria against Greece while Americans and British have stated that they will uphold Greek demands against Bulgaria. By thus playing on inherent dislike and distrust of Bulgars for Greeks he is attempting to portray Russia as champion of Bulgaria and thereby to strengthen position of Fatherland Front in its policy of deference to Russian wishes. His strategy, I believe, is that "a vote for the Fatherland Front is a vote for defense of Bulgaria against Greece" since Fatherland Front Govt has support and diplomatic recognition

[70] Not found in Department files.

of USSR. This may also explain Biryusov's threat to regents on Sept 7 (re my telegram 529, Sept 12) that Russia would be compelled to withdraw her "protection" from Bulgaria provided elections were not held under present Fatherland Front Govt headed by Georgiev.

Repeated to Moscow as No. 257.

REWINKEL

874.00/9–2645 : Telegram

The Secretary of the United States Mission in Bulgaria (Rewinkel) to the Secretary of State

SOFIA, September 26, 1945—5 p. m.
[Received 10:15 p. m.]

561. Third exposition [*opposition*] newspaper, that of Nikola Petkov's Agrarian Party, appeared today with Petkov himself as editor. Controversy regarding its name was settled by calling it *Narodno Zemedelsko Zname* (People's Agrarian Banner) as distinct from Obbov's FF (Fatherland Front) Agrarian *Zemedelsko Zname.* (Remytel 532, Sept. 15).[71] Petkov's leading article attacks FF for attempting to institute one party system in Bulgaria as well as fanaticism and extremism of dominating Communist group. He criticizes FF for admitting a faction of radical party (remytel 552, Sept. 22),[72] the leader of which St. Kosturkov [73] he terms a known Germanophile before Sept. 1944. He also points out contradiction between Georgiev's wish to readmit opposition into FF and National Committee's statement that opposition is an anti-people center of reaction. Thus greatest political party in Bulgaria now in bitter opposition to autocratic Communist-controlled Georgiev govt has finally been permitted to publish a paper but only with great difficulty and after overcoming innumerable obstacles deliberately placed in his way by FF.

REWINKEL

874.00/10–445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 4, 1945—3 p. m.
[Received October 5—11:48 a. m.]

576. I passed several hours in conversation yesterday with Minister of Foreign Affairs and Prime Minister separately. These were my first talks with them since returning.

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[71] See footnote 65, p. 330.
[72] Not printed.
[73] Stoyan Kosturkov, Minister of Education.

I told two Ministers in effect that it was my impression from having visited London that a reasonable Bulgarian Government could hope for US efforts in favor of fair peace treaty; in fact that I was of opinion that local government propaganda line that only Russia will defend ultimate rights of Bulgaria is not only tendentious but definitely contrary to fact.

We discussed reparations. Both Ministers agreed that Bulgaria should pay for damages caused in Greece and Yugoslavia, should restitute or pay for property as stipulated by Article XI of armistice and should compensate for war damage to United Nations property in Bulgaria. They appeared to be of my opinion that reparation obligations should be determined at once and that doubtless best procedure would be discussions in Moscow between Three Powers (possibly by way of Reparations Commission in Moscow) and immediate despatch of Three Power Commission to Greece, Yugoslavia and Bulgaria to verify claims on spot. They both spoke of compensation for property left by Bulgaria in areas formerly occupied by it. On territorial issues they admitted that Russia herself could never hope alone to obtain by treaty such favorable treatment for Bulgaria as retention of pre-war southern boundaries. When I suggested that US view would doubtless be that treaty should provide for full restoration Bulgarian sovereignty Ministers did not hide their preoccupation with presence of large number of Russian troops and their concern with question of when, if left to herself, Russia would withdraw these forces.

At this point in both conversations I said that there were no strings attached to US fairness but that US remained faithful to Yalta Declaration and naturally expects to negotiate treaty with representative Govt that it can recognize. As it seems self-evident that repetition of August election crisis and last moment postponement should be avoided, I suggested that Govt was faced with immediate problem of finding way to dissipate fear, distrust and lack of confidence sufficiently to induce real Agrarians and Social Democrats and rest of legitimate opposition to participate in general elections now scheduled for Nov. 18.

Only 2 weeks remain for Govt to act in this sense as under electoral law list of candidates must be filed with courts one month before election date. For reasons that will be explained my next following telegram both Ministers were doubtful of success in this respect. At same time they made it clear to me that elections will be held as scheduled this time and that ensuing Parliament and Govt that issues from it will "regularize" all that has happened in country since Sept. 9,

1944, thus clearing way for early convocation Grand National Assembly to deal with question of future form of Govt.

Foreign Minister made it clear that South Slav union remains definite FF (Fatherland Front) objective but professed opinion that union can come only after considerable passage of time and therefore not now live issue in Bulgarian external relations. Both Ministers revealed that significance for Bulgaria our disposition to enter into official relations with Hungary had not been lost on them. They complained that Hungarian Govt in composition more Russian-trained and Russian-dominated than Bulgarian Govt. To Prime Minister I did not hesitate to point out that pattern of Communist domination in Hungary appears not to be as advanced dogmatic as in Bulgaria and, at any rate, that in Hungary personal liberties do appear to exist whereas in Bulgaria fear inspired by Communist-dominated militia and administrative organs of Ministry of Interior conditions every aspect of life.

Both Ministers interpreted London meeting Foreign Ministers as complete failure and ill omen for peace and world security system. They are obviously more impressed with fact that Russia was *intransigeant* than that US and UK appear to have stood firm on fundamental European issues. I made point that neither Russia nor western democracies can live alone and that way to international agreements is by mutual compromise and that before compromise is possible clarification of respective positions of those who must ultimately compromise is essential. I express view that this is what had been happening in London and that in more restricted field similar problem obtains in Bulgaria, that is, that postponement of elections had served to provide legal status for opposition and had given opposition right publicly to express views; that now it is up to govt and opposition, by mutual compromise, to find way to elections in which all can participate, thereby assuring common action by great powers looking to early and fair treaty of peace for Bulgaria.

I asked the Prime Minister whether he perceived any objection to my repeating to Communist and opposition leaders what I had already expressed to him and Foreign Minister. He replied that, on the contrary, he hoped that I would do so; also that I would find the opportunity to say much the same thing to Russian authorities.

Whether he meant it or not, he said that it was duty of all of us to do our utmost to bring about elections that would assure Bulgaria early and fair peace, but thus he remained skeptical, perhaps knowing that Russians and Communists have no intention real compromise.

Repeated to Moscow as 259 and repeated to London as 10.

[BARNES]

874.00/10-445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 4, 1945—7 p. m.
[Received October 4—5:20 p. m.]

577. Prime Minister told me yesterday that all signs are lacking of preparations by Agrarians and Social Democrats outside FF (Fatherland Front) for participation in forthcoming general elections. He maintains that intransigence of opposition is established by Petkov's demands on Kolarov. (Please see Rewinkel's 547, Sept 18). He admits, on the other hand, that Communists, supported by Russia, cannot be ousted from Ministries of Interior and Justice. This admission indirectly supports much reported in mission's telegrams 520, Sept 10, and 550, Sept 19. Pit of situation is that postponement of Aug elections did gain at least provisional legal status and surprisingly free press for opposition parties. With a little more patriotism and a little less partisanship on both sides, and if Russia could be induced to relax pressure, or our pressure and that of UK could be stepped up to match Russia's, I believe that in 2 weeks intervening between now and time when lists of candidates must [be made up?] formula could be found which would sufficiently improve electoral prospects for opposition as to cause opposition parties to file lists.

These parties realize that concessions which they may reasonably demand of Communist Party are limited by fact that without important participation in the Govt by Communists, labor disorders would break out throughout country. On other hand, they are determined not to participate in elections, results of which foregone conclusion, so long as militia instrument of Communist Party intimidation and administrative and judicial organs of Ministers Interior and Justice throughout country staffed by Communists to extent 80 to 90%.

The recent completion of Georgiev Cabinet by inclusion therein of radical leader Stoyan Kosturkov as Minister of Education and Obbov Agrarian Mihail Gonovski as Minister of Agriculture reveals that despite concessions made under pressure election postponement, Prime Minister remains strong exponent authorization [*authoritarian*] Gov. Kosturkov is old and shopworn product outstanding pro-German Bulgarian political party First World War. During pre-eminence Regent Filov in Second World War, Kosturkov never doubted Germany's ability to gain total victory. Former Minister of Education Cholakov [74] has become Minister of Finance and Obbov, who was temporarily in charge of Ministry of Agriculture, remains in Cabinet

[74] Stanko (Stancho) Cholakov.

as Minister without portfolio. These changes mark end for time being of negotiations looking to return Petkov Agrarians to Fatherland Front.

Repeated to Moscow as No. 260.

BARNES

874.00/10-645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 6, 1945—noon.
[Received 9:08 p. m.]

584. In memo prepared for Secretary in London Sept. 14, I stated postponement Aug 26 general elections constituted set-back for Communist-dominated Bulgarian Govt more apparent than real and such would continue case until reorganized Cabinet in following sense:

(1) Inclusion therein real leaders Agrarian and Social Democratic Parties in place Communist stooges Obbov and Neikov;
(2) Acceptance within Govt representative Democratic Party, leaders of which faithful Anglo-American cause throughout German domination;
(3) Replacement Communist Minister Interior by representative less aggressive, more democratic political element, or by neutral figure country's life.

Memo pointed out reorganization Govt along above lines imperative to accomplish following prerequisites free elections:

(1) Holding of party congresses Agrarian and Social Democrats on basis party organizations existing prior May 8 and June 10, respectively, when Obbov and Neikov, assisted by militia, obtained control within FF (Fatherland Front) Agrarian and Social Democratic participation therein;
(2) Revision existing electoral law so as to assure free opportunity any non-Fascist party or candidate participate electoral campaign from outset to end. This would require elaboration some fair test "Fascist views";
(3) Freedom speech, press, radio and assembly for all;
(4) Measures to assume honest recording election returns;
(5) Reorganization militia in sense of police organ for maintenance domestic peace and order instead Communist instrument intimidation, oppression as now is;
(6) Liberation from prison or house arrest and restitution political rights such important, democratically inclined leaders as Burov, Nikola Mushanov, Gichev.

Petkov, Agrarian leader and outstanding figure all opposition, has now informed me that opposition prepared enter electoral contest throughout the country if conditions (3) in first paragraph above

and (5) in second paragraph met by Govt and if separate party lists outside the FF permitted. If these minimum conditions not met, psychology of fear will continue to control and elections can be no more than Hitlerite plebiscite.

Burov has expressed similar. However, he believes even without concessions demanded by Petkov opposition can beat Govt in Sofia. It is traditional in Bulgaria that elections are "made" much more effectively in provinces by organs Ministry Interior than in Capital. Foreign observation what transpires in Capital foregone conclusion. Burov will seek convince Petkov that opposition should announce participation Sofia and refusal participation provinces unless formula is found whereby Ministry of Interior and militia no longer instruments Communist intimidation. He believes opposition success in most industrialized center country and where the Agrarian Party obviously less strong than in provinces would establish beyond shadow of doubt opposition contention that free elections throughout country would give overwhelming victory to Agrarians and Democrats. His opinion victory for opposition Sofia would strengthen US and UK determination not to negotiate peace with Communist-dominated Govt and would ultimately force fall Georgiev Cabinet and new and free elections later.

Repeated to Moscow as No. 261 and to London as No. 11.

BARNES

740.00119 EW/10–1045 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, October 10, 1945—1 p. m.

329. The Brit Emb here furnished the Dept paraphrases Houstoun-Boswall message of Sept 7 to Foreign Office and latter's reply Sept 11 [75] regarding difficulties encountered by Greek reparations mission in Sofia and requested that US representative on ACC Bulgaria be instructed to support British position set forth in latter message.

Unless in meantime circumstances have changed so as, in your opinion, to make such action unnecessary or inadvisable, please request Gen Crane to inform ACC that this Govt perceives no justifiable grounds for questioning liaison status and powers of Greek mission as fully accredited agent of Greek Govt, which status has received approval of all three ACC powers, and that accordingly request for confirmation by Govt Athens of claims submitted by Chief of Greek mission seems unwarranted. Moreover, although this Govt agrees with Gen Biryusov's contention set forth in his letter quoted in Brit

[75] Neither printed.

telegram from Sofia to Foreign office No. 1061 of Sept 14[76] that rights and privileges of ACC members in Bulgaria can not be claimed for Greek mission, US Govt feels that ACC should, in the discharge of its functions with regard to the execution of the Armistice, invoke the provisions of article 15 of the Armistice to require Bulgarian Govt to provide such services and facilities as may be necessary to the fulfillment by the Greek mission of the purposes for which its establishment was approved. In this connection please ask Gen Crane to add that there is no basis for Bulgarian MinFonAff raising question of reciprocal treatment for possible Bulgarian mission as Greek mission's presence in Bulgaria is predicated on Bulgarian obligations under the Armistice.

Sent to Sofia, repeated Moscow, Athens and London for Secdel 167.[77]

BYRNES

874.00/10–1245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 12, 1945—11 a. m.
[Received 6:10 p. m.]

593. Having looked about and talked with all manner of Bulgarians and numerous foreign observers since returning Sofia September 29, it is my conclusion that although externals of local political situation appear changed considerably compared to pattern obtaining before August 24, when pressure from US, UK forced postponement elections, fundamentals of situation remain virtually same, viz, in effect Russia and Bulgarian Communist leaders constitute real government all important matters. Militia, administrative organs Ministry Interior and Courts Justice remain instruments Communist domination. Recorded on credit side of ledger since August 24 are following concessions to Anglo-American opinion:

1. All important members Muraviev Cabinet released from prison (Burov, Nikola Mushanov, Gichev, Dimov, and Muraviev himself). Technically some remain house arrest. Political rights restored to none. Nevertheless activity as party leaders tolerated time being.
2. Petkov Agrarian, Socialists and Democrats were permitted establish newspaper in which to date freedom expression equals if not exceeds liberty allowed opposition press any time Bulgarian history. These newspapers, particularly Petkov's, have been surprisingly successful cutting drastically circulation government press. Petkov's paper today most widely read publication Bulgaria.
3. Democratic opposition has in effect gained legal status time being.

[76] Not found in Department files.
[77] As Nos. 2123, 1049, and 8967, respectively.

4. Foreign journalists, particularly American, have been allowed enter country, circulate freely and send out reports unhampered serious censorship.

It is general belief these hard won concessions only temporary. Insinuations by Communists, Militiamen, provincial officials Ministries Interior [and] Justice as to what opposition may expect after election "victory" (FF) Fatherland Front November 18 heightens and substantiates misgivings.

Trustworthy foreign and local observers report throughout country Militia continues ruthless disregard human and civil rights in interest gospel from Moscow and tramping out opposition to it. Even Zveno Party of Prime Minister while still holding to necessity (FF) Fatherland Front unity adopted Party Congress October 7 resolution condemning Militia excesses and urging abandonment such instruments indoctrination as concentration camps and (FF) Fatherland Front "action committees". Resolution also critical state of affairs economic field. Implied country's economy being ruined by measures that destroy initiative and instill fear that in effect greatly reduce production instead increasing it. Petkov's newspaper commenting resolution observed that now hue and cry against government is unanimous except for Communists. Comment added that even more important than implied criticism resolution was expressed desire all delegates for strenuous effort part Prime Minister and Zveno to free Bulgarian people from "trusteeship Communist Party".

Nevertheless dominant fact political situation is that sometime ago General Biryusov gave "go ahead" sign general elections November 18 to be "made" by present set up and that loyal to its masters (Moscow, Georgi Dimitrov and local Communist leaders, Kolarov, sent to Bulgaria by Dimitrov, and Kostov and Chervenkov [78]) (FF) Fatherland Front is rapidly winding up preparation for electoral campaign. Announced yesterday campaign will be opened October 14 speeches Prime Minister, Kostov, Obbov, Neikov and Kosturkov.

Repeated to Moscow as 262.

BARNES

874.00/10–1245 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, October 12, 1945—6 p. m.

336. Following is extract my press conference Oct 10 as summarized in Radio Bulletin 242

[78] Vulko Chervenkov, member of the Politburo of the Central Committee of the Communist Party.

"Secretary pointed out that at the Berlin Conference it was agreed that each government should separately investigate conditions in the Balkan States in consideration of the question of the recognition of the governments not then recognized by the United States and by the United Kingdom, and that in his talk Friday night he had said that this Government had investigated conditions in Rumania and Bulgaria in accordance with the agreement at Berlin, and that it would continue to investigate. He said that he had determined, in continuing to investigate, to send a representative not connected with the State Department or with any inquiries or investigation that have been made in order that there would be a new approach, adding that such a man would be able to judge conditions without bias or prejudice in the light of conditions existing today. Secretary announced that he had selected for that task Mark Ethridge of the Louisville *Courier-Journal.* Asked when Mr. Ethridge was leaving, Mr. Byrnes replied that he would be here Monday [79] and would leave soon thereafter."

Please extend Mr. Ethridge every facility in performance his mission and notify ACC. Ethridge born Meridian, Mississippi April 22, 1896.

Composition his party, travel plans etc will be telegraphed to you as soon as determined.

Sent Sofia and Bucharest,[80] repeated Caserta.[81]

BYRNES

874.00/10-1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 15, 1945—1 p. m.
[Received 4:40 p. m.]

599. Secy's announcement Mr. Ethridge's Mission to Bulgaria and Rumania has given new life to Govt's propaganda line that western democracies have been deliberately misinformed on state of affairs in Bulgaria. For example, "Fatherland Front" Oct 13 said in part: "This indirect recognition (Ethridge mandate) of the fact (western misinformation) is a matter of great satisfaction to us. Information received by West thus far has come from sources interested in preventing [*painting?*] situation Bulgaria as black as possible. This information has come from opposition. We have always maintained that objective inquiry into conditions Bulgaria would hasten recognition real democracy our government."

It is my own view that insofar as Bulgaria is concerned Ethridge Mission should not be merely fact finding but should be used also to influence FF (Fatherland Front) and Opposition to come to such

[79] October 15.
[80] As No. 544.
[81] As No. 891.

terms with respect to November 18 elections as would assure participation all democratic parties by permitting separate lists, dispelling fear of militia persecution and intervention, and protecting election results from falsification by administrative organs Ministry of Interior. This will require that Bulgarian Government be induced to give due consideration to such statements as following from "*Svoboden Narod*" (organ Social Democrats) October 13: "A Ministry (Interior), administrative organs of which already gravely compromised by accusations of serious nature which cannot be answered convincingly, cannot assure free elections. Voter must feel free and secure, protected by law. So long as voter fears secrecy [of] ballot will not be respected, that on day after elections he will be arrested, so long as he sees tommy gun and hears 'death to the opposition'—there cannot be free elections."

Repeated to Moscow as 265.

[BARNES]

740.00119 E.W./10–1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 15, 1945—6 p. m.
[Received October 15—2:40 p. m.]

604. General Crane states Greek claims signed by Greek Foreign Minister as demanded by Biryusov have now been presented by Greek liaison mission and that mission's financial requirements have been set through action Bulgarian Foreign Ministry; therefore he and General Oxley do not think communication to ACC in sense of Department's 329, October 10, desirable at this time.

BARNES

611.7431/10–1645 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, October 16, 1945—6 p. m.

339. For your info only, announcement of reopening of trade between US and Hungary, Bulgaria and Rumania is under consideration. Announcement will outline procedures for US traders to follow. In this connection please inform Dept whether Bulgarian Government is now licensing imports, exports and the use of its foreign exchange. How are exports and imports cleared with ACC? Does government intend to handle all foreign trade? [82]

[82] In telegram 637, October 25, 3 p. m., the U.S. Representative in Bulgaria indicated no changes other than already reported in earlier telegrams, none printed.

US also expecting to set up post-liberation account for Bulgarian dollars in US available for purchases by Bulgaria in US. Additional removal of obstacles to trade under discussion.

BYRNES

874.00/10–1945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 19, 1945—3 p. m.
[Received 3:48 p. m.]

612. Minister Foreign Affairs told me yesterday that he was greatly displeased with that part of General Stoichev's recent statement in Washington to Overseas News Agency that touched on subject of future regime in Bulgaria. He said that this question is not yet before the Govt, that it will not be for some time to come and that in any event Stoichev is neither called upon nor qualified to express a view as to what decision Govt and Bulgarian people probably will take as to whether Bulgaria shall remain monarchy or become republic. He said he was so informing Stoichev and that subsequently an official statement will be made in same sense.

Repeated Moscow as No. 268.

BARNES

874.00/10–2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 20, 1945—11 a. m.
[Received 3:41 p. m.]

614. Discussing Bulgaria's unfortunate plight of being at the crossroads of great power interests, Bulgarian Minister for Foreign Affairs said to me several days ago that it is illusory even to hope that Red Army can be made to withdraw from Bulgaria before following conditions met: (1) Satisfaction for Russia with respect to Straits; (2) withdrawal British Army from Greece. He did not in any way argue merits or demerits Russian position as he sees it. Merely stated foregoing as fact that cannot be dispelled by hope that situation is otherwise.

I have good reason to believe there are about 200,000 Russian troops in Bulgaria at this time, including five armored divisions, and that over last 3 months Russian air arm Bulgaria has been greatly strengthened.

Repeated to Moscow as No. 270.

BARNES

874.00/10-2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 20, 1945—2 p. m.
[Received 11 p. m.]

615. Fatherland Front electoral campaign opened yesterday afternoon great mass meeting Sofia addressed by Prime Minister and leaders FF parties.

Prime Minister declared postponement August elections imposed by foreign intervention hurtful Bulgarian pride but that delay not regrettable as permitted preparations better conditions for holding elections. Mentioned this connection legalization non-Fascist opposition parties, freedom of press for them and rectification certain shortcomings electoral law. Bitterly attacked opposition for decision boycott elections. Dismissed their explanations as political chicanery and charged real explanation lies in fact opposition knows it has no mass following and is therefore seeking to blackmail Govt and country by threat of further foreign intervention against FF elections. In this connection it is understandable that he did not mention exclusion opposition from state-controlled radio; did not deal with fact August postponement was not followed by reorganization govt because direct Soviet intervention; did not reveal elections are being held by Georgiev Govt because Russia so ordained; did not reply to basic contention opposition that so long as Ministry Interior, militia and courts remain instruments Communist domination psychology of fear conditions all aspects Bulgarian domestic life. He did admit early irregularities and excesses of militia but maintained Govt had held revolutionary surge in check after September 9 more effectively than could any other political combination have done and that conditions in this respect improving daily because Govt's determination to deal drastically with any irregularities or excesses coming its attention.

He announced that following postponement elections (specifically FF anniversary September 9) Govt liberated 600 persons from "re-education" (concentration) camps and that prior thereto another 600 had been liberated. He said that lists have now been prepared and orders given for the liberation further 1400. He contended that thus about two-thirds total inmates will soon be free. (Opposition contends at least seven camps exist, some with more than 2000 each.) He also announced that following August postponement 302 persons sentenced by People's Courts had been pardoned and that punishment additional 401 reduced; also that relatives of persons executed by

People's Courts since banned provinces will be allowed return their homes.

In field of foreign affairs, Prime Minister announced original program FF remains intact. However, perhaps significance should be ascribed to fact that in yesterday's résumé of program statement of friendship with western democracies did not trail along behind glowing words of enduring brotherly ties with "twice liberating Russia". Instead Prime Minister spoke of close ties friendship three great Allies. He said relations with Greece not good as Greece continues to assail Bulgaria and ascribe low motives to her on every possible occasion. The Prime Minister mentioned London conference in refutation opposition's insinuations Govt hindering just peace. He said that it was not for Bulgaria to discuss difficulties that had arisen London. Expressed pleasure our acceptance Stoichev and hope British do likewise soon.

Prime Minister dealt with term "democracy". Said FF wants democratic order corresponding local conditions and spirit character Bulgarian people. Here he doubtless had in mind differences of concept between West and Russia that have plagued friendly relations between Russia and western democracies for so long. He declared FF had never sought Soviet form of govt for Bulgaria and that it will not do so; that what it desires is economic democracy and social justice; that individual rights and initiative will be interfered with only when they conflict with superior rights and interests of people and state. Interesting to note here that later at meeting Comrade Kolarov announced "happy news that Georgi Dimitrov will soon return Bulgaria".

Speeches FF party leaders primarily denunciation opposition—in other words purely campaign speeches of type we have all learned to expect from Communist and Communist-dominated party leaders.

My impression yesterday's mass meeting and opening campaign speeches is FF still remains on defensive before fact of August intervention western democracies; therefore that Govt is still anxious appear conciliatory before official and public opinion US and UK while at same time hoping Russia will be able in end convince its Western Allies that democracy does prevail Bulgaria. What FF Govt and Russia do not appear to understand is that our concept democracy demands a govt representative will of people rather than Govt claiming right to determine best interests state and people and governing accordingly.

Repeated to Moscow as No. 271.

BARNES

874.00/10-2345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 23, 1945—(11?) a. m.
[Received October 24—1 a. m.]

622. I feel that there is one outstanding point that we must never overlook in assessing US–UK August intervention Bulgarian political affairs. I would approach that point by asking question "What would be the situation in Bulgaria today had there been no intervention by us". (Please see final paragraph my telegram 399, July 30[83] and my telegram 426, August 7). Significance this point has grown on me daily since my return London and more especially yesterday, first day Ethridge's conversations about town, by insistence non-Communist members FF that FF Govt be given due credit for increased civil liberties since postponement August elections. This improvement resulted solely from US–UK persistent intervention in days between August 13 and 24. Therefore, why all the talk and speculation about intervention hurtful to Bulgarian pride when at same time Govt preens itself in light of improvements for which it wishes to be given full credit. It seems to me that here is a point most pertinent to any reexamination that may be given at this time to the development of US policy toward eastern and southeastern Europe. In any event we can rest assured, and can do so on basis of proof supplied by the Communist-dominated Govt itself, that our intervention in Bulgaria has worked for the good of human beings and has worsened nothing, unless it be the Soviet Union's record for double dealing.

I have read this telegram to my British colleague who feels very much as I do and who will so express himself to Foreign Office.

Repeated to Moscow as No. 272 and to London as No. 12.

BARNES

874.00/10-2345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 23, 1945—noon.
[Received October 24—2:50 a. m.]

623. Implications Kolarov's announcement early return Georgi Dimitrov reported my telegram 615, October 20, should not be underestimated. Postponement August elections has not dispelled fears many Bulgarians set forth my 426, August 7. Neither has Prime

[83] *Conference of Berlin (Potsdam)*, vol. II, p. 728.

Minister's disavowal Soviet form of government for Bulgaria (my telegram 615). I believe that if FF (Fatherland Front) contrives appearance overwhelming victory November 18 "elections" Dimitrov's "buddy" Kolarov stands good chance being next Prime Minister shortly after which Dimitrov may become President Bulgarian Republic. Agrarian leader Petkov repeated last night in presence Ethridge that some time ago Kolarov had offered him post Foreign Minister on condition he, Petkov, would accept Dimitrov as President and Kolarov as Prime Minister. Government's nervous reaction Stoichev's statement Washington (my telegram 612, October 19) may also be straw in wind.

Repeated to Moscow as 273.

BARNES

874.00/10-2445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 24, 1945—5 p. m.
[Received October 25—1 p. m.]

631. Recent conversations had with Communists including those of Ethridge reveal determination not to compromise with opposition in matter of November 18 elections. Communist point of view is that they gained power by resort to armed force and that they will again use armed force to retain power unless otherwise ordered by Moscow. Communist Minister of Interior stated flatly Government will not declare publicly that blank ballots will be respected; neither will Government accede to oppositon demand to share radio time although radio Government-owned and acquired and maintained through taxation.

Attitude non-Communist Parties within FF (Fatherland Front) clearly revealed by statement today of Neikov, FF Social Democratic stooge, to old friend American journalist Markham. Replying to Markham's observation that something similar to French elections is what all friends of democracy would like to see in Bulgaria, Neikov asked, "Then what would become of us" that is, those who are not Agrarians and Communists. He said that anything approaching free elections in Bulgaria would give virtually all seats in Parliament to Agrarians and Communists. In this connection please see Mytel 341, July 7. I might add that it is generally said that recent admisson into Cabinet of Radical Kosturkov has increased FF (Fatherland Front) votes by the 124 of his followers.

Repeated to Moscow as No. 275.

BARNES

740.00119 Control (Bulgaria)/10-2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 27, 1945—midnight.
[Received October 28—6:45 a. m.]

642. General Crane informed orally by General Biryusov Russian authorities will not clear Dr. Black[84] into Bulgaria. He said Black not sufficiently friendly to Russian objectives here. Do not believe we should acquiesce this unjustifiable attitude. Recommend vigorous protest both here and Moscow. Think it significant Biryusov has not put his views in writing.

Repeated to Istanbul as No. 8.

BARNES

874.00/10-2945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 29, 1945—7 p. m.
[Received October 30—5:38 p. m.]

645. In Mytel 559 [*599*], Oct. 15, I expressed view that insofar as Bulgaria is concerned, Ethridge Mission should not be merely fact finding but should be used to direct local political developments along path that would facilitate understanding between US and Russia in connection with Yalta Declaration on Liberated Europe. Mr. Ethridge's activities here and local and Russian response thereto have strengthened me in this view. As Russia is real stumbling block to broadening basis FF Govt and forthcoming elections, the point at which Mr. Ethridge's conclusions must be brought to bear if stalemate of non-recognition is to be avoided is Moscow. I cannot imagine of any way in which these conclusions could be [used] more effectively to modify local situation for better and bring closer together US and Russian points of view with respect to Bulgaria than to have Mr. Ethridge go directly to Moscow upon completion of Bulgarian visit, purpose entering into direct conversations under the guidance Ambassador Harriman, with competent Russian authorities. He would go there with prestige of enthusiastic reception given to him all political groups and currents opinion in Bulgaria and with first hand knowledge necessary to cite chapter and verse in reply to Russian disposition to dismiss all criticism on grounds US not accurately informed. I believe such effort our part would also [dispel] Russian suspicion by emphasizing that we are anxious to find way of "getting

[84] Floyd H. Black, president, American College, Sofia.

on" and that we have no desire to score a political or moral victory expense Russia.

Following résumé written by Mr. Ethridge of important talk he had this morning with General Biryusov seems to support foregoing recommendations, especially as Biryusov is "cautious operator" limited by Moscow's traditional reluctance to grant large authority to agents abroad. I am telegraphing recommendations in conjunction with this résumé with approval Ethridge.

This is by no means final or interim report from Ethridge. Its purpose is solely to report a conversation with General Biryusov today.

Ethridge said he desired to give General his impressions after talking with great many people and to receive impressions from General. Ethridge said there was general agreement among all with whom he talked that at time of its organization year ago Fatherland Front represented between 80 and 90 percent of the people of Bulgaria and met stipulations later agreed upon at Yalta but there was also almost unanimous agreement that its popularity had sharply declined because of excesses including those of courts [and] militia and activity of Communists in seizing power everywhere. Ethridge added he felt that Russia's position had become prejudiced to some extent in that she as occupation force and as force backing Communists was naturally held responsible also.

Ethridge continued he does not now consider Fatherland Front representative govt as defined under terms Yalta Agreement in that it was his feeling that a great majority of Agrarians and Socialists not represented. Ethridge pointed out that opposition Agrarians and Socialists still in sympathy with the Fatherland Front program and that it therefore seemed to him that way to make govt representative in sense Yalta would be to broaden base by bringing back into it Petkov Agrarians and Lulchev Socialists. Ethridge said he had had indications that such solution would not be impossible before elections if both govt and opposition could be encouraged to make *rapprochement* but that concessions would be necessary both sides. One concession he felt necessary on part of govt was change in Communist Minister of Interior since he has directed militia and district and municipal officials in seizure of power for Communist Party. He has become symbol to both sides. To opposition he is symbol of repression and of forceful imposition of will to rule; to Communists he is symbol of their safety in that they think his fall would bring reprisals. Ethridge pointed out fallacy of Communist argument in view of occupation forces here. He then asked General if he would be inclined to give encouragement to Bulgarian leaders to get together. Biryusov said in effect that opposition was inconsequential, that its only

strength came from hope of intervention Western Powers. As Chairman Allied Control Commission he could not intervene in political affairs, he said, but he would report conversation to Moscow. Implementation of Yalta was a matter between the three govts, he added, and not one for ACC. He implied however that if he received instructions to act on Ethridge suggestion he would do so.

On Barnes' suggestion Ethridge asked Biryusov whether any purpose would be served by Ethridge going to Moscow. Biryusov replied he would likewise report this suggestion to his government. (*End Ethridge Résumé*).

Ethridge reluctant to proceed Moscow. Nevertheless while all local possibility negotiations not yet exhausted it becoming increasingly clear that in Bulgaria Moscow decides, not local political leaders nor Russian representatives. He therefore willing to act on views expressed first paragraph this telegram if Dept also of opinion his visit can accomplish positive results only if facts he has learned are brought to bear Moscow. As elections scheduled November 18, it will be necessary to act utmost dispatch should Dept conclude visit Moscow might serve useful purpose.

Repeated to Moscow as No. 278.

BARNES

874.00/10-3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 30, 1945—noon.
[Received 1:15 p. m.]

646. Remytel 645, October 25 [*29*]. Last night Ethridge had 2-hour talk with Prime Minister Georgiev in which he informed him of his earlier conversation with General Biryusov and Prime Minister confirmed in large degree Ethridge's own impressions as to decline in FF (Fatherland Front) position during past year and asserted that one of his Government's chief concerns now was to win back the group of Petkov whom he characterized as only true Agrarian leader.

As regards suggestion to early change in Ministry of Interior with a view to facilitating reconstruction of FF before elections Georgiev raised several objections. He pointed in particular to technical obstacles presented by election law, certain apprehensions on part of Soviet authorities regarding Petkov and fact that personnel of Ministry is still largely Communist. He nevertheless claimed that progress was being made in bringing Zveno and Agrarian personnel into Ministry of Interior and expressed great hope that when this had proceeded further prospects for changing minister himself would

be much brighter. Prime Minister greatly interested the thought that Ethridge mission proceed to Moscow, stating frankly that more could be done there than anywhere else at this time. Concern of Georgiev was not only to influence decision of [Soviet Union] Communist Party but also to reassure Soviet authorities that change which he admittedly favored was not one forced on FF by western intervention in Sofia but rather one urged only after due consideration had been given to special position and interests of Moscow here.

Repeated to Moscow as No. 271.

BARNES

874.00/10–3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, October 30, 1945—3 p. m.
[Received 6:25 p. m.]

647. From Ethridge: In the time that I have been here I have talked with Bulgarian people of all political complexions and all social strata, including leaders of the Govt, the opposition and independent organizations to the number of approximately one hundred. I spent the first week in series of fact finding conversations and observations.

It became apparent to me and was confirmed even by members of the Govt including the Prime Minister, a Minister without Portfolio and the Secretary of Foreign Affairs that the Govt as presently constituted is not representative in the sense of the Yalta Declaration and that large democratic elements are excluded. It is also apparent to me, although denied by most of the members of the Govt and all members of Fatherland Front National Committee, that under the circumstances there can be no free election. It will be an election of extreme pressure and coercion, including threats of later reprisals and probably of fraudulent counting. The failure of the opposition to register candidates makes possible only a protest with blank ballots which it will require great courage to cast and which quite probably will not be counted.

Responsible members of the Cabinet do not deny that the Govt is dominated in all major matters by the Communist Party directed from Russia. There is quite open admission of it even in the highest and most responsible Govt circles. The Prime Minister in a conversation which Mr. Barnes is relaying separately (see his 646, Oct 30) admits the situation, says the power lies in Moscow, but believes and I am inclined to agree, that a measure of moderation has been achieved and that it will continue under pressure from the outside, mainly

our pressure, accompanied by the resurgence of moderate political movements inside.

I came to the conclusion that the best that can be done before the elections is to undertake to persuade the Russians to allow the Bulgarians to work out a broader base for the Fatherland Front. It could be made really representative of the people if the formula could be found to take back into the Front the great majority of Agrarians who are now dissident and the Socialists and Democrats who have broken away because of the excesses of the Communists. It is a long shot but worth trying. I have no assurance that it will succeed.

Last night after conversation with Biryusov I had 2 hours with the Prime Minister, told him of the conversation and asked his views. He took an exception to the statement that the govt was not representative, confirmed the fact that Obbov, Minister without Portfolio, is really only front for small Communist-dominated element of Agrarians and that it was necessary to bring back other elements before the Govt would be really representative. He made clear that the answer lies in Moscow, either through direct approach from Washington or through my going there. The decision on that is for you and I have no advice to give on it since the idea must be fitted into the broader framework of Russian relations.

Mr. Barnes and I are still working on the theory that local possibilities have not been exhausted and we shall continue them, but it is obvious that the final answer must be made by Moscow.

Effort to get something done before elections to improve the position of Bulgarian people and ourselves has made it impossible to go to provinces so far but will do that later this week unless I hear from Biryusov favorably and something more can be done here. Will give later complete narrative on development of situation with outline of possible action. [Ethridge.]

Repeated to Moscow as 280.

[BARNES]

874.00/10-3045 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, October 31, 1945—2 p. m.

356. For Ethridge. In the absence of intervening developments in Sofia and subject to comments of Ambassador Harriman which have not yet been received, I believe it would be advisable for you to proceed to Moscow as suggested (Sofia's tels 645, 646 and 647 of Oct 29 and 30) as soon as possible to discuss with Molotov, in conjunction

with and, of course, under guidance of Amb Harriman, general situation in Bulgaria along lines you have outlined.

Before such conversations took place I would transmit to you more concrete comments in regard to specific proposals which might be made to Soviets but it would be our intention to allow you and Harriman as broad discretion as possible consistent with our general policy that we wish to see in Bulgaria an interim Gov broadly representative of all democratic elements of the people and elections insuring an effective expression of the free will of all democratic sections of the electorate.

Sent to Sofia, rptd to Moscow.[85]

BYRNES

740.00119 Control (Bulgaria)/10-2745 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, November 1, 1945—6 p. m.

357. Urtel 642, Oct 27. Please ask Gen. Crane to press Gen. Biryusov further with regard to entry of Dr. Black pointing out that Black, as prewar head largest US educational philanthropic institution in Bulgaria desires proceed Bulgaria strictly on business of that institution and that we regard Soviet unwillingness authorize clearance as unjustifiable.

Sent Sofia, repeated Moscow and Istanbul.[86]

BYRNES

874.24/11-245 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, November 2, 1945—4 p. m.

361. US Commerce Dept will shortly announce that applications for licenses will be accepted for exports to Bulgaria. Announcement has objective of facilitating restoration of private trade with Bulgaria. Complete text will follow in airgram.[87] Please suggest to General Crane that on receipt text he may wish to call announcement to attention of Allied Control Commission and may wish to suggest that ACC grant permission for Bulgarians to trade with US.

BYRNES

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[85] As No. 2251.
[86] As Nos. 2257 and 235, respectively.
[87] A-461, November 9, to Budapest (361 to Sofia, 582 to Bucharest), not printed.

874.00/11-245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 2, 1945—5 p. m.
[Received November 4—2:45 p. m.]

651. Again this Mission has only local press report of an official statement by Secretary of State on matters affecting Bulgaria to go on. I refer specifically to Mr. Byrnes' statement of October 31 or thereabouts to the effect that the U. S. would never enter into any Eastern European arrangement hostile to the Soviet Union.[88] I could with equal pertinency refer to President's 12 points program American foreign policy.[89] In the absence these two texts I am somewhat at loss to report intelligently on local reaction thereto. This is especially the case as Government press and those members of Government to whom I have talked since yesterday represent Secretary's statement as "watering down" of sixth point President's 12 points program. In other words Secretary's statement has been utilized here to encourage view that U. S. is willing to compromise with Russian policy as it has manifested itself in Eastern European interest of larger understanding between U. S. and Soviet Union. I assume from second paragraph Department's telegram No. 356, October 31, that local efforts to present Mr. Byrnes' statement as "softening" our view about importance Yalta declaration is contrary to fact.

Repeated to Moscow as No. 28.

BARNES

874.00/11-345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 3, 1945—4 p. m.
[Received 9:02 p. m.]

652. From Ethridge. Just returned Sofia after two and half days in provinces. Trip curtailed by word of your message regarding Moscow.[90] Nothing yet heard from Biryuzov. Glad to go to Moscow your direction but would like to make further observations now and request more detailed instructions as to conversations there.

Trip to provinces only confirms impressions previously reported that interim government not representative and that elections under

[88] Address before the *Herald Tribune* Forum, New York, October 31; for text, see Department of State *Bulletin*, November 4, 1945, p. 709.

[89] Statement by President Truman in New York, October 27; for text, see *ibid.*, October 28, 1945, p. 653.

[90] Not printed; it requested Ambassador Harriman in Moscow to arrange for Mr. Ethridge's visit (870.01/11-145).

present circumstances cannot be considered free expression of people. We would be betraying them and ourselves if we pretended that victory of Fatherland Front in circumstances more than *fait accompli.* Only refinement of previous impression gained from provinces is that despite their adherence and attachment to Petkov, mass of Agrarians constituting probable majority in country may vote for Fatherland Front in elections either through attachment to party rather than leaders or because of coercion and fear. Must repeat, however, that without representation of Petkov Agrarians and Lulchev Socialists present government dominated by Communist minority is not representative.

Whether Moscow conversations have chance of success depends in final analysis upon Russia's intentions here. If she wants merely friendly government she can have it by restraining local Communists [and] supporting change of Minister of Interior and perhaps Justice. These measures would halt political arrests and facilitate agreement of all leaders for reorganizing Fatherland Front granting general amnesty and holding free elections. No responsible leader here takes any position other than that Bulgaria's policy must be oriented to Russia's strategic and economic needs. The country would of necessity maintain a friendly policy toward Russia regardless of results of free elections. Petkov told me other day he was seeking interview with Biryuzov to tell him that:

People here fear other possibilities after November 18 elections. One is declaration of republic with Georgi Dimitrov, whose record you have, as president with an entirely Communist-dominated government ruling by repression. In that event people expect further outbreak of terrorism which, for the moment, by general agreement has moderated although political arrests and threats continue. If that comes about without our protest we have delivered Bulgaria to a minority ruling by force. Some non-Communist members of government frankly fearful but hope to be able to continue on present line of moderating what they regard as natural revolutionary terrors. If Dimitrov comes to power, no possible question of Russian intention. She may be determined to have it that way and therefore be cold to any suggestion that would shake loose present Communist power.

Another possibility openly discussed is that Bulgaria may become Soviet Socialist State. Do not believe that even Bulgarian Communists, with few exceptions, want that and effort to achieve it would bring perhaps blood bath. Bulgaria already Socialist state and efforts of Communists to carry through so-called land reforms temporarily stalled because Bulgaria as strongly individualistic as South Carolina Baptists. But only Moscow knows answers to its intentions and could force through anything it desired with Russian troops here.

734-362—68——24

Should Moscow conversations fail to produce change before elections, there are, to my mind, and offered only for your consideration, certain courses that might be followed:

1. A flat statement in advance of the elections that you do not consider the interim government representative in accordance with the Yalta Declarations, and will not recognize the government that comes out of the elections. This is the bold and positive course. While it might heighten political tension here for the moment, it would, in my mind, have the advantage of bringing better long-term conditions and of fulfilling the faith in America which is most strong with all Bulgarians with whom I have talked, except the most rabid Communists. It is the course which I personally would take given only the Bulgarian situations with which to deal.

It is, of course, recognized that the two following points are not consistent with general policy outlined your telegram 356 October 31, but they are offered in consideration of the general picture.

2. Make no statement in advance of elections but at a later date stipulate conditions for recognition which would embrace broadening the base of the government as suggested in paragraphs two [*second?*] and three [*third?*] above and ending political reprisals. This course would serve to strengthen the hands of moderates in any event. I reported previously (my telegram 646, October 30) that the Prime Minister has hopes that changes after election will improve the situation under the Yalta formula of representative government. This course is merely a policy of watchful waiting preparatory to a compromise which would try to get the best we can for the Bulgars and ourselves out of a bad situation. It also presupposes that the moderate elements will continue in the government after the elections and will continue to fight for political reform.

3. Confess to ourselves that the Russians have no enthusiasm for the Yalta Declaration and no intention of implementing it where they have "security" or strategic interests and consider recognition as the first step toward a peace treaty that should certainly stipulate removal of Russian troops. Withdrawal of troops would in itself tend to stabilize the political stiuation. Such consideration should be coupled with a continuing vigorous American policy here designed to further political freedom and establish trade and cultural relations.

In the meantime, it is my strong feeling that everything possible should be done in Washington, Moscow and here to express our point of view and our determination not to make merely face-saving gestures. My readiness to go to Moscow if you think advisable is based on previously reported long-shot hope. Do not think it more than that if situation in Bulgaria is considered apart from the whole pattern of Russian-American relations.

These observations, as you know, do not come out of anti-Russian or anti-Communist attitude. Communists here have done great good for previously exploited workers and have their natural support.

Personally, I feel that Communists are stronger natural force than opposition believes and would poll higher vote than low estimates

I have been given, but nothing like majority. Difficulty is that with superior organization with dynamic force as opposed to dialectics of coffee-house politicians, with arms at their command and Russia at their back, Communists have the whole show and non-Communist government Ministers are largely stooges or worn-out politicians who think they can out-maneuver them.

Repeated Moscow as 283. [Ethridge.]

BARNES

874.00/11-345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 6, 1945—7 p. m.

2298. Urtel 3718 Oct 31.[91] With regard to objectives Ethridge visit to Moscow following comments our thoughts in matter may be useful as guidance: (Deptel 2251, Oct 31)[92]

It seems possible that a frank discussion with Molotov of situation in Bulgaria as determined by Ethridge's independent investigations in course of which he has talked with numerous persons of all shades of opinion might contribute to a *rapprochement* of Soviet and US views in regard to that country. If it is pointed out to Soviets that on basis of Ethridge's conclusion (Sofia's tel 652, Nov 3 and previous) as things now stand conditions there are not such that we will be able to recognize and conclude a peace treaty with the present unrepresentative Govt nor a Govt resulting from the scheduled elections in which large democratic elements of the electorate will not participate, the Soviet Govt might be disposed to explore with us possible steps which could be taken in the circumstances. I cannot believe that the alternative which would seem to be the continuance for an indefinite period of the present unsettled international status of Bulgaria will appear any more desirable to the Soviets than it does to us.

In any case, even if Molotov is disinclined to go along in the matter, Ethridge's visit might, I think, help to convince Soviets of our readiness to reach common attitude on this as on all problems in the spirit of Yalta.

As regards specific proposals that might be made, Dept feels that, after informing Molotov of Ethridge's findings and after making clear to him that as things are now this Govt will have no course consistant with the democratic principles to which we hold but to continue to decline to recognize the present regime in Bulgaria,

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[91] Not printed.

[92] Same as telegram 356 to Sofia, p. 358.

Molotov's own suggestions as to possible steps toward the reconciliation of our respective points of view there might be invited. Any proposals he might make would be most welcome.

However, if he is unwilling to make any suggestions and takes the position that he would prefer to hear our views in the matter it might be stated in the first instance that we adhere to the position set forth in my statement of Aug 18 [93] that it is necessary that an interim Govt representative of all democratic elements of the electorate be formed and that elections be held in such manner that all democratic elements of the people can participate therein. We believe it is to the interest of all the Yalta powers to concert action to this end and we would suggest that those powers urge that the Bulgarians take appropriate steps immediately 1) to provide for the submission to the electorate of lists of opposition candidates, postponing the election scheduled for Nov 18, for sufficient time to accomplish this purpose, and 2) in the meantime to reorganize the Govt by the inclusion of opposition representatives. A necessary condition for the achievement of a basis for this course would appear to be the reorganization of the militia to preclude its use as an instrument of force and intimidation.

If this course is rejected by Molotov, Dept is considering and will appreciate Ethridge's comments on possibility that in order to proceed with consideration of peace treaties in Europe we accept an arrangement whereby the Yalta powers would urge that the Bulgarian Govt be reorganized on above lines without delay and that disregarding elections of Nov 18, the Govt so formed would agree to conduct additional elections within the next few months on the basis of unhampered participation of all democratic parties. In this connection, I may say that while we have carefully considered suggestion that opposition parties rejoin the FF, Dept does not see how the reentry of these parties into the FF before Nov 18 elections could affect outcome on that occasion unless FF list of candidates could be altered to include opposition members which we understand is not possible unless elections are again postponed.

As Brit have for some time been pressing us concerning steps to be taken by Brit and US before Nov 18 election, I am informing them of contents this telegram but without suggesting they take any action at this stage.

Sent to Moscow, rptd to Sofia for Ethridge.[94]

BYRNES

[93] See telegram 260, August 18, p. 294.
[94] As No. 363.

874.00/11-645

Report by Mr. Mark Ethridge to the Secretary of State[95]

[Here follow introductory and background sections on Bulgarian political situation.]

CONCLUSIONS

My own impression is that the Communists have overreached themselves. Force brings the necessity for further force and that is what has happened here. Some Government members are frankly fearful, and I have it on good authority that a good many moderate Communists would like to break away from the Party to save themselves from later reprisals, if they dared do so. I believe, too, that Russia has given directives to the Communists to modify their course here. Local Communists, out of their long bitterness, went back to the first page of the book on revolution and determined in Bulgaria to pull out by the roots all their ancient enemies, their new opponents and all institutions that flourished either under their local dictators or under the Germans influence. The situation is comparable in revolutionary terms to the early days in Russia and not, I believe, to present-day Russia. Anybody who does not subscribe to the program is a "Fascist" and people with Western education and culture or with Western connections are suspect.

The situation in Bulgaria is most complex. The country would have had a revolution in any case after the Germans withdrew, because it has had complete dictatorship since 1934 and transition to any form of democratic government would not have been easy, particularly with all democratic parties completely demoralized. It could have been, however, much less bloody and it could have made the transition without swapping Fascist dictatorship for left-wing authoritarianism. Bulgaria is essentially a democratic country in aspiration. It has been badly governed; it has guessed wrong in every war in which it has been involved since 1912. Not all the guessing has been its own; it has been the pawn of big powers in a good deal of what it has done. It is a nation of hard-working people—the hardest-working I have ever seen—saddled with a military establishment which is much too big and much too expensive and completely ineffectual against any other power. It has all the conflicts of monarchist trappings; military conspiracy; politically-conscious, poverty-ridden agrarians who enshrine Stamboliski in their hearts as we enshrine Washington or Lincoln; and long-exploited industrial workers who have every reason to hate any past government and mistrust any future government that is not in their own hands. It

[95] Transmitted to the Department with covering letter of November 6; received November 15.

is indeed an agonized country at the moment without great hope for the immediate future, although I believe with normal crops (there has been a seven-month drought that has cut crops to about a third of normal), a few years of internal peace and freedom to trade to its own advantage, it could become another Denmark.

Whether it can become that is largely dependent on the course adopted by the major powers. Bulgaria, situated adjacent to Greece and Turkey and beyond a Rumania that is hostile to Russia, is the key to Soviet intentions in Southeastern Europe. It can be used strategically to force the Straits issue or to convert Greece into the Soviet orbit. It can be used as a nutcracker on Rumania. It can be used, as it is already being used, as a supply depot for the Soviets in raw materials that are being shipped elsewhere and sold at higher prices. It can be used, on the other hand, as a dumping ground for Soviet goods, including cotton and leather goods. It can be used, and I suspect it is being used along with Yugoslavia, Rumania, Hungary and other countries, as an outlet for civilian goods which the Soviet Union certainly must produce if it is not to have great unemployment and its own internal crisis. It can be used for the slow demobilization of Soviet armies, which, if too quickly demobilized, would create an unhealthy internal situation if employment is not readily available. The extent to which employment will be available inside Russia depends in large measure upon how much she has in the way of credits, machinery and materials for her own restoration. Therein, I think, lies the United States' strongest bargaining card in carrying out our political commitments.

Bulgaria is really tied up with the whole question of Soviet intent: with the question whether she intends to operate in the field of international cooperation or whether she intends to have her own bloc and her own sphere. The London Conference "failure" was not to my mind a failure; somewhere along the line we had to know each other's intentions and find a common ground where there would be no opportunity for misunderstandings, differing interpretations or evasions.

MARK ETHRIDGE

SOFIA, November 6, 1945.

874.00/11-745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 7, 1945—10 a. m.
[Received 11 : 50 a. m.]

657. Re my 656, November 6.[96] Three outstanding points made yesterday afternoon by Dimitrov in his vigorous, fist-pounding speech

[96] Not printed; it reported the return from Moscow of Georgi Dimitrov to Sofia (874.00/11-645).

in support of present order in Bulgaria were: first, elections shall be held November 18; second, they shall be held by present government led by Kimon Georgiev; third, any changes in government, any reconstruction that may be considered necessary will be accomplished later by Nation[al] Assembly, not now by pressure of opposition.

Further details will follow.

BARNES

874.00/11-745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 7, 1945—4 p. m.
[Received 5 p. m.]

659. Remytel 656, November 6.[97] It now seems clear that Dimitrov advanced his arrival by four or five days in order to block efforts under way locally to broaden the FF (Fatherland Front) by the reinclusion of Petkov's Agrarians and Lulchev's Social Democrats and possibly elements of the old Democratic Party; also to support locally the intransigence of Moscow as revealed in last night's speech by Molotov.

Mr. Ethridge's activities here, particularly his conversations with the non-Communist members of the Govt, led to feelers being put out by the Prime Minister to Petkov, and subsequent negotiations between the Secretary General of Zveno and the Secretary General of the Communist Party looking to a way to overcome Russian, and especially Biryusov's, objections to Petkov. Dimitrov's early arrival was no doubt designed to put an end to these negotiations and also possibly to bolster Kimon Georgiev, should he now be tempted, as he has been on two occasions in the recent past, to tender his resignation.

However, so far as I can judge this morning, Dimitrov's forceful statements of yesterday have not caused the opposition to abandon all hope that something may intervene between now and November 18 to change the complexion of the elections or to postpone them for a second time. Petkov told me this morning that the Social Democratic Minister, Neikov, finds himself in such a tight place under existing circumstances that he is contemplating withdrawal from the Govt in the next few days. Should he resign, the 32 Social Democratic candidates on the FF common lists would be withdrawn and this might place Georgiev in such a position with respect to the elections as to cause him to precipitate a Govt crisis despite efforts by Dimitrov and the Russians to keep him from wavering again as

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[97] See footnote 96, p. 366.

he did in August and for a second time prove Dimitrov an unsound prophet.

Repeated to Moscow as 287.

BARNES

740.00119 Control (Italy)/9-2845: Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, November 7, 1945—8 p. m.

365. Caserta's 3726 to Dept., repeated to Sofia as 76 Sept 28.[98] Reference is made to decision reached at plenary meeting of ACC on Sept 25 that Brit, Soviet, and US Reps on ACC should request instructions from their respective Govts relative to support to be given to Greek reparation demands under Article I of Protocol.

Brit Emb has inquired status US Rep's authority this regard and Dept has informed Emb that having received no request for further instructions to date, Dept assumes that Gen Crane considers previous instructions adequate for his guidance. If this assumption is unwarranted, please notify Dept urgently.

BYRNES

874.00/11-1045: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 10, 1945—noon.
[Received 4:15 p. m.]

669. From Ethridge. In a lengthy conversation with Georgi Dimitrov yesterday evening the Bulgarian Communist leader did his best to impress upon me the necessity that the FF (Fatherland Front) Govt remain in power and protested strongly that the Communists had no intention of seeking full control of the Govt or of establishing Soviet Republic at this time. When I pressed him as to what could be done to alleviate the political situation at this late date, given the fact that the govt has not yet been reorganized in a manner which we could consider representative under Yalta Declaration, Dimitrov took great pains to impress upon me that there could be no question of postponement of the elections or of any change in the govt before the elections. He, in fact, implied that the very purpose of his premature arrival in Sofia had been to strengthen the backbone of the govt at a time when fissures in it were becoming too apparent to be ignored. As regards the period after the Nov 18 elections Dimitrov held out vague hopes that the govt issuing from the National Assembly

[98] Not printed.

might be able to come to terms with the opposition, but asserted that such a compromise would depend more on the opposition than on him. He added that it was the intention of the govt to call a Grand National Assembly, the constituent body in Bulgaria, as soon as possible for the purpose of revising the constitution. I received very definite impression from Dimitrov that he has advised Communist moderation here, with temporary halting of program in the hope of quieting political situation, drawing US into recognition and then at later date resuming Communist program for Bulgaria without, in the meantime, sacrificing Communist position in Govt.

In view of the self-confidence with which Dimitrov asserted the impossibility of making any changes until after the elections it appears likely that he may have been given assurances before leaving Moscow that the Soviet Govt would support him on this point. I therefore suggest that the Secretary prepare a statement on the views of our Govt regarding the Bulgarian elections so that it may be issued promptly in case I should discover after my initial conversations in Moscow that Soviet Govt is unwilling to consider a postponement of the elections scheduled for Nov 18. Such a statement would serve as a check on the FF Govt and, while it would probably not bring about a reorganization of the Cabinet or a new postponement of the elections, it would encourage the moderate elements within the govt to bend every effort towards reorganizing the FF as soon as possible after the elections.

Am delayed here by unavailability of plane which Russians promise to provide.

Repeated to Moscow as 292. [Ethridge.]

BARNES

874.00/11–1145 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 11, 1945—10 p. m.
[Received November 12—1:26 p. m.]

670. From Ethridge. Leaving for Moscow weather permitting 7 a. m. tomorrow.[99]

In an hour's conversation with Prime Minister Kimon Georgiev this afternoon, I once again impressed upon him view that FF (Fatherland Front) Govt could not be considered representative in Yalta sense and that in opinion of our Govt forthcoming elections would provide no solution to problem. I then informed him of my instructions to press at Moscow for postponement of elections and added that if no agreement could be reached on that point our Govt would

[99] Mr. Ethridge departed from Sofia at 8 a. m. on November 12 for Moscow.

probably stipulate reconstruction of Cabinet and holding of new elections as prerequisite to recognition.

The possibility of new postponement obviously troubled Prime Minister but while he attempted to attribute stubbornness to [*of?*] opposition during past 2 months to their hope of intervention by Western Powers he had no solution to offer. He backed away from his previous admission to me that his Govt was unrepresentative by saying that while FF (Fatherland Front) had been badly impaired by withdrawal of opposition elements it still represented a majority. I pointed out that only way to ascertain that was by free elections.

Prime Minister gave it as his view in discussing what might happen after elections to satisfy our viewpoint, that it would not be possible to include members of opposition in Cabinet during the session of the National Assembly since constitution requires Cabinet members to be assemblymen but that they could be placed on FF Central Committee and in different places of responsibility throughout country. He further said that after National Assembly had been dissolved, it would be possible to reorganize the Cabinet provided the Govt and that opposition could get together and include all democratic elements in the Cabinet. I asked casually about, but did not press, a proposal which might be later made, that the National Assembly be restricted to a few routine measures such as passage of budget, legalizing decree law etc. If the Moscow conversations are not successful on the point of postponement that proposal will be elaborated in a telegram to you for your consideration.

In the meantime, I should like to urge again your consideration of a statement to be issued before the elections saying that we will not recognize these as free elections in that neither Govt nor elections meet stipulations of Yalta. It will have great effect in this country and may force changes more speedily than they could otherwise be had. My own feeling is that failure of our Govt to make its stand known in advance of elections would be a bad letdown for great majority of Bulgarian people and a great morale factor for those in power.

Repeated Moscow as No. 293. [Ethridge.]

BARNES

874.00/11-1245 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 12, 1945—8 p. m.
[Received November 13—9:38 p. m.]

676. Petkov and Gichev have decided to make common cause against the FF, Obbov and his so-called Agrarian Party Central Committee.

Petkov remains Secretary General Central Committee. They have addressed united declaration to all Agrarian Party members calling upon them for union in present fight for the Tirnova constitution and for personal and civil liberties. This agreement between two factions of Agrarian leadership will probably have little effect in terms of balloting on November 18. Unity within opposition cannot wipe out Communist and militia-inspired fear or effectively counteract militia and administrative intimidation. On the other hand it should go far to bolster morale of those who hope that, even if elections held November, possibility of continuing struggle against one party system will still exist. It is also believed that among the Agrarian candidates appearing on the United FF lists are many Agrarians loyal to Gichev. Should a sizeable group of these candidates withdraw from elections with[in] next few days, perhaps hands of Prime Minister and Russians will be forced in favor of second last moment election postponement. In any event substantial withdrawals would greatly embarrass Obbov.

Repeated to Moscow as No. 295.

BARNES

874.00/11-1345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 13, 1945—noon.
[Received 1:19 p. m.]

677. For Ethridge.[1] Suggest that should your conversations reach point of proposing project for limitation activities of Parliament issuing from November the 8th [*18th*] elections provisions should be made not only for revision of electoral decree law before legalization by Parliament but also for similar revision of decree law for "defense of People's authority". This law has today been evoked as basis of lengthy and trumped up indictment of defeatist and sabotage activities against G. M. Dimitrov and so-called Gemetovists of last spring.

Indictment is obviously work of Russian NKVD (Soviet Secret Police), bully Communist secret committee that directs militia, and central committee FF (Fatherland Front). It brings into sharp relief inability of moderate elements within govt really to modify local situation for better along lines you have discussed with them. These elements including Prime Minister's have since Dimitrov case first figured prominently in our relations with Bulgaria, disclaimed any credence in exaggerated charges of Communists and Russians against Dimitrov and have even professed desire to see him reinte-

[1] Sent to Moscow as telegram 296 for Ethridge.

grated into Bulgarian political life. Now Russians and Communists are setting stage for political trial that will of course end in death sentences for Dimitrov and considerable number his political friends who have been held in prison without being charged since his escape in May. I believe this fact is best yardstick with which we have yet been provided to measure incapacity or insincerity of moderate elements who argue that if we recognize govt in which they participate, even though govt may be dominated by Communists, we will be taking most effective steps toward betterment conditions in Bulgaria. Just the contrary may well be the case. I also believe that today's indictment goes far to substantiate fears that so many Bulgarians express of what may be expected of Communists after November 18 election unless western democracies can so bring their influence to bear as to hold Communist's fury in check.

I would also like to suggest that Ambassador Harriman consider desirability of keeping his British colleague currently informed of course of your conversations. Our experience of August in connection with local election situation demonstrated importance of parallel if not united action by US [and UK in matter] on [*of*] political conditions in Bulgaria. Had Bevin's statement been made at same time as Mr. Byrnes', impact would have been in opinion of all of us here far more effective and immediate.

Repeated to Dept as 677.

BARNES

874.00/11–1345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 13, 1945—4 p. m.
[Received November 15—1 p. m.]

679. It is reported here that Mr. Ethridge will have his first conversation (please see my telegram 677 today's date) on political situation in Bulgaria with Molotov this afternoon at 3:00 o'clock. Referring to recommendations made by Ethridge in final paragraphs telegrams 670, November 11, and 669, November 10, from this Mission, I would suggest as deadline for pre-election statement midnight November 15. I cannot urge too strongly view that simultaneous declaration by UK most desirable.

Repeated Moscow as 298.

BARNES

874.00/11-1445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 13, 1945—5 p. m.
[Received November 15—1 : 50 p. m.]

680. Foretaste of what is doubtless in store for opposition and civil liberties in Bulgaria is perhaps given by fact that Democratic Party newspaper *Zname* did not appear afternoon Nov 10 nor yesterday afternoon nor will it appear this afternoon because of proposed article critical of that great liberty-loving Bulgarian Georgi Dimitrov. Non-appearance also measure of consideration really given US and UK views by local Communists.

Subservient as is all organized Bulgarian labor to Central Committee Communist Party, typesetters of print shop presses which have produced *Zname* refused to work on material critical Bulgaria's greatest political blatherskite. For same reason Petkov's *Narodno Zemedelsko Zname* did not appear this morning. And so as we come closer to Nov 18 so do we come to better comprehension of true state of affairs in Bulgaria. There is in reality no basic liberty for opposition nor has so-called moderate element in Govt any effective influence when it comes to matters of fundamental importance to Bulgarian people. So-called moderate element serves only as screen to hide from public view vicious practices of "new aristocracy", already drunk with power and carousing in manner that those who went before them, bad as they were, did not dream of indulging themselves.

Reports of past 24 hours from provinces of renewed terroristic activities on part of militia and administrative organs of Ministry of Interior explain today's exultant enthusiasm of Communists and even of such Zveno representatives in govt as Minister of Foreign Affairs with respect to foretaste November 18 election results. Petko Stainov points to Tito's "success" Nov 11 [2] as measure of what FF (Fatherland Front) anticipates for November 18. Even in Sofia there is hardly house or apartment that has not already been visited by representatives of FF conveying menacing indications of how occupants must conduct themselves Nov 18 if they do not wish a second "visitation" in days immediately following elections. In order [*other?*] words Communists are making it clear to all that US [*sic*] has no intention whatever of tolerating abstention from polls nor resort to blank ballots.

Repeated to Moscow as 299.

BARNES

[2] See telegram 649, November 13, from Belgrade, vol. v, p. 1284.

874.00/11-1445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 14, 1945—1 a. m.
[Received November 13—9:24 p. m.]

3845. ReDept's 363, November 6 to Sofia.[3] From Ethridge. In a 2-hour conversation with Vyshinski this evening[4] accompanied by Harriman I presented our views with regard to the forthcoming Bulgarian elections. I described in some detail the conclusions which I had reached as a result of my investigation in Bulgaria (my 645, October 29, and 647 October 30, from Sofia), stressing in particular the representative character of the Fatherland Front Government as originally established, the Communist drive for power accompanied by excesses and coercion which ultimately led to the withdrawal from the Cabinet of those Agrarian and Socialist leaders who refused to conform to the party line, and my consequent conclusion that at the present time the Bulgarian Government could no longer be considered as representative within the meaning of the Yalta formula. I then pointed out that, both because of the coercive measures employed by the government and because of the failure of the opposition parties to register candidates on account of their fear that the results would be falsified, the elections scheduled for November 18 would provide no test as to the representative character of the government issuing therefrom. I also made reference to the fact that certain actions of Genl. Biryuzov, and the numerous telegrams directed to the Bulgarian Communists from Moscow by Georgi Dimitrov, had created the impression in Bulgaria that interference on the part of Soviet Government was an important factor in the situation.

To this Vyshinski replied that he did not believe the situation in Bulgaria to be different from that in a number of other democratic countries in that the various parties all had their own policies and that consequently if the followers of Petkov desired to leave the government and boycott the elections that was their affair and they would have to accept the consequences. He added that he considered the Fatherland Front to be a representative government insofar as the leading democratic parties participated in it and that it was handling its problems in a serious fashion and sincerely trying to restore democracy in Bulgaria. As regards the allegations of Soviet interference in Bulgarian affairs, he replied categorically that no such interference had taken place.

To my direct question as to whether the Soviet Government as a Yalta power would be willing to suggest to Bulgaria that the elections

[3] Same as telegram 2298 to Moscow, p. 363.
[4] November 13.

be postponed in order to provide time for the reorganization of the government and creation of conditions in which a free election could be held, Vyshinski replied that his Government would regard this as an unjustifiable intervention in Bulgarian affairs. In reply to a further question of mine, he stated that in case the Bulgarian Government asked the advice of his Government as to whether it should postpone the elections it would give the matter due consideration in the light of conditions existing at the time.

In view of the stand taken by Vyshinski, which differed in no way from that taken by his fellow-believers in Sofia, I recommend that the Secretary consider an immediate note to the Bulgarian Government along the lines of his statement of August 18, pointing out that our Government will not be able to recognize a government resulting from the scheduled elections and that the Secretary at the same time make the note public. Simultaneous notice should of course be given the Russian and British Governments. The recommendation as to a note coupled with a statement is made because in that form I believe it would have greater impact in Bulgaria and conceivably could create a situation in which the Bulgarian Government would make a request to the Yalta powers for consent to postpone. In any case a statement along the lines suggested in mytel No. 669 of November 10 from Sofia is essential.

In the course of this evening's conversation I did not, of course, raise the question as to what steps should be taken in the event that the November 18 elections are held and I should appreciate suggestions the Department may have in this connection beyond those summarized in its 363, November 6 to Sofia. In a later telegram I shall elaborate in some detail a course of action which might be proposed.

Repeated Sofia for Barnes as 122. [Ethridge.]

HARRIMAN

874.00/11-1445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 14, 1945—3 p. m.
[Received November 15—8:25 p. m.]

682. Reports still persist of uneasiness in Zveno circles over Govt's apparent determination to proceed with Nov 18 elections. It is again reported on good authority that Finance Minister Cholakov expressed desire at yesterday's Cabinet meeting to resign and that Prime Minister said his desire would be considered at next Cabinet meeting. Press this morning announces that Cabinet will not meet again until election returns are known. There are also further indications that Social Democratic Minister Neikov remains uneasy about continuing

in a Cabinet that persists in making elections contrary to popular will. It is just possible that a strong message from Mr. Byrnes and Mr. Bevin within next 24 to 36 hours against the elections could tip the scales in favor of resignations that might force Govt again to last moment postponement. In any event Russia's attitude as revealed by Vyshinski in Ethridge's first conversation with him (Moscow's telegram No. 3845)[5] would seem to clinch the argument in support of immediate statement by US and UK. During past 2 days opposition press has been urging Regents to precipitate Govt crisis either by tendering their resignations or by convoking a Crown Council to consider electoral situation.

Repeated to Moscow as No. 300.

BARNES

874.00/11–1445 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, November 14, 1945—7 p. m.

373. Moscow's 3845, Nov. 14. Please transmit following communication to Bulgarian Govt urgently:

"As the Bulgarian Govt is aware the US Govt desires to conclude a treaty of peace with Bulgaria with the least possible delay and with that end in view has hoped to be able to recognize and establish diplomatic relations with an appropriate provisional Bulgarian Govt at an early date. It is essential that such a Bulgarian Govt be adequately representative of the important elements of democratic opinion and that arrangements be made for free elections in which all democratic elements of the country may effectively participate, free from the fear of force and intimidation, in order that the will of the majority of the people can be determined and the pledge given to them at Yalta be fulfilled.

The announced object of the recent visit of Mr. Mark Ethridge, the special representative of the Secretary of State, was in fact to investigate this situation. Mr. Ethridge's findings have been made known to the Bulgarian Govt as well as to the signatories of the Yalta agreement.

Since the postponement of the elections originally scheduled for Aug 26, 1945, an opportunity has been given for freer political expression. However, no steps have been taken since August to reorganize the present Bulgarian Govt to make it truly representative of democratic opinion. From the elections now scheduled for Nov 18, 1945, important democratic elements are excluded through the operation of a single list of candidates. Moreover, there are indications that the free expression of popular will is being further restricted by threats of intimidation and later reprisals. There is no reason to believe the results of an election conducted under such conditions

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[5] *Supra.*

will reflect the Bulgarian people's choice of a representative democratic Govt."

London and Moscow are requested to inform the Brit and Soviet Govts of this expression of our views. The text of the above communication will be released to the press as soon as you telegraph urgently that it has been delivered.

Sent to Sofia, rptd to London and Moscow.[6]

BYRNES

874.00/11-1445: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 14, 1945—7 p. m.
[Received November 15—1:45 a. m.]

3859. From Ethridge. Assuming elections are held in Bulgaria on November 18 I should like to suggest the following course for the consideration of the Secretary:

That we propose to Brit and Russian Govts as Yalta powers that a joint note be sent to Bulgarian Govt making stipulations outlined below with each power reserving to itself right to take such action as it sees fit in case the terms of the proposal are not fulfilled by Bulgarian Govt:

1. Reorganization after November 18 elections of govt to include real leaders of all parties which originally adhered to Fatherland Front program of September 1944. This would necessitate neutralizing Ministries of Justice and Interior.
2. Holding of new elections in which all democratic parties will be free to participate on basis of single or separate lists as they may decide among themselves.
3. All parties participating in new elections to subscribe to general amnesty with respect to all political acts subsequent to September 1, 1944.
4. National Assembly issuing from November 18 elections to be restricted in competence to accomplishment of following program:

(*a*) Passage of a budget law.
(*b*) Legalization of decree laws from September 9, 1944 to date of present agreement.
(*c*) Voting of general amnesty set forth in paragraph 3 above.
(*d*) Modification of electoral law as may be considered necessary by electoral committee composed of members of all democratic parties.
(*e*) Calling new general elections for National Assembly which would then be competent to call the Grand National Assembly for revision of constitution.

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[6] As Nos. 9986 and 2339, respectively.

5. Recognition to be accorded after formation of new govt along above lines giving pledge to holding of new election.
6. Treaty of peace with Bulgaria to be concluded as soon as possible thereafter.

Mr. Barnes collaborated in preparing draft on which these proposals were based and will no doubt give his comments from Sofia.

In view of position outlined by Vyshinski in conversation Tuesday night, and reported to the Secretary in my 3845, November 14, 1 a. m., from Moscow, that Soviet Govt does not intervene in affairs of other govts, it is highly improbable that Russia will subscribe to proposal of joint note but we are in that event free to give Bulgarian Govt our own views of what will be necessary to lay base for recognition.

It is my own feeling that even if we do not get new elections for National Assembly we will get reorganization of govt and freer basis than now exists for later elections; that we may get substantial agreement of restriction of National Assembly as outlined in proposal No. 4 and that we will get agreement to general amnesty which would greatly ease tension in Bulgaria and reassure Communists who are now afraid to relax power for fear of reprisals.

Bulgarian situation will not be quickly or easily worked out but I believe the desire for recognition and for a peace that would mean withdrawal of occupation forces to be so great that our insistence and pressure will strengthen the hands of the moderates including some of the older and more seasoned Communists who have undoubtedly worked within their own party for an end to excesses and for stability. I also feel that the firmer our position is at the moment the more we will hasten recognition and formal peace, both of which are highly desirable.

Taking into consideration fact that above proposals could not be made until after elections on November 18, Harriman and I both feel that unless Department has other ideas in connection with pre-election statement on Bulgarian situation, it is better for me to go on to Rumania after one more general conversation with Molotov or Vyshinski and leave further negotiations there with regard to Bulgaria to normal channels.

Sent Department 3859; repeated Sofia 124. [Ethridge.]

HARRIMAN

874.00/11-1445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 14, 1945—midnight.
[Received November 15—12:10 a. m.]

685. Senior Regent Ganev told me tonight that in his opinion those who hope that Bulgaria will be saved from one party system under

complete Russian domination must consort immediately to prevent November 18 elections. He said that Vyshinski has for some time now made it clear to local govt and to Rumanian Govt as well that Russia will not cede one iota in the Balkans. (Please see final sentence mytel 682, November 14). He said also that he anticipates a statement either tomorrow or the next day by some local authority either Bulgarian or Russian that Moscow has effectively refuted all arguments of Ethridge and that elections will be held November 18 without fail.

I pointed out to Regent that Ethridge's task in Moscow would be greatly facilitated by some forthcoming gesture from Bulgarians themselves but that I had become convinced that we could hope for nothing along this line from the so-called moderate elements in the govt such as Prime Minister and Minister for Foreign Affairs. I then requested permission to ask indiscreet question and when he consented asked him point blank what we could expect from him as Senior Regent of Bulgaria. Ganev replied that for some days now he has been thinking over what possible helpful effect his own resignation could have—would such a step further isolating the Communists and the Russians from the general trend of Bulgarian opinion force the issue of a Cabinet crisis and thus postpone elections or would it further Communist domination. He said that if US and Great Britain were prepared to make a strong statement against elections on November 18 and would follow up with firm policy against recognition of govt that might issue from such elections, he was prepared to do his utmost to influence situation toward postponement, even if this necessitated precipitating regency crisis by tendering his resignation. He confirmed report that the [Zvenar] Minister of Finance Cholakov desires to resign and said that his own resignation would in his opinion encourage Cholakov to take positive action.

I told Regent that I would inform Washington immediately of his position and that at the same time I would make his views known to my British colleague for such action as latter might consider feasible under circumstances. British representative is telegraphing urgently in support of strong statement and firm policy.

Repeated Moscow as No. 303.

BARNES

874.00/11-1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 15, 1945—noon.
[Received November 16—2:45 p. m.]

686. Mytel 474, August 24, reporting postponement of August 26 elections said, "This decision reflects credit on Bulgarian Govt and

USSR". I added, "It should not be overlooked that Prime Minister and Minister Foreign Office have now given positive evidence of correction their former views on world affairs" and suggested that in consequence Bulgarian Govt merited acceptance by US of their desire to send General Stoichev to US. I have just received a verbal message from Regent Ganev (remytel 685, November 14) pointing out that acceptance by US of Stoichev did more than any one thing to bolster Kimon Georgiev in power after August 26. Since then, however, Georgiev's Govt has not corrected conditions in Bulgaria against which we complain under Yalta Declaration. Ganev, therefore, of opinion that any statement by US at this time against the November 18 elections should be supplemented by announcement that until Bulgarian Govt meets test of Yalta Declaration Stoichev's representative status will be disregarded by US Govt. He believes effect here would be most pronounced.

Repeated to Moscow as 304.

BARNES

874.00/11-1545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 15, 1945—3 p. m.
[Received November 15—12:55 p. m.]

3867. From Ethridge. Upon consideration of comments contained in Barnes' 296, Nov 13, to Moscow, repeated to Dept 677, I should like to suggest for Dept's consideration that course outlined in my 3859, Nov 14, repeated Sofia 124, be amended as follows:

Under paragraph 4 section (*b*) the National Assembly issuing from Nov 18 elections should be specifically instructed to suppress the Decree Law for the "defense of the people's authority" or at least to amend it along lines agreed upon by Committee composed of members of all democratic parties. Question of Dr. G. M. Dimitrov['s activities] would naturally be covered by general amnesty suggested in paragraph 3.

Ambassador Harriman and I concur fully with Barnes' suggestion in last paragraph of above cited telegram that full effectiveness of our position could be obtained only through close coordination with the British.

Sent Dept 3867, repeated Sofia 126. [Ethridge.]

HARRIMAN

874.00/11-1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 15, 1945—4 p. m.
[Received November 16—4:25 p. m.]

688. Yesterday Regents received Social Democratic leader, Pastukhov, who recently has been urging in columns of his party's newspaper that Regents recognize their responsibilities and if necessary force by their own action a Govt crisis that will compel postponement of elections.

Pastukhov made three main points in his conversation with Regents:

1. Election question tied up with problem of foreign relations which will be dealt with by three Great Powers. Bulgaria should help Powers in settlement of these problems, not seek to confront Powers with *fait accompli.* Bulgaria should avoid giving impression of collaborating with only one Great Power.
2. Reconciliation between political extremes in country should be accomplished before elections. Political peace is a prerequisite. It should be clear to everyone that present Govt does not represent whole Bulgarian people and cannot therefore hold free elections.
3. Regency must act as supreme constitutional organ and convoke crown council composed of representatives all political parties and groups.

In conclusion Pastukhov stated that he was not an adversary of collaboration with Communist Party and acknowledged necessity of maintaining closest ties with Soviet Union. He said, however, that he was unalterably opposed to hegemony any one party at present critical period Bulgarian history and that all parties should be in Govt on basis of equal rights and equal responsibilities. It is only in this manner he maintained that serious internal disturbances may be avoided.

Following interview with Pastukhov, Regents began consultations with all opposition leaders.

It is not believed these conversations will lead to any concrete political developments unless new orders come from Moscow or pressure from US and UK suddenly tips scales against Communists and Prime Minister Georgiev.

Rptd to Moscow 306.

BARNES

874.00/11-1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 15, 1945—5 p. m.
[Received November 17—6 : 17 a. m.]

689. FF (Fatherland Front) newspaper carries ominous news this morning that "the People's Militia have discovered that certain opposition elements are preparing excesses for November 18 in hopes of hindering elections by starting disorders. The People's Militia warns that the severest measures will be taken against those who disturb the peace." This item smacks of a pre-arranged alibi.

Petkov's newspaper announces this morning that use of force to break up opposition political meetings in provinces has so increased of late that permanent committee of the Agrarian National Union has decided to cancel all scheduled political meetings throughout country and to convene no further meetings until freedom of speech, conscience and assembly reestablished.

Repeated to Moscow as 307.

BARNES

874.00/11-1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 15, 1945—6 p. m.
[Received November 16—1 : 35 p. m.]

690. Remytel 688 today's date. All afternoon newspapers carried following "important denial" printed upper case bold faced type:

"It is denied that Regency Council has received any representatives of opposition during these days. If any of Regents have held personal interviews with such persons it does not follow that Regency as an official and superior institution of state has opened negotiations with representatives of opposition and still less that Regency has adopted or even taken into consideration such proposals as were made by Mr. Pastukhov."

Repeated to Moscow as 308.

BARNES

874.00/11-1445 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 15, 1945—9 p. m.

2348. For Ethridge. You will have received a copy of the note which Barnes is instructed to deliver to the Bulgarian authorities in

respect to the Bulgarian elections.[7] Unless you consider it desirable to have further conversations with Molotov or Vyshinski in this respect I agree that you should proceed to Rumania as suggested in your tel 3859 Nov 14 leaving negotiations with regard Bulgaria to normal channels.[8]

BYRNES

874.00/11-1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 16, 1945—1 a. m.
[Received November 16—12:45 a. m.]

693. Re my 692, November 15,[9] Department's 373, November 14, just received. Both Prime Minister and Minister for Foreign Affairs departed this afternoon for provinces. Before departure Regent Ganev urged me to contact them and insist that they remain to receive any communication that US Government might wish to make to them, he believing that they were leaving to be absent until Monday[10] in order to be able to excuse themselves, should there be an important communication from US Government, on grounds that they were absent and therefore could not act upon such a communication until after elections. I have just informed Under Secretary Minister for Foreign Affairs that if he does not contact Prime Minister and Minister for Foreign Affairs before 4 a. m. this morning and arrange for their immediate return to Sofia contents Department's 373 will be announced publicly in Washington tomorrow as having been officially communicated to Bulgarian Government tonight. I shall report within next few hours whether Stainov and Georgiev are on their way back to Sofia.

BARNES

874.00/11-1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 16, 1945—2 a. m.
[Received November 18—11:05 p. m.]

694. Remytel 693, November 16, 1 a. m. Both Prime Minister and Minister of Foreign Affairs promise to be in Sofia and to receive personally from me contents of Department's 373 by 1 p. m., Sofia time

[7] See telegram 373, November 14, 7 p. m., p. 376.
[8] Mr. Ethridge left Moscow on November 18.
[9] Not printed.
[10] November 19.

November 16. Request Department release communication at 12 noon Washington time November 16.[11]

[BARNES]

740.00119 E.W/11-1645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 16, 1945—2 p. m.
[Received 3:13 p. m.]

695. Contents Dept's 373, Nov 14, handed in form of written note to Prime Minister, accompanied by Minister for Foreign Affairs at 1:15 p. m. today. Prime Minister said he would consult with his Cabinet colleagues during course of afternoon. He made no comment except to say in passing that it was not really true that he had taken no steps to reorganize govt after Aug 26; that in fact he had sought for some days to establish contact with opposition for purpose of negotiations but that before any serious conversation had taken place opposition had notified regents that all possibilities of compromise had already been exhausted. I report this comment merely to keep record straight not because it has any intrinsic importance.

Repeated Moscow as No. 313.

BARNES

874.00/11-1745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 17, 1945—9 a. m.
[Received November 18—6:20 p. m.]

690. As anticipated, Government has decided to go ahead with elections tomorrow. Prime Minister left again for provinces yesterday evening and Minister Foreign Affairs telephoned to say some time today a reply will be made to note communicating contents Deptel 373.

Reaction official circles is that US Government never goes much farther than merely to communicate notes; therefore, the contents thereof need not be taken too seriously. In this connection, I have come to believe that course recommended with respect to General Stoichev by Regent Ganev has much merit. (Remytel 686 November 15). Such action would at least dot a few "i's" and cross a few

[11] For text of Department's press release, see Department of State *Bulletin*, November 18, 1945, p. 791.

"t's" here, and at same time US Government would be sacrificing nothing.

Repeated to Moscow as No. 314.

BARNES

874.00/11-1745: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 17, 1945—11 a. m.
[Received 1:10 p. m.]

697. All morning newspapers carry following official announcement:

"American political representative in Bulgaria, Mr. Barnes, yesterday visited Prime Minister, Mr. Kimon Georgiev, and handed to him a note in name of Secretary of State which pointed out once more attitude adopted by American Govt of denying representative character of Bulgarian Govt in connection with question of establishing diplomatic relations between two countries. Secretary of State again expressed his fear that threats will restrain free expression of people's will. Note does not make any demand for postponement of elections."

Realizing that government would thus try to gloss over actual contents of note, I released copy last night to Social Democratic newspaper *Svobodna Narod* which published full text this morning.

Repeated AmEmbassy Moscow as 315.

BARNES

874.00/11-1745: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 17, 1945—5 p. m.
[Received 5:30 p. m.]

12105. FonOff official today told us that Foreign Secretary has decided not to address another note to Bulgarian Government on subject of elections as Brit Government had made its position perfectly clear in August; position has not changed and Foreign Secretary considers there is no reason to reiterate Brit views.

(Sent to Department as 12105; repeated to Sofia as 4 and Moscow as 394).

WINANT

874.00/11-1745

Memorandum of Conversation, by the Acting Chief of the Division of Southern European Affairs (Reber) [12]

[WASHINGTON,] November 17, 1945.

Participants: General Stoichev, Bulgarian Political Representative, Mr. Radoev; [13]
The Under Secretary
Mr. Matthews
Mr. Reber

At his request General Stoichev accompanied by Mr. Radoev called on the Under Secretary at 5:30 on November 17. General Stoichev said he had been instructed by his Minister for Foreign Affairs to inquire what steps this Government wished the Bulgarian Government to take with respect to the forthcoming elections. He said that his Government had received our note but that it was at a loss to understand what steps would be required in order that the new Government might be found acceptable, particularly since full opportunity had been given the opposition to take part in the elections scheduled for the next morning. The Under Secretary replied that the note was quite clear and it was the opinion of this Government that elections conducted in the present circumstances would not give an opportunity to the people of Bulgaria to express a free choice. Mr. Acheson stated that these views had already been expressed on more than one occasion both by Mr. Ethridge, the special representative of the Secretary of State, and by Mr. Barnes, the United States Representative in Sofia; consequently the Bulgarian Government's request for further explanations at this late date was somewhat a surprising one, particularly since this Government's note merely confirmed what Mr. Barnes and Mr. Ethridge had repeatedly stated. He did not, therefore, think it was necessary in view of the time element to go beyond expressing the view that we could not feel that the elections would be conducted within the spirit of the Yalta pledge which had been assumed by this Government. When questioned by Mr. Radoev with respect to the authority of Mr. Ethridge to express the views of the United States Government, Mr. Acheson repeated that Mr. Ethridge was the special representative of the Secretary of State who had been sent out as an impartial observer to investigate conditions and to report his views. The note under discussion confirmed those views which were likewise those which Mr. Barnes had made known on behalf of this Government on repeated occasions.

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[12] The substance of this conversation was sent to Sofia in telegram 375, November 17, 7 p.m., and repeated to Moscow as 2416, November 29, 5 p.m.

[13] Capt. Petur Radoev, member of General Stoichev's staff.

874.00/11–1745: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 17, 1945.
[Received November 20—11:41 p. m.]

700. I have just received the following note dated today from Bulgarian Minister for Foreign Affairs:

"The Bulgarian Government, having taken note of your communication of November 16 addressed to the President of the Council of Ministers, has directed me to convey to knowledge of US Secretary of State following information: 'Inspired by desire to conclude early peace, Bulgarian Government proposed August 24 to three powers that signed the armistice convention adjournment of legislation [*legislative*] elections that had been fixed for August 26. Pursuing this path, Bulgarian Government took, through its own chief, a series of measures having as objective creation of political atmosphere even more favorable to faithful expression of the will of people by way of new legislative elections. That is to say, certain ameliorations that made this law definitely more democratic in present day Europe. They gave legal status to opposition parties and assured greater liberty to press and accorded necessary paper to opposition newspapers. In consequence, different opposition newspapers were able to appear and circulation of tracts against government and engagement in other political activity of a critical nature against government made possible with full liberty.

In this improved atmosphere government announced to Bulgarian people that new legislative elections would be fixed for November 18.

Fatherland Front and President of Council of Ministers personally tried to obtain once more participation in government and collaboration in elections by all elements who took part in deed of September 9 and who had recently left Fatherland Front. Efforts of President of Council were unavailing and FF was obliged to engage in elections on basis of lists composed of five democratic parties who remained faithful to position established by September 9 and who supported govt program announced long ago. These elements, whose democratic character cannot be questioned, represented and still represent today predominant element of democratic Bulgaria. It therefore follows that government supported by this element is democratic govt of most representative nature possible in country under existing circumstances. Elections of November 18 will show fully to what point this assertion is justified by confidence expressed by Bulgarian people.

By measures taken after August 26 and with adjournment of balloting for 3 months govt gave all possibilities to opposition to take free and organized part in legislative elections, at same time National Committee of FF took decision especially underlining its desire and its readiness to work without cessation for enlargement of basis of FF by reincorporation therein all dissident groups and by drawing new democratic forces to it that for one reason or another were outside the Fatherland Front.

I allow myself to recall to you that in course of conversation you had with President of Council at beginning October you expressed the desire that efforts be made to integrate into FF groups that had left movement so that state of affairs of September 9, 1944 might be reestablished. President of Council gave his approval for action in conformity with your suggestion. Up to present time he has made many public declarations along this line. In this same conversation President of Council brought up desirability of trying to convince opposition participate in elections even if efforts to bring opposition back to FF were ineffective. President of Council expressed opinion that in this manner it would be possible, by virtue of parliament that issued from elections, to resume effort to group together again forces included in initial constitution of FF.

Unhappily despite appeals of National Committee of FF efforts employed by President of Council and by other elements of FF envisaging understanding with opposition, have come to nought. Even worse, opposition parties, motivated by considerations that cannot be justified in any way, decided not to take part in elections and thereby lessened even more possibility of understanding.

Despite all this, decision of National Committee Fatherland Front as well as of govt to seek to enlarge the democratic basis, on which govt rests, by attraction to Fatherland Front of all democratic forces and especially by reintegration those groups which participated in it on September 9 remains in force. This fundamental idea has never ceased to inspire President of Council, govt and National Committee of Fatherland Front. After elections November 18 we shall seek to take advantage of every occasion that presents itself to realize this objective of our own initiative.

It appears from your letter you have not been able to give just evaluation to character and worth of single coalition list of candidates, suggesting even that by this single list pressure designed to exclude certain political elements has been exercised. I wish to point out that single coalition lists conform to spirit and mechanisms proportional electoral system. It is for this reason in past as well as today such lists have been preferred by political parties. And it is this liking for coalition lists that caused opposition of today, as well as opposition organized for legislative elections of August 26 to present single coalition lists. With respect to all of these lists, Fatherland Front included, it is impossible to pretend that they have been imposed by any threats, in view of fact that law guarantees freedom with respect to these understandings, as well as to the possibility, to each party in each circumscription, not to adhere to single lists and to present independent lists. Single coalition lists therefore are result of free understanding between all parties. With respect to acts of violence and threats to which you make allusions in your letter as a manifestation of electoral pressure, I find myself obliged to call to your attention fact that opposition refused to take part in elections long before electoral campaign started, that is to say, before it could have been possible for electoral pressure to be brought to bear. Fact of opposition's abstention excludes all possibility of violence. At same time appropriate measures have been taken to avoid all menace and all excesses, no matter from where they may come.' "

Comment on note seems unnecessary—note's specious nature, in view of Dept's knowledge of local conditions, should be self-evident.

To comment on it would be something like kicking a dead dog, or resorting to elaborate argument with man already convinced of point argument designed to affirm.

Repeated to Moscow as No. 317.

BARNES

874.00/11-1945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 19, 1945—11 a. m.
[Received November 21—12:48 p. m.]

702. "Greatest election victory in Bulgarian history" has been announced by Govt. Victory was, of course, for the Govt. "Never have so many people voted in Bulgaria; never has a Govt received such a brilliant expression of people's confidence", says Obbov's Agrarian newspaper this morning.

"Fairly final" figures late last night "revealed" that in Sofia city 87 per cent of registered electorate went to polls and 90.29 per cent of those voting cast ballots for FF (Fatherland Front); in Sofia region 86 per cent voted, 90 per cent for Front; in Burgas region 91 per cent voted, 91 per cent for Front; in Varna region 87 per cent voted, 87 per cent for Front; in Rustchuk region 78 per cent voted, 81 per cent for Front; in Plovduv region 90 per cent voted, 92 per cent for Front; in Stara Zagora region 85 per cent voted, 70 per cent for Front; in Plevan region 82 per cent voted, 85 per cent for Front; in Govna-Djumay region 92 per cent voted, 97 per cent for Front. No info yet available for Vratsa region. Of course all 276 Fatherland Front deputies were elected. Thus has been confirmed once again effectiveness, for electoral purposes, of Communist-dominated "single front" formula especially when backed by party militia and Red Army. With these sweeping figures it is clear that opposition would have been stupid to file lists and attempt organized campaign. No disorders yesterday of any note yet reported.

Repeated Moscow as No. 318 and to Bucharest as 21 or [*for*] Ethridge.

BARNES

874.00/11-1945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 19, 1945—3 p. m.
[Received November 20—11:20 p. m.]

703. In acknowledging today receipt of Mr. Stainov's note, text of which transmitted mytel 700, November 17, I conveyed to MinFonAff

contents Department's tel 375, November 17[14] to make sure that accurate report of what was said to General Stoichev by Under Secretary of State reaches Bulgarian authorities.

I am repeating this to Moscow as 319 and suggest that Department repeat its 375 also.

BARNES

874.00/11-2045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

MOSCOW, November 20, 1945—2 a. m.
[Received 4:05 p. m.]

3904. There follows translation of pertinent part of Vyshinski's letter of November 19 acknowledging my letter informing him of the message which Barnes handed the Bulgarian Govt regarding the Bulgarian elections.

"Deem it advisable to remark that the Soviet Govt does not share the evaluation contained in your letter of the political situation in Bulgaria and cannot agree with the statement concerning the absence in Bulgaria at the present time of satisfactory conditions for the carrying of free elections to the National Assembly."

To the Dept 3904, repeated to Sofia 133, London 587.

HARRIMAN

874.00/11-2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 20, 1945—11 a. m.
[Received November 21—1:40 a. m.]

708. Final returns on November 18 elections as announced by the Govt are: 4,504,735 registered voters of whom 3,862,492 cast ballots of which 3,407,355 were for the FF (Fatherland Front).

Thus it is claimed that 86% of the electorate voted, 88% for the FF. In other words, that nearly 76% of total electorate "freely" declared in favor of present Communist-dominated, Russian-supported govt. Opposition points to the fact that no precinct election figures available as evidence of "doctored" nature of returns, "if any proof is required".

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[14] See footnote 12, p. 386.

Elections were run off in exceptional calm and as far as I could note in Sofia, with no enthusiasm whatever on part of populace as whole. I have never seen fewer people on streets of Sofia than on November 18.

Rptd to Moscow as No. 320.

BARNES

740.00119 EW/11-2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 20, 1945—3 p. m.
[Received November 21—7:39 p. m.]

710. ReDeptel 365, November 7. General Crane states purpose his telegrams 2196, September 26, and 2383, November 12, to JCS was to make clear to Washington that Chairman ACC Bulgaria takes position that Greek reparations under article I of armistice protocol is matter for decision between US, UK and USSR Govts and that until ACC has been instructed as to nature of agreement reached between three govts no action possible locally.

If Dept does not agree with this view then General Crane should be told what action locally is expected of him. On other hand if agreement is being sought on governmental level he should be kept informed of negotiations. I judge UK Govt does not accept position taken by ACC Chairman and that Oxley has received detailed instructions looking to settlement of question by ACC and not on governmental level.

BARNES

874.00/11-2145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 21, 1945—11 a. m.
[Received November 21—8:33 a. m.]

3914. ReEmb's 3904, November 20. Although Vyshinski's reply to my letter concerning the election in Bulgaria is firm and definite, it lacks Vyshinski's usual belligerent tone which he uses when we are in disagreement. I am inclined to believe that this is due to the manner in which Ethridge gave Vyshinski a complete picture of what he had observed without reserve but at the same time refrained from becoming involved in argument or dispute.

Although no concrete results have come from Ethridge's visit, I believe that the fact that he was sent to Moscow and the frankness of

his statement may prove useful in the future in working out some adjustment of the situation.

[HARRIMAN]

740.00119 EW/10–1545 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, November 23, 1945—6 p. m.

381. Brit Emb has informed Dept that Vyshinski has replied to Brit note of Oct 24 regarding (1) Bulgarian reparations to Greece and (2) foodstuffs to be supplied by Bulgaria to Greece in accordance with Article I of Protocol to Armistice Agreement. Soviet reply states (1) that question of reparations to Greece can be considered only on basis of official document from Greek Govt formulating claim and (2) that Soviet Govt has instructed Biryusov to study possibility of supplying foodstuffs from Bulgaria to Greece together with Brit and US Reps.

Brit Emb has indicated that, in view of fact that Greek demands signed by Greek Foreign Minister have been submitted to Biryusov (urtel 604 Oct 15), Gen Oxley will now propose discussion of these matters by ACC and press for prompt action by that body.

Please ask Gen Crane to support strongly Gen Oxley's approach and to urge action by ACC without delay on this matter, which is considered by this Govt to be important and to involve a categorical and indisputable obligation on part of Bulgarian Govt under the Armistice. War Dept concurs in this instruction. Reurtel 770 [*710*] Nov 20, just received, it is indicated from Vyshinski's reply above that all three Govts agree ACC should deal with question at this stage.

Sent to Sofia; rptd to London, Moscow, and Athens.[15]

BYRNES

874.00/11–2445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 24, 1945—noon.
[Received 2:25 p. m.]

715. Govt leaders and press continue to stress "complete victory" for FF and "freest and most popularly supported elections" in Bulgarian history. Opposition leaders and press charge wholesale election frauds in addition to pre-election threats of reprisals that forced

[15] As Nos. 10226, 2391, and 1180, respectively.

populace to polls against will to vote contrary to political convictions. Opposition cites election figures for some towns and villages where Govt has claimed smashing victory which figures show as high as 70% of registered voters against FF. Opposition also points accusing finger at Govt for its inability or unwillingness to date to reveal precinct returns. Only regional returns have been announced. No doubt this dispute over figures will go on interminably. The important fact to note is that pre-election intimidation did create such an atmosphere that free expression of people's will was impossible and "victory" assured for Govt.

Council of Ministers meets today to make final arrangements for convening Parliament as anticipated about Dec 15.

Repeated to Moscow as 322.

BARNES

874.00/11-2445 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 24, 1945—3 p. m.
[Received November 26—12:16 a. m.]

716. Propaganda organs of both Bulgarian and Russian Government continue to harp on "Reliance of Bulgarian opposition on foreign intrigue" to effect change in local political situation. Press of both countries emphasizes failure of this "intervention".

Members of Bulgarian Government follow same line in their public utterances. In fact, deep hostility to US efforts to implement Yalta Agreement only thinly veiled.

At same time Bulgarian Government and FF spokesman emphasize persuasive effect election returns "should" have on US policy in Balkans and profess desire now "to forgive and forget" and to engage in every reasonable effort to enlarge basis of FF Government so as to convince western democracies beyond shadow of doubt that thus far they have unjustly judged Bulgaria's new political leaders.

It is clear that game now is to mount facade of moderation in hopes of drawing US into recognition without FF meantime sacrificing either Communist position in Government or Communist program. I believe such so-called moderate elements in Government as Kimon Georgiev and Petko Stainov will prove not only willing tools in this game, but will turn out to be star players on Communist side. In other words events since postponement August elections have done more to confirm me in my earlier estimates of these two men (see my 399, July 30 [16] and 383, July 25) than to strengthen any interim hope

[16] *Conference of Berlin (Potsdam)*, vol. II, p. 728.

that they would ultimately be revealed as intellectually honest and patriotic Bulgarian members.

Because of foregoing, and as we have revealed through Ethridge's visit to Moscow and otherwise, abundance of good faith toward Russia in dealing with Bulgarian political situation, I feel it necessary at least to suggest (now that elections have taken place despite our views) that instead of following course recommended in Moscow's telegram 3859, November 14 (from Ethridge) and supported by me in mytel No. 691, November 15,[17] it would perhaps be course of wisdom for time being to leave next step to Russia and Bulgarian Government.

I fear that if we press immediately for program outlined in Moscow's 3859 Russians and Bulgarians may find way to accord appearance of what we seek without granting substance. Furthermore I believe silence and perhaps even a bit of mystery on our part at this time might lead local authorities to go further in effort to conciliate US than if continuance of pressure from US lead them to conclude that we are the most anxious of all to get off with elaboration of peace treaties with ex-satellites.

Cooperation with Russia in Balkans should be two way traffic, just as Russia insists on two way traffic with respect to Italy and Mediterranean problems. Also we have made our position clear in note to Bulgarian Government November 16 with respect to which Soviet Government now has expressed its complete disagreement in writing (Harriman's telegram No. 3904) perhaps a bit of silence from US now would let words we have used to date "sink in". In any event a silence might reveal sense of assurance that too much talk could only dissipate.

I should like also to suggest that under circumstances return to Sofia of Ethridge on way back to US might prevent [*present*] anticlimax, or at any rate something of a dénouement that would soften effect locally of knowledge that his investigation fully supported policy US Government has followed to date with respect to Bulgarian political and electoral situation and that Russia has been so informed.

If, however, Department concludes it should proceed with course recommended in Moscow's No. 3859, I suggest that proposals set forth therein be amended as follows:

I. Negotiations to be instituted at once between Government and opposition looking to agreement along following lines:

(*a*) All democratic parties to subscribe to FF program;

(*b*) All democratic parties to subscribe to general amnesty with respect to all political acts subsequent to September 1, 1944;

(*c*) Each democratic party to be free independently to decide to participate in elections for Grand National Assembly on basis of common list of candidates or separate lists;

[17] Latter not printed.

(*d*) Modification of electoral law as may be recommended by an electoral committee composed of representatives of all democratic parties;

(*e*) Modification of law for the defense of people's authority as may be considered necessary by committee composed of representatives all democratic parties;

(*f*) Neutralization of Ministries of Interior and Justice;

(*g*) Legislative program of Assembly elected November 18, 1944 [*1945*], to be restricted to follow: 1. Passage of budget law; 2. Legalization of decree laws from September 9, 1944 and enactment of electoral law and law for defense of people's authority according to recommendations of committees mentioned in paragraphs "*d*" and "*e*" above; 3. Voting of general amnesty mentioned in paragraph "*b*" above; 4. Elaboration of purposes for which Grand National Assembly to be convened.

II. Resignation of present Cabinet upon meeting of Assembly elected November 18 and immediate reconstruction of Government on basis this agreement.

III. Elections for Grand National Assembly to be held not later than April 1, 1946.

Repeated to Moscow as No. 323 and to Bucharest as No. 23.

BARNES

874.00/11-2645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 26, 1945—6 p. m.
[Received November 27—10 p. m.]

718. Socialist Min of Commerce, Neikov, called on me this morning and stayed for three and a half hours. (I have seen quite a bit of him in recent weeks in connection with Coleman's [18] barter agreement for Bulgarian tobacco which was signed November 17—this will be subject of separate telegram) I had supposed Neikov sought conversation to reassure himself that Coleman deal would not be upset by our attitude toward elections and present Bulgarian Government. On this point I told him there had never been any connection in my mind between our political relations with Bulgaria and Coleman's efforts to purchase tobacco. I said that I saw no reason why such a relationship should now be established and that I had received no news from Washington indicating any disposition there to tie two things together.

During course of our conversation I came to conclusion that Neikov, while anxious to know whether United States Government was disposed to relate Coleman deal and our political relations with Bulgaria,

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[18] Nathaniel R. Coleman, American businessman on a visit to Bulgaria.

had come primarily as emissary of Cabinet to learn what he could about our reaction to local political situation now that elections had been held. I told him that our note of November 16 spoke for itself. Then on purely personal basis I talked on lines suggested in mytel 716, November 24. Min said he and his party were fully aware of difficulty into which FF Bulgaria had gotten itself and that some means must be found to extricate Front from impossible situation of being unable to regularize Bulgaria's relations with western democracies. He said that on this point he thought he could also speak for majority of opinion within government and he liked idea of limiting legislative program of newly elected Assembly. He thought that if Assembly were allowed to remain in session for a month or two to accomplish limited program it might then be possible to reorganize government on broader basis, dismiss Parliament and call new elections for ordinary Assembly which would prepare agenda for Grand National Assembly and fix the date for elections to that constituent body. He said that in month or two much could be accomplished to neutralize Min of Interior by appointment of provincial and district officials from non-Communist parties and increasing influence of non-Communist parties within and over militia. He does not believe that Communists will for long time to come agree to non-Communist Min of Interior.

I told Neikov that of course United States Government would be pleased with any and all developments that foster growth of civil and human liberties and that United States was in no way motivated by hostility to Communist Party in Bulgaria or Russia's legitimate interests in this country and that United States most certainly was not seeking locally the appearance of a victory for its policy over Russia or of victory of one democratic element at the expense of another. I said that all we seek is implementation in Bulgaria of Yalta Declaration; that when we can honestly say that a government representative of majority of democratic opinion in the country is in power, we shall not concern ourselves unduly over events that have led to accomplishment of this fact. I then had read to Minister Bulgarian translation of Secretary Byrnes' address on "Neighboring Nations in One World." [20]

At this point we got onto the difficulty of dealing openly and frankly with Russians in matters touching areas that Moscow considers of preponderant interest to Russia. This came up in connection with question of who and how could initiative be taken looking to limitation of present Assembly's legislative program, to reorganization of government on broader basis within month or two and to new elections. Minister said that he fully realized that suggestions coming from Bulgarian leaders direct to Moscow Government were likely to

[20] Address delivered before the New York *Herald Tribune* Forum, October 31; for text, see Department of State *Bulletin*, November 4, 1945, p. 709.

be much better received than observations that we might make to Kremlin. He said he thought initiative should come from National Committee of FF and that any party belonging to Front might appropriately raise matter in National Committee by expressing concern over present state Bulgaria's relations with three great Allies—a state of affairs which apparently precludes hope of early conclusion of peace.

The Minister sought my permission to acquaint his party colleagues of ideas exchanged. I told him that he had full liberty to do so if he explained that we had been merely thinking aloud in purely personal conversation. I added that neither United States Government nor I personally had anything to hide in connection with our views about present situation in Bulgaria and legitimate interests of Russia in Bulgaria. He then asked me if he were free to talk with his Communist Party colleagues and other colleagues in government and in FF about our conversation. It was at this point that I became definitely convinced that Neikov was acting as emissary of government and possibly of FF Committee to find way to resume informal exchanges of views with us now that elections had taken place in manner we consider did not meet test of Yalta. I told the Minister that he was free to quote me to whomever he wished to effect that United States is not hostile in any way to Communists *per se*, that it is and always has been aware of Russia's special security and cultural interests in this area and that United States policy with respect to Bulgaria seeks nothing more than what was set forth in Secretary Byrnes' speech of October 31.

The Minister left, asserting that he would have further conversations with me in near future.

Sent Department as 718, repeated Moscow as 325 and Bucharest as 24.

BARNES

874.00/11-2745

Memorandum of Conversation, by the Acting Chief of the Division of Southern European Affairs (Reber)

[WASHINGTON,] November 27, 1945.

Participants: General Vladimir Stoichev, Bulgarian Political Representative;
Mr. Athanassov, Secretary to General Stoichev;
Mr. Reber and
Mr. Barbour, SE.[21]

General Stoichev called today at his own request to inquire the

[21] Walworth Barbour, Associate Chief of the Division of Southern European Affairs.

Department's impression of the elections in Bulgaria which took place on November 18.

In the course of the conversation which ensued, the General was informed that we have been happy to note the indication contained in the Bulgarian Government's note in reply to our communication of November 16 to the effect that the Bulgarian Government contemplates its reorganization to include other democratic elements. We also stated that we will be happy to advise the General when we formulate a reply to this latest Bulgarian communication but that it is too early to say at present what that reply might contain or when it may be transmitted which will obviously depend on our further appraisal of the situation in the light of subsequent developments and such further information in that regard as we receive from Bulgaria.

Mr. Athanassov inquired specifically as to Mr. Ethridge's findings, obviously hoping that those findings might be favorable to the present Government. He was informed that while Mr. Ethridge had not submitted a final report, our note to the Bulgarian Government was predicated upon Mr. Ethridge's impressions as reported in several telegrams.

Mr. Athanassov further pointed out the obvious material advantages of recognition of the Bulgarian Government at an early date, such as increased commercial exchange, etc. We reiterated our frequently expressed desire to accomplish recognition and conclude peace at the earliest opportunity but stressed the obligations we had assumed toward the Bulgarian people at Yalta and the importance in this connection that the Bulgarian Government cooperate in our efforts to achieve conditions there consistent with those obligations.

S[AMUEL] R[EBER]

874.00/11-2945 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 29, 1945—9 a. m.
[Received December 2—7:30 p. m.]

722. Following is summary of position taken by opposition parties toward November 18 elections as published in Petkov's *Zname* after Communist controlled press had refused to publish Lulchev['s] *Svoboden Narod* for which declaration was originally written:

Under heading "elections have proved that Govt is rejected by people" declaration begins by stating that elections were held under

conditions which did not guarantee freedom, tranquility and security of Bulgarian people in order that they might freely express their will. Leading points are:

(1) Threats were constantly heard at meetings before and during election campaigns that on day after elections non-voters for Govt would be punished and that "Bartholomew night"[22] would follow elections.

(2) Slogan "Death to Opposition" was constantly used and written on placards, together with oral statements that "power taken with blood would only be relinquished with blood".

(3) Armed members of Govt parties, especially Communists and Workers Youths, demonstrated and threatened population.

(4) Militia personnel was not changed and atmosphere of fear was created by memory of violences, excesses, vanished persons, tortures and murders.

(5) Employees and workers were threatened with dismissal and punishment.

(6) Forceful establishment of cooperative farms caused excesses, arrests and beatings in villages.

(7) Opposition party meetings were attacked and dissolved by members of Workers Youths and Communist Party.

(8) Political and criminal prisoners and internees in concentration camps were set free on condition that they write and print at state expense appeals to relatives and friends to vote for Govt.

(9) Machinations on election day included such practices as visiting electors in home and inducing them to vote for Govt by threats; plural voting; marking numbers of ballots on their envelopes; and enforced plural open voting by persons fearful of a repetition of excesses against themselves or relatives.

(10) After elections orders were given to prepare "black lists" of persons not voting. Declaration states, in spite of these methods, Bulgarian people did not give its support to Govt. This is proved by methods used on election day and thereafter in order to alter results of elections to favor Govt and that for several days after elections results in Sofia were not announced. Even now Govt has not announced exact number voters in Sofia and in country and has not published results by precincts and villages. Committees for control of elections did not have opportunity nor wish to control, but accepted official figures.

Govt is rejected by people. According to real data percentage of votes for Govt lists does not exceed 40%. In larger towns and industrial centers votes were considerably less than 40%. Opposition proposes that neutral inquiry be made to establish actual results as well as methods and conditions under which elections held.

On behalf of Govt Interior Minister Yugoslavia [*Yugov*] replied with declaration stating that elections held in complete order and freedom and that this was confirmed by many foreign correspondents in

[22] Reference to massacre of Huguenots in France, August 23–24, 1572.

Bulgaria on election day. Elections have yielded brilliant victory to FF (Fatherland Front). Minister states further that officially announced results are incontestable. Figures were taken from documents of election bureaus signed by three bureau members and two designated electors who counted the votes. Documents were sent to regional courts which thereupon approved elections and number of votes and announced names of winners. Presidents and members of electoral bureaus were not appointed by Govt but were chosen by casting lots among teachers and other voters in courts at public sessions. Also vote counting was done publicly and therefore results were made public on very night of elections. Under these circumstances any doubt concerning officially announced election results shows lack of knowledge of electoral system or deliberate misrepresentation of election results and wish to deny facts.

Opposition's contentions are strengthened by fact that long before elections it drew govt's attention to threats and intimidation against opposition and non-voters and demanded action to insure atmosphere conducive to free unhampered elections while at same time govt did nothing to curtail militia and Communist intimidating activity nor did it do anything to prove its *bona fides* by reorganization or otherwise respond to possibilities offered by intervention of Allies at time of August scheduled elections. Also tenor of Georgi Dimitrov's first speech gave lie to Govt's expressed desire to return to broader FF formula of September 1944. Hence in my opinion one must conclude in absence of more substant[ive?] proof of Govt's contention that opposition has best of argument so far; or at least that their demand for impartial investigation of election results is better evidence of their *bona fides* than those of Govt in claiming that all was perfect with elections on November 18.

Repeated Moscow as 328.

BARNES

874.00/11-2445 : Telegram

The Secretary of State to the United States Representative in Rumania (Berry)

WASHINGTON, November 29, 1945—5 p. m.

630. Please advise when Ethridge to return to Washington.[23] Dept would like to discuss with him suggestions contained Sofia's tel 716 Nov 24 but if he does not anticipate returning in next few days will appreciate his comments by telegraph.[24]

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[23] Mr. Ethridge was due in Washington on December 4, according to telegram 937, December 3, from Bucharest (874.00/12-345).

[24] For Mr. Ethridge's letter of December 8 to the Secretary of State after returning to Washington, see vol. v, p. 638.

Meanwhile, Dept would also like Barnes' views as to whether, if we leave next step to Bulgarians, as suggested his telegram, National Assembly meeting on Dec 15 will be likely to take action which will prejudice possibility our following course recommended Moscow's 3859 [25] at later date.

Sent to Bucharest for Ethridge and to Sofia for Barnes.[26]

BYRNES

874.00/11-3045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, November 30, 1945—4 p. m.
[Received December 3—9 : 37 a. m.]

727. Politically conscious Bulgarians both of FF (Fatherland Front) and opposition are keenly of opinion that US attitude toward Tito's action on summarily proclaiming Yugo Republic yesterday [27] may be straw in wind of development of US-Bulgarian relations. FF leaders are resorting to every propaganda effort possible to convince population that US cannot ignore election results here and that recognition is just around corner. I have no doubt that in his contacts with Dept, General Stoichev is reflecting this view. It would be helpful if Dept were to keep me fully informed of Stoichev's efforts. (I hear about them frequently through British telegrams but feel that I would get more accurate picture if my source were Dept).

It will also be of considerable assistance to me if for next few days at least I could be kept informed of Dept's reaction to developments in Yugo. In minds of local leaders yesterday's decision was great stride toward FF objective of South Slav Union. There is no doubt in my mind about willingness present Bulgarian Govt to cede territory to Yugo federal state of Macedonia in connection plan for South Slav Union that would ultimately include Greek Macedonian territory and Western Thrace. I am also convinced local leaders see in yesterday's decision by Yugo Parliament first important sign of new decision by Russian[s] to follow policy of "aggressive isolationism" rather than path of compromise and cooperation with western democracies.

Sent Dept as 727; rptd Moscow as 330 and to Belgrade as 18.

BARNES

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[25] November 14, 7 p. m., p. 377.
[26] As No. 388.
[27] See telegram 705, November 30, 2 p. m., from Belgrade, vol. v, p. 1294.

874.00/12-345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 3, 1945—3 p. m.
[Received December 4—4: 32 p. m.]

730. If it were not for possible effect on local political situation of Tito's precedent in proclaiming Yugo Republic on Nov 29 and what that action may imply in the way of decision by Russia to follow policy of "aggressive isolationism", I would consider it still course of wisdom for US Govt to rest on statement contained in note of Nov 16 to Bulgarian Govt (replying to Deptel 388, Nov 29 [28]).

Every time Russians "get away" with saying "no" to US and UK, fact is exploited locally to enhance Russian and Communist prestige and to undermine morale of opposition. However, effect of Tito's precedent especially on local extremists cannot be overlooked. (Please see mytels 726 [29] and 727 [30]). It is, therefore, perhaps safer not to risk possibility of surprise action by National Assembly when it convenes Dec 14. Possible further new factor is that govt and Russians know true facts about Nov 18 election returns. I cannot assert it as fact but I do have reason to suspect that results were really disappointing to govt and Russians despite all pre-election pressure brought to bear by them.

Should Dept seeing picture not only as it presents itself from Sofia and Moscow but from all eastern Europe as well decide to act in sense of Moscow's telegram 3859,[31] I believe that procedure should be eased on recognition that under present circumstances it would be vain to hope to free Ministries of Interior and Justice from grasp of Communists and therefore that hope of adherence to FF program by all democratic parties would be equally vain. Also I feel that our *démarche* at Moscow and subsequently here should be so contrived as to provide opposition with future electoral slogan of positive nature; this should, in my opinion, be "restitution of constitutional rights and liberties". I, therefore, suggest that proposals set forth in Moscow's 3859 and my 716 [32] be revised to following: We and British to appeal to Russia on basis of Yalta declaration to join in *démarche* to Bulgarian Govt requesting immediate return to Tirnovo constitution specifying as test of compliance:

1. Restriction of present legislative program to (*a*) passage of budget law; (*b*) legalization of decree laws from Sept 9, 1944 and revision of electoral law and law for defense of people's authority in accordance with recommendations by committees composed of repre-

[28] Same as telegram 630 to Sofia, p. 400.
[29] Not printed.
[30] *Supra.*
[31] November 14, 7 p. m., p. 377.
[32] November 24, 3 p. m., p. 393.

sentatives of recognized parties; (*c*) voting of general amnesty with respect to all political acts subsequent to Sept 1, 1944.

2. Neutralization of Ministries of Interior and Justice either through appointment of non-party ministers or formula whereby non-Communist parties afforded participation in administrative police and judicial processes on basis of their representation in forthcoming and subsequent national assemblies.

3. Local administrative elections to be held almost immediately and general election for new National Assembly not later than May 1. Newly elected Assembly to decide question of necessity for calling Grand National Assembly.

The foregoing would have merit of emphasizing importance of constitutional rather than revolutionary procedure and of placing our representations, if after taking original soundings at Moscow we were compelled to act without Russia, on importance of constitutional liberties rather than on existence of opposition and other factors of internal and external politics. It is a course also that would be strongly supported by two of the three Regents.

I feel that I should stress once more importance of having United Kingdom join in whatever action is decided upon. I consider failure of UK to restate its position before Nov 18 election to have weakened situation here from our standpoint. This failure has encouraged govt to hope that British are veering toward compromise at expense of Yalta even if US is not. It has also disconcerted opposition considerably. I fear that second instance of British silence would shrivel perhaps even disastrously will and determination of those who still hope for reestablishment of civil and human liberties in Bulgaria.

Whether in final analysis Bulgarian Govt facilitates application of Yalta formula to Bulgaria or not will of course depend almost entirely on Moscow. Biryusov said to secretary of Regency Council on afternoon of Nov 29, "Isn't it high time Bulgaria takes its future into its own hands", meaning of course go now and do likewise. Later same evening he said to Regent Ganev that he saw no reason why Bulgaria should make such haste as to ignore its constitution. It is obvious that he had not by then received Bulgaria's "marching orders" but if I know anything about the Russians as a result of having observed them here for a year now I have no doubt that Biryusov will receive directives for Bulgaria well in advance of the opening of Parliament. "Speech from Throne" will be drafted by end of this week. I should say that end this week also is outside date for any representations that Dept may decide to make at Moscow preparatory to making representations here before meeting of assembly. I, therefore, suggest immediate consultation between Washington and London.

I am sure Mr. Ethridge's comments on this telegram will prove illuminating and most helpful.

Repeated to Moscow as 331; sent to Dept as 730.

BARNES

874.00/12-645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 6, 1945—11 a. m.
[Received December 7—1:47 p. m.]

740. Senior Regent Ganev sought a conversation with me last evening. He expressed deep concern over possible significance of Dimitrov's interview (please see my 736 December 5 [33]). It is his view that Dimitrov spoke with Russian knowledge of fact that he would make a public statement on question of regime. That he did so in an interview for Yugoslav newspaper is interpreted by Ganev to mean that not only did Dimitrov speak as an instrument of Russian policy in Bulgaria but as an advocate of Russian-sponsored union of South Slavs. Ganev urges without reserve that US and UK act in sense of fourth paragraph mytel 730, December 3, both in Moscow and Sofia before Assembly convenes December 14 or 15. He believes Russian aggressiveness in the Balkans is part and parcel of worst situation confronting US and UK of which events in Iran and China are no more or no less symptomatic than developments here.

Repeated to Moscow as 334; sent Dept as 740.

BARNES

740.00119 Control (Bulgaria)/12-745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 7, 1945—4 p. m.
[Received December 8—9:58 p. m.]

744. The Fatherland Front campaign of insinuation and innuendo against US policy in support of implementation of Yalta Declaration in Bulgaria has gone so far that after careful reflection taking into account local astonishment over fact that under armistice regime press and spokesmen of parties comprising Front can allow themselves such license at expense of US and having consulted with General Crane I sent last night following message to Stainov:

"I am sure that as a friend you will understand my growing concern over the resort to insinuation and innuendo by some of the Sofia newspapers in their discussion of the development of Bulgaria's relations with the US. Today I read a translation from the Fatherland Front newspaper of the account given therein of the address

[33] Not printed; it reported the interview with a correspondent of the Belgrade newspaper *Borba*. Georgi Dimitrov told the reporter what he thought the National Assembly should do, such as bringing the constitution "into line with FF democracy" by "removal of such conservative and harmful institutions as the monarchy". (874.00/12-545)

made yesterday to the Congress of railway workers and sailors by Mr. Georgi Dimitrov. I have in mind that part of the speech relating to the problem of concluding peace. I believe that as a sincere friend of Bulgaria I should tell you that I have expressed the opinion to Washington [34] that there is something utterly incongruous in a state of affairs that permits of such disregard for the fact of the armistice relationship existing between the three great Allies and Bulgaria as has come to my attention in recent weeks in the form of articles in the local press and public addresses by Bulgarians of note and position."

I hope this message will cause Stainov to advise his associates in the Govt and the FF press that efforts to improve relations with US should be left to competent authorities of Govt or at any rate that market place haggling and vilification cannot serve best interests of a defeated people and state. Contrast between reasonableness and moderation of position we have taken in Austria (infotel December 5, 10 a. m.[35]) and local Communist and Russian intransigence toward our views with respect to Bulgarian affairs is so striking as to merit in my opinion an effort to bring this point home to Moscow.

BARNES

874.00/12-745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 7, 1945—7 p. m.
[Received December 7—6:10 p. m.]

12850. Under Secretary Sargent [36] said to us today that Foreign Office was giving consideration to question of breaking "stalemate" in Bulgaria and Rumania.

As he saw the situation, he continued, the present govts in those two countries were firmly entrenched and election in Bulgaria was now a closed issue and in any event free elections in the western sense could probably never be carried out in those countries. His own thinking on ways of resolving the "stalemate" was as follows: it might be well for the British and US to approach the Russians and get Russian assistance in "diluting" the existing govts and then through "nagging" which has borne some fruit in the past get additional concessions for foreign journalists and pledges for a greater degree of individual freedom. Having accomplished that, recognition might be extended and then the way would be open to proceed with the very important work of negotiating peace treaties. Until peace treaties were negotiated

[34] Telegram 742, December 6, not printed.
[35] Not printed.
[36] Sir Orme G. Sargent, British Deputy Under Secretary of State for Foreign Affairs.

and signed with these countries, plans for normal relations could hardly be developed and until peace treaties were negotiated and signed there was little hope of Soviet troop withdrawals taking place. Sargent made it plain that this was how he personally was thinking at this time and that it would be going too far to say that this was the current Foreign Office position.

Sent Dept as 12850; repeated Sofia as 5; repeated Bucharest as 17; repeated Moscow as 406.

WINANT

874.00/12–845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, Dcember 8, 1945—11 a.m.
[Received December 9—10:25 p.m.]

746. It has now been officially announced that the National Assembly will convene at 3 p.m. December 15. Its first concern will be to ratify "act of September 9, 1944" and to approve "severe but just penalties" imposed by people's courts. Kolarov, formerly Dimitrov's principal assistant in Moscow and since postponement of August 26 elections in Sofia as his deputy, will probably be elected permanent President of Assembly. In view of position taken with respect to November 18 elections in our note of November 16, I assume Dept will not wish me to attend ceremonial opening.[36a]

Sent Dept as 746 and repeated Moscow as 336.

BARNES

874.00/12–845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 8, 1945—5 p. m.
[Received December 10—3:35 a. m.]

747. Two of the Regents have just seen General Biryusov. The third one, Pavlov the Communist, is momentarily ill, perhaps permanently, with a serious heart condition. Biryusov said that he was departing within a few days on leave for a much needed rest. Regents gained impression "leave" may be of a permanent nature as far as Bulgaria is concerned and therefore feel that their earlier understanding that true election returns had proved disappointing to Moscow was substantiated by something approaching concrete evidence. Biryusov has always been uncompromising in his hostility to concessions to US

[36a] The Department confirmed this assumption in telegram 401, December 12, 6 p. m. (874.00/12–845).

and UK points of view with respect to Bulgarian political situation and Regents wonder if departure on leave at this time does not imply willingness of Moscow to "give in a bit" about Bulgaria matters. Biryusov spoke of projected meeting of three Foreign Mins in Moscow December 15 [37] and indulged in oracular comment to effect that time has about arrived when each state should be able again to speak freely for itself. This interpreted by Regents to mean that Biryusov expects meeting of three to hasten peacetime relations for eastern and southeastern Europe. The two Regents continue to hope US and UK will have observations to make both in Moscow and Sofia on Bulgn political situation before Natl Assembly meets December 15.

Rptd to Moscow as 337.

BARNES

874.00/11-645

Memorandum by the Deputy Director of the Office of European Affairs (Hickerson) to the Secretary of State

[WASHINGTON,] December 10, 1945.

MR. SECRETARY: There are attached two memoranda [38] of proposals for possible discussion among the Yalta powers in respect to Rumania and Bulgaria which include recommendations based on Mr. Ethridge's reports.[39] In submitting these proposals, however, we feel we must voice our conviction, which is likewise shared by Mr. Ethridge, that no settlement of these specific problems seems possible if they are treated as isolated cases. Undoubtedly Soviet preoccupation with regard to the maintenance of "friendly" regimes in both countries is part of a larger scheme for the establishment of a security zone throughout the Balkans and the Eastern Mediterranean. It cannot be overlooked that the presence of large numbers of Soviet troops in both Rumania and Bulgaria as well as the Soviet insistence upon the maintenance of an excessive Bulgarian force provide a ready means of pressure upon Greece and Turkey to obtain whatever strategic ends Moscow may have in view. To look for the early withdrawal of Soviet troops from this area prior to a settlement of the Straits question and further clarification of Soviet aims in respect of Greece, the Greek islands, and the Italian colonies, appears somewhat illusory.

Although a final, satisfactory adjustment of the Rumanian and Bulgarian problems may seem remote in the absence of a general

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[37] The Foreign Ministers of the Soviet Union, United Kingdom, and United States met in Moscow from December 16 to 26. For documentation, see vol. II, pp. 560 ff.

[38] Not printed.

[39] For report on Bulgaria, dated November 6, see p. 365; for report on Rumania, dated December 7, see vol. V, p. 633.

agreement with regard to this area, it is, nevertheless, felt that we must maintain our position of adhering to the principles publicly proclaimed as the result of both the Yalta Conference and the Potsdam discussions. Since to concede a limited Soviet sphere of influence even in this area of strategic importance to the USSR might be to invite its extension to other areas, our continued reiteration of the principles that a firm and lasting peace can only be achieved if the people of the liberated areas can exercise the right of self-determination seems the only course open to us at this time.

As regards the preparation of the individual peace treaties, the maintenance of this principle may mean certain delays in resuming satisfactory relations with respect to these two countries, but in our opinion should not preclude an expression of our willingness to go ahead with the preparation and, if possible, the conclusion of peace treaties as regards the other two countries to whom settlements were promised at Potsdam, namely, Italy and Hungary.

Insofar as the latter is concerned, we believe that it would be useful to mark our recognition that elections in that country not only were conducted free from intimidation and force but also provided an opportunity for the bulk of the people to express their own free selection. In these circumstances there is every reason from the United States point of view why a peace treaty should be concluded without delay with the new Hungarian Government. The economy of this country is rapidly deteriorating to such a point that a complete breakdown is feared. Some measure of alleviation, such as might be effected through a moratorium on reparation is urgently required. An attached memorandum gives further details in this respect.[40]

It is recognized that the Soviet Government may be hesitant to proceed with peace negotiations as regards Italy until we, on our hand, are prepared to go forward with the Balkan discussions.

Further details in respect of Italy and Yugoslavia are contained in attached memoranda.[41]

JOHN D. HICKERSON

740.00119 Council/12-1145 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, December 11, 1945—6 p. m.

398. For your information it is contemplated that during conversations in Moscow scheduled to begin December 15, we will discuss

[40] Not printed; for documentation on Hungary, see pp. 798 ff.

[41] Not printed; for documentation on concern of the United States regarding control of Venezia Giulia, see pp. 1103 ff.

with Soviet and Brit representatives solution outstanding differences regarding Bulgarian and Rumanian situations.[42]

Sent to Sofia and Bucharest.[43]

BYRNES

740.00119 Control (Bulgaria)/12-1145 : Telegram

The Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, December 11, 1945—6 p. m.

399. Dept agrees with Brit Govt (See Brit FonOff telegram no. 6334 Dec 1 to Moscow, rptd to Sofia and Athens) that list of immediate Greek food requirements submitted to Gen Biryusov on Aug 24 constitutes reasonable demand. Accordingly, please ask Gen Crane to associate himself with his Brit colleague on ACC Bulgaria in urging acceptance by ACC of Greek claim and to press for arrangements which will insure delivery of foodstuffs in specified quantities without delay.

Dept desires Embassy Moscow to support Brit representations there respecting this matter by informing Soviet Govt re attitude of this Govt and expressing hope that Soviet Govt shares view and will instruct its Rep on ACC to arrange, in consultation with Brit and US Reps, for prompt satisfaction of Greek claim.

Sent to Sofia and Moscow; [44] rptd to Athens.[45]

BYRNES

874.00/12-1245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, December 12, 1945—9 p. m.
[Received December 12—6:35 p. m.]

13046. FonOff official today made following remarks to us about Bulgaria:

There are indications that the Bulgarian Govt might be willing to "liberalize" itself by taking in Petkov and other Agrarian leaders with a view to obtaining recognition from the Western Powers.

Although Dimitrov's presence in Bulgaria is an undoubted strengthening of the Russian position, this position rests primarily on the large number of Soviet troops in that country. The Russians have abso-

[42] See vol. II, index entries on Bulgaria and Rumania under Tripartite Conference of Foreign Ministers.
[43] To Bucharest as No. 644.
[44] To Moscow as No. 2498.
[45] As No. 1260.

lutely no justification for maintaining these large armies in Bulgaria, because they cannot claim, as they do in relation to Rumania and Hungary, that Bulgaria is on their lines of communications with their forces in Austria. Once the Soviet forces are withdrawn from Bulgaria, Communist domination may cease to be so absolute.

The only way to get the Russian troops out of Bulgaria would seem to be the conclusion of a peace treaty with that country.

Sent Dept as 13046, repeated to Sofia as 6 and Moscow as 413.

WINANT

740.00119 Council/12-1345 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 13, 1945—3 p. m.
[Received December 13—2:47 p. m.]

759. Dept's 398, Dec 11. As you contemplate discussions with Soviet and British representatives during your stay in Moscow looking to solution of outstanding differences regarding Bulgarian and Rumanian situations, I am sure you will understand the motives that cause me to restate here much that you already know far better than I do.

My observations in this part of the world during past year have convinced me that public opinion throughout southeastern Europe, except for members of the Communist Party and other supporters of authoritarian political principles that place state above all human rights, holds that world events of past 6 years have thrust world democratic leadership on US.

It is the view of this body of opinion that all national and regional problems fade into insignificance before the great uncertainty as to whether US is going to accept this leadership and carry democratic peoples forward in their aspiration for free and productive life.

The alternative, as this opinion sees matters, is triumph again of those repressive and fearful governmental methods and practices to abolish which forever war just terminated was fought. To this body of opinion Yalta Declaration on liberated Europe has become much more than promise of peace and tranquility to come; it is a yardstick whereby to measure distant future, because if US does not defend that declaration and struggle for its implementation then it will be clear that US does not really mean to accept the responsibilities toward free men that the war has trust upon it.

All eyes in Bulgaria today are turned toward Moscow; this time not because Russia has become Bulgarian political Canossa but because of conviction of all that major decisions are about to be taken

at Moscow with respect to political situation throughout southeastern Europe.

The Govt and its entourage profess conviction that you and Mr. Bevin are prepared to accept compromise with respect to Bulgarian affairs in connection with compromises elsewhere in world which will mean that Yalta Declaration will not be implemented here.

Those who are unhappy over existing Communist-dominated authoritarian state of affairs, and they represent vast majority of Bulgarians, cling to hope that democratic leadership will be firmly grasped at Moscow by US but they tremble before fear that govt's assertions to contrary may be substantiated by decisions taken at Moscow.

Under these circumstances I feel obliged to telegraph in support of course of action along lines of formula suggested in paragraph 4 mytel 730, Dec 3 (repeated to Moscow as 331) and to urge that every effort possible be made to induce Russia to join in counselling return to constitution, limitation of legislative program, early administrative elections and new general elections.

While formula is not sugar coated, it is nevertheless minimum formula containing nothing that could prove distasteful to Russia—even local Communists—granted minimum of good faith on part of Russia and Communists. If good faith is entirely absent, then there is no peaceful way for time being of reaching agreement on such fundamental issues as those involved in disagreement between western democracies and Russia over situation now obtaining in southeastern Europe.

On the other hand loyal adherence to formula would in fairly near future, I believe, correct most of serious disabilities against which we complain in Bulgaria after which mere passage of time should correct less grave causes for our dissatisfaction.

In its telegram 363 of Nov 6 to Sofia[46] "For Mr. Ethridge" Dept suggested that after informing Mr. Molotov of Ethridge's findings it might be stated to Molotov that the US would welcome proposals from him but that if he, Molotov, was unwilling to make suggestions then Ethridge might reveal specific views.

Fact that Russian authorities had nothing to say to Ethridge but that his facts were wrong or at any rate that his estimate of situation in Bulgaria did not correspond with Russian view leads me to suggest that if something along lines of formula in mytel 730 is to be proposed at Moscow then there might be some merit in avoiding any preliminary discussion of reasons for our discontent with conditions here. My experience with Russians in the field (I realize that this may have no meaning in dealing with authorities in Moscow) leads me to believe

[46] Same as telegram 2298 to Moscow, p. 363.

that Russian authorities object far less to strong determined support of a positive course of action than to detailed and reasoned statements of what is wrong with a given situation. However, immediate foregoing is in realm of tactics and what I am really trying to do in this telegram is to convey last minute impressions. Summarized they are that hopes of southeastern Europe for realization of larger objectives of Second World War are based almost entirely on what you, supported by Mr. Bevin, may be able to do as spokesman for world democratic leadership.

Repeated to Dept as 759.

BARNES

740.00119 E.W./12–1445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, December 14, 1945—9 a. m.
[Received 1:25 p. m.]

4159. ReDeptel 2498, Dec. 11.[47] Representations in support of Greek claim for reparations from Bulgaria made in letter to Vyshinski dated Dec 13 in accordance Dept's instructions.

Sent Dept, repeated Sofia 147, repeated Athens 65.

HARRIMAN

874.00/12–1545 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 15, 1945—6 p. m.
[Received December 17—11:56 p. m.]

762. Parliament opened this afternoon as scheduled without incident or any marked enthusiasm on part of populace. "Demonstration" that was to "reveal people's joy" turned out to be no more than perhaps 2500 to 3000 spectators gathered in square before Assembly Building watching an organized parade of workers and students. "Speech from throne" of no surprise either in what was said or not said. Necessity to convoke Grand National Assembly, to bring constitution into line with "democratic developments" was mentioned along with statement of "accomplishments" of FN (Front National) to date, promises of more to come in pursuing policy of "democratization and socialization". Much was said of Bulgaria's contribution in last phase of war and early recognition of government by great powers and just peace through friendship with Russia was anticipated.

[47] Same as telegram 399 to Sofia, p. 409.

Kolarov elected President of Assembly. On leaving Parliament, Dimitrov was greeted with shouts, "Now all is in order except declaration of Republic". No one from this Mission, our military delegation nor any British colleagues attended.

Sent Department as 762, repeated Moscow as 341.

BARNES

701.6474/12-1145 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes)

WASHINGTON, December 17, 1945—5 p. m.

405. Dept continues to adhere to view expressed Deptel 20, Jan 25 that it is unnecessary and undesirable for enemy states to have direct diplomatic relations between themselves so long as they remain under armistice regimes. Brit and Soviet Govt expressed agreement this attitude at that time.

Accordingly, message contained urtel 750, Dec 11 [48] should not be transmitted to Hungarian Govt.

Sent to Sofia, rptd to Budapest.[49]

ACHESON

740.00119 EW/12-1845 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 18, 1945—4 p. m.
[Received December 21—11:02 a. m.]

763. General Crane has informed me that at meeting ACC this morning Foreign Minister Stainov appeared and contended that Bulgarian food stocks in such short supply as not to permit of shipments to Greece under Protocol of Armistice and furthermore that as Bulgaria did not sign Protocol Bulgarian Govt is not bound by any undertaking. (Re this latter point please see second paragraph my 237, May 1, 11 a. m.) Control Commission took no decision except to continue study of subject under instructions issued by Moscow, Washington and London. General Crane reporting fully to JCS.

Repeated Moscow as 342.

BARNES

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[48] Not printed; it reported a message regarding proposed renewal of diplomatic relations between Bulgaria and Hungary which a representative of the Hungarian colony in Sofia wished to have communicated to the Hungarian Government (701.6474/12-1145).

[49] As No. 835.

874.00/12-2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 20, 1945—4 p. m.
[Received December 23—2:20 a. m.]

770. Freedom of press for the opposition began to deteriorate even before November 18 elections. *Zname*, of Mushanov's Democratic Party, was effectively suppressed well before elections by "refusal" of print shop employees to produce it. Other opposition papers were also threatened with same club in hands of Communist-controlled organized labor. Opposition papers also ran into distribution trouble with the only existing distribution agency, which is Govt-controlled.

Now, however, Govt hostility to freedom of press is coming out into the open. Seven weekly newspapers critical of govt have been stopped by order of the militia. Protesting against this action, a delegation of newspaper Reps has been informed by Minister of Information and Arts (formerly Minister of Propaganda) that decision to suppress these weekly newspapers, which concentrate on political ideology rather than on news, had been taken by Council of Ministers because (1) too many newspapers "mislead, disorient and divide" Bulgn people and (2) as Bulgaria has not signed peace treaty "its Govt is not entirely independent."

The insinuation of ACC action has provoked daily opposition press to demand statement of facts—has ACC interfered with freedom of press or not? It hardly needs to be mentioned here that American, Brit delegates on Commission know nothing about the matter.

Narodno Zemedelsko Zname (Petkov Agrarian) is now appearing daily with greatest difficulty. By order of Russian-trained Communist Chief-of-Staff of Bulgn Army, Gen Kinov, Petkov's newspaper may no longer be printed on presses of army-owned printing establishment as formerly because of critical attitude toward Govt and Communist indoctrination of army. As all presses capable of publishing 4-page daily in large numbers belong to the Govt (they were seized from private ownership by former regime), Petkov's newspaper is now limping along with two pages printed by difficult and inefficient means. By dint of great effort Mushanov's *Zname* has reappeared for the last 2 days. Likewise it is suffering from inadequate printing facilities.

At the present moment the opposition press consists of the curtailed *Narodno Zemedelsko Zname*, *Zname* of the Democrats, and *Svoboden Narod* of the Lulchev Socialists. Their existence, however, is most precarious not only because of the threat that organized labor may at any time be ordered by Central Committee of Communist Party to cease work and unavailability of adequate presses, but also because of growing insistence by FF Central Committee for drastic action against

all manifestations of opposition to Govt. FF newspaper yesterday published following warning in bold-face type: "National Committee expresses its indignation over dishonest attacks and slanders of opposition press against National Assembly and its members. In name of 3,397,672 voters who have sent their Reps to National Assembly, National Committee protests against these provocations and invites Govt and National Assembly to take the necessary measures for defense of honor and dignity of National Assembly and its deputies in order to preclude excesses against these *provocateurs* and slanderers which would be undesirable in present international situation.["]

This left-handed effort at prior justification of any "excesses" that Front may decide to indulge in is typical of mental processes and distorted political views of those who are now master in Bulgaria. Also indicative of more trouble to come for the opposition is following from newspaper of Communist Party: "November 18 was a brilliant victory but noble and good Bulgn people know that opposition, although crushed, will not abandon struggle. It will use every means against FF. The proverb that the snake becomes even more dangerous before its death must not be forgotten".

Rptd to Moscow as 343.

BARNES

874.00/12-2045: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 20, 1945—5 p. m.
[Received December 22—8:49 p. m.]

771. If any honest democrat doubts that one-party dictatorial Govt exists in Bulgaria today, cursory examination of recent statements by central committee of FF and articles in its and Communist Party newspapers (now that the elections have been "won" and "Parliament" is in session) should suffice to establish fact. For example: "What makes present Bulgarian democracy different from democracies in past is fact that in addition to National Assembly there is the FF which exists to unite all democratic and public forces and which constitutes basis of National Assembly and Bulgarian Govt. National Assembly is only a legislative institution; it is not an executive organ and it does not mobilize the people from moment to moment and with respect to any problem that may arise. The organization of the people's Govt of the people itself is the FF. The leader of the people is not the National Assembly but the National Committee of FF. The leader of the people is not the Govt which is only an executive organ; it is National Committee of FF. Regional committees of FF must become even more active. They must increase their initia-

tive and enterprise and assist state in every domain. They must mobilize Bulgarian people for control of public affairs, for work, for initiative, for construction of roads, of water supplies, of hospitals, of schools, etc."

And here is another: "FF is real leader of the people insuring to people the possibility of being masters of their own destiny. Today solidarity between National Committee of FF Govt and National Assembly is more necessary than ever. National Committee must be at its post at all times. Vigilance of the people against its open and hidden enemies must increase. All efforts must be directed towards realization of FF program. Every true Bulgarian must join the FF. The activities of its committees must increase. Without assuming the part of administrative authorities, committees must help and control these authorities."

The National Committee of FF is in fact "Politbureau" of Russian-dominated Bulgaria in so far as the Bulgarian Govt is permitted to act independently. Otherwise it is the link between that Govt and the Politbureau of Moscow.

Repeated to Moscow as 344.

BARNES

701.7400/12–2045 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 20, 1945—6 p. m.
[Received December 22—12:33 p. m.]

772. Bulg now exchanges regularly accredited diplomatic Reps with Russia, Sweden, Poland, France, Switzerland, Yugoslavia, Rumania and Turkey. Italy has an accredited Min in Sofia (temporarily absent) but Bulg is not represented officially in Rome. Exchange of regularly accredited diplomats with Czechoslovakia and Albania anticipated shortly. Also hope locally soon to reestablish relations with Hungary and Austria.

BARNES

863.5018/12–2645 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 26, 1945—6 p. m.
[Received December 27—11:34 a. m.]

779. Dept's 359, November 1.[50] Bulgarian Govt now states apparently with full support of Russian authorities on ACC that Bulgarian

[50] Not printed, but see telegram 10181, Delsec 86, October 1, 3 p. m., from London, and footnote 35, vol. III, p. 620.

foodstuffs and fodder in such short supply due to 1945 drought that country cannot provide any assistance for Austria "or any other country" from this year's agricultural production. Agricultural production figures supporting this contention have been supplied to Generals Crane and Oxley.

Sent Dept as 779; repeated Vienna as 3.

BARNES

740.00119 Council/12-2745 : Telegram

The Acting Secretary of State to the United States Representative in Bulgaria (Barnes) [51]

WASHINGTON, December 27, 1945—[?] p. m.

416. Following are sections of Moscow conference communiqué of Dec 27 [52] which refer to Rumania and Bulgaria:

[Here follows quotation of section V on Rumania, printed in volume II, page 821.]

VI. (*Bulgaria*)

It is understood by the three governments that The Soviet Government takes upon itself the mission of giving friendly advice to the Bulgarian Government with regard to the desirability of the inclusion in The Bulgarian Government of the fatherland front, now being formed, of an additional two representatives of other democratic groups, who (*a*) are truly representative of the groups of the parties which are not participating in the government, and (*b*) are really suitable and will work loyally with the government.

As soon as The Governments of The United States of America and The United Kingdom are convinced that this friendly advice has been accepted by The Bulgarian Government and the said additional representatives have been included in its body, The Government of the United States and The Government of the United Kingdom will recognize The Bulgarian Government, with which The Government of The Soviet Union already has diplomatic relations.

ACHESON

874.00/12-2745 : Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 27, 1945—6 p. m.
[Received December 28—12:45 a. m.]

783. Communist Party newspaper *Rabotnichesko Delo* this afternoon reveals official FF propaganda line with respect to agreement reached in Moscow on procedure for preparation of peace treaties

[51] Sent also to Bucharest as No. 665.

[52] For full text of communiqué, see vol. II, p. 815; also printed in Department of State *Bulletin*, December 30, 1945, p. 1027.

with ex-satellites. "Reactionary opposition has done everything possible to hinder recognition of Govt and present regime in Bulgaria by US and UK and to impede signature of final peace treaty. Moscow agreement completely defeats their hopes and this traitorous and anti-people's policy. Procedure for signing final peace is already established and is being acted upon. FF Govt is recognized by Soviet Union and following legislative elections it has become clear to all that Govt is representative, that Bulgarian people stand behind it, that Allies can sign peace treaty with it." Thus according to Govt exponents Georgi Dimitrov has been proven correct in his contention that "established facts" are always accepted. Excerpt from Acting Secretary's press conference reported in Radio Bulletin 304 [53] is also used by Govt supporters to bolster [apparent omission] on threshold of recognition.

To those who seek assurance from me that US has not changed its view with respect to non-representative character of present Govt, reply that I possess no information about Moscow Conference not known to general public but that I assume US Govt is not disposed to adopt more accommodating attitude toward an ex-satellite (Bulgaria) than toward an ally and member of United Nations, viz: US note of December 22 on recognition of Federative People's Republic of Yugoslavia.[54] The text of this note has been published by opposition press.

Repeated to Moscow as 347, sent Dept as 783 and repeated to London as 18.

BARNES

874.00/12-2945: Telegram

The United States Representative in Bulgaria (Barnes) to the Secretary of State

SOFIA, December 29, 1945—4 p. m.
[Received January 2, 1946—9:50 a. m.]

785. Govt press takes line that decision with respect to Bulgaria of Foreign Ministers Conference constitutes final acceptance by three Great Powers of FF Govt—that only its completion by inclusion of two more Ministers remains to be effected before recognition is ac-

[53] December 26, vol. XXIII, October–December, 1945; it reported in part: "Correspondent asked if the agreement on the part of United States [at Moscow meeting] to negotiate peace treaties affecting Rumania and Bulgaria could be interpreted as an encouraging sign toward the possibility of ultimate recognition. Mr. Acheson replied in the affirmative, explaining that he assumed recognition in those cases would depend upon successful conclusion of the negotiation of the peace treaty."

[54] See text in Department of State *Bulletin*, December 23, 1945, p. 1020, cf. also telegram 2521, December 14, 8 p. m., to the Secretary of State then in Moscow, *Foreign Relations*, 1945, vol. V, p. 1297.

corded by US and UK. However, within Govt itself doubt exists that situation quite so simple.

Speaking in Assembly yesterday evening, Minister Foreign Office states that, as always, FF Govt will act on advice that Russia gives. He said that Russian authorities here had on previous night informed him of decision. Despite this suggestion that discussions already opened with respect to "desirability of inclusion in FF Bulgarian Govt, now being formed, of additional two representatives of other democratic groups", I know that Govt has not yet received any advice from Soviet authorities nor has it or National Committee of FF met to consider practical implementation of decision.

The phrase "now being formed" did not when drafted jibe in any way with local situation. Until word came of agreement, Govt entertained no thought of reorganization and last night in connection with debate on reply to speech from throne continued with its original plan by vote of confidence that was given to it without change of a single Minister.

Assembly is composed of deputies hand-picked by Communist-dominated FF Central Committee. New groups entering Govt would possess no means of making their voices heard in Assembly. There are four Obbov Agrarian Ministers in Cabinet and two Neikov Socialist Ministers. Under circumstances neither Agrarian leader Petkov nor Socialist leader Lulchev could hope to effect materially any decision of govt merely by accepting posts in Cabinet. Fundamental reconstruction would be necessary to give their views any weight in Council of Ministers. Also Russia has come to look upon these two leaders as "disloyal" because of their opposition both in field of domestic and foreign policy to Communist designs.

It is therefore not surprising that today both Govt and opposition leaders are asking themselves whether Moscow formula is not further proof of inability of Russia and western democracies to arrive at sincere meeting of minds. All (the opposition most woefully) are therefore inclined to believe that Yalta is dead and that Moscow Conference served merely to bury the cadaver. In meantime both sides, one with confidence, the other with fear and some resentment toward the western democracies, await Russia's next step.

Repeated Moscow as 348.

BARNES

CZECHOSLOVAKIA

INTEREST OF THE UNITED STATES IN THE REESTABLISHMENT OF DEMOCRATIC GOVERNMENT IN CZECHOSLOVAKIA; OCCUPATION OF CZECHOSLOVAKIA BY UNITED STATES AND SOVIET TROOPS, AND THEIR WITHDRAWAL[1]

Executive Secretariat Files

Memorandum by the Division of Central European Affairs[2]

[WASHINGTON,] January 11, 1945.

SUMMARY

CZECHOSLOVAKIA

The Czechoslovak Government's relations with the British and Soviet Governments are excellent, and present no problems. Czechoslovak-American relations (reviewed in Annex I) remain excellent, as they have been in the past.

The United States, Great Britain and the U.S.S.R. all favor restoration of independent Czechoslovakia with substantially its 1937 frontiers. Although we favor restoring Ruthenia to Czechoslovakia we would not oppose its incorporation in the U.S.S.R. if the Soviet and Czechoslovak Governments should decide this in agreement.[3] Czechoslovakia is not expected to present any problems for American post-war policies concerning it (detailed in Annex II).

We have no questions to raise about Czechoslovakia now; nor have Great Britain or the U.S.S.R., as far as we know.

The Czechoslovak Government itself however has raised one question which will require decision by the British, Soviet and American Governments: It has informed them of its desire to expel to Germany

[1] For an account of the entry of United States and Soviet troops into Czechoslovakia and the beginning of their withdrawal, see Forrest C. Pogue, *The Supreme Command*, in the official Army history, *United States Army in World War II: The European Theater of Operations* (Washington, Government Printing Office, 1954), pp. 503–508.

[2] This memorandum was included as document No. 23 in the so-called "Yalta Briefing Book"—the collection of memoranda on a wide range of subjects for the background information and policy guidance of President Roosevelt and the American delegation in their discussions at the Malta and Yalta Conferences (January 20–February 11, 1945). For documentation on these conferences, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945.

[3] For documentation regarding the interest of the United States in possible rectification of the frontiers of Czechoslovakia and in the cession by it of Transcarpathian Ukraine (Subcarpathian Ruthenia) to the Soviet Union, see pp. 509 ff.

all undesirable Sudeten Germans (possibly two million) in the expectation that the three occupying powers will facilitate the resettlement of these persons within Germany, without any change in the Czech-German 1937 frontier. The State Department is preparing a note in reply expressing sympathy with the Czechoslovak concern about the Sudeten Germans, but opposing any unilateral action to move them until an orderly solution can be worked out in agreement between the Governments of Czechoslovakia and the occupying powers responsible for the maintenance of order for military security in Germany. The Big Three may wish to forestall precipitate action by reaching agreement along the lines of the separate memorandum on "Treatment of Germany",[4] the last section of which deals with the broader question of the transfer of Germans from Poland, East Prussia and other areas as well as Czechoslovakia, who might altogether number near ten million.[5]

[Annex 1—Extract]

Memorandum by the Division of Central European Affairs

[WASHINGTON,] January 11, 1945.

REVIEW OF UNITED STATES POLICY SINCE 1933 TOWARD CZECHOSLOVAKIA

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Present Policies

The United States intends to continue to recognize, and to work in close cooperation with, the present Czechoslovak Government in the prosecution of the war and in the reconstruction and rehabilitation of Czechoslovakia and the rest of Europe.

The United States views with approval the present plans of that Government to resume authority within Czechoslovakia as soon as military conditions permit under its Civil Affairs Agreement with the Soviet Government, and thereafter to arrange for elections to enable the people of Czechoslovakia to elect their own representatives as soon as possible.

The United States expects to continue to cooperate as at present with the Government of Czechoslovakia as a full member of UNRRA.[6]

Restoration of the 1937 frontier of Czechoslovakia is contemplated,

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[4] *Conferences at Malta and Yalta*, pp. 178–190.

[5] For documentation regarding the interest of the United States in the transfer of Germans from Poland, Czechoslovakia, Hungary, Rumania, and Austria, see vol. II, pp. 1227 ff.

[6] United Nations Relief and Rehabilitation Administration. For documentation regarding the participation by the United States in the work of this organization for the year 1945, see vol. II, pp. 958 ff.

with possibly the minor adjustments outlined in PWC 201*a* of July 18, 1944 (attached as Annex II).

The question of the Sudetenland minorities in Czechoslovakia is one on which this Government will be called to formulate policy in the near future. The Czechoslovak Government has formally notified us that it intends to eject from Czechoslovakia possibly two million more Germans whom it considers undesirable. The question of the attitude to be taken by the United States is now before the Post-War Policy Committee for consideration.

The Czechoslovak Government has requested that it be consulted about the armistice terms for Hungary.[7] The British, Soviet and American representatives drafting the terms at Moscow have agreed to show the draft to the Czechoslovaks as soon as it is completed. The Department has approved this and expressed the hope that there will then be time for Czechoslovak comment to be considered before it becomes necessary to present the terms to the Hungarians.

[Annex 2]

Memorandum by the Committee on Post-War Programs[8]

PWC–201*a* [WASHINGTON,] July 18, 1944.

SUMMARY OF RECOMMENDATIONS

POLICY TOWARD LIBERATED STATES: CZECHOSLOVAKIA

I. *Long-Range Interests and Objectives of the United States*

1. The United States favors the restoration of Czechoslovakia as an independent state.

2. The United States should favor the participation of Czechoslovakia in the general international organization.

3. The pre-Munich frontiers of Czechoslovakia and Germany should in principle be restored, subject to any minor rectifications which the Czechoslovak Government might wish to propose as part of a broader settlement of the issues in dispute between Czechoslovakia and Germany.

4. The United States should favor cession to Hungary of the region of the Grosse Schuett and the Little Hungarian Plain, either on the basis of direct negotiation between Czechoslovakia and Hungary, or on the basis of a determination by appropriate international procedures.

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[7] See bracketed note, p. 798.

[8] For a description of the establishment, organization, and work of the Committee on Post-War Programs, see Department of State, *Postwar Foreign Policy Preparation, 1939–1945* (Washington, Government Printing Office, 1950), pp. 208–213.

5. Ruthenia should be restored to Czechoslovakia with the frontiers established in 1920, subject to any minor rectifications arrived at either through direct negotiations between the states concerned or through other peaceful procedures.

6. The United States favors the restoration of the 1937 Austro-Czechoslovak frontier, subject to any minor rectification arrived at either through direct negotiations between the states concerned or through other peaceful procedures.

7. The United States should favor the restoration of the pre-1938 frontier between Poland and Czechoslovakia in the regions of Teschen (Těšín), Spiš, and Orava. This should, if possible, be effected through direct negotiation between the two governments. If no agreement is arrived at between the two governments prior to the liberation of the disputed areas, this Government should favor the resumption of Czechoslovak administration.

8. The United States should favor the reestablishment of the system of Czechoslovak constitutional government, with recognition of the right of the Czechoslovak people to make such democratic changes therein as they may desire.

9. The United States should look with favor upon a program of greater political decentralization in Czechoslovakia based on a modification of the democratic constitution of 1920, in order to provide an adequate solution of the problems of Slovakia and Ruthenia, as well as a basis for the solution of the problem of minorities.

10. While the United States Government recognizes that the treatment of minorities in Czechoslovakia is primarily an internal problem, it follows with interest the plans of the Czechoslovak Government to create a more stable situation with respect to its minorities.

11. Czechoslovakia should be encouraged to expand its world trade on a non-discriminatory basis and within the framework of such international economic organizations as may be established.

12. The United States should be prepared to conclude a new trade agreement with Czechoslovakia, with a view to reducing trade barriers between the two countries and to expanding mutual trade relationships.[9]

13. In line with its general policy of promoting freer transit throughout Europe, the United States should favor the granting of facilities by Czechoslovakia on a non-discriminatory basis for the transit of goods across its territory.

14. In line with its general policy of promoting freer transit throughout Europe, the United States should favor arrangements designed to give Czechoslovakia special transit rights to the sea for its trade.

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[9] For documentation regarding this subject, see pp. 537 ff.

15. The United States should favor the participation of Czechoslovakia in such regional groupings as might seem to promote its economic welfare and political security, so long as these groupings are not in conflict with the purposes and practices of a general international organization, and are consistent with the policies of this Government and with the best interests of the United Nations.

II. *American Policy in the Transitional Period*

16. The United States Government has indicated no objections to the Czechoslovak-Soviet agreement of May 8, 1944 for the administration of civil affairs in Czechoslovakia during the period of military operations.[10]

17. Although the United States sees no present necessity of concluding an agreement with Czechoslovakia concerning the administration of civil affairs, we may find it desirable to send representatives to Czechoslovakia or to re-establish diplomatic or consular representation within the country, prior to the complete liberation of the country, for the purpose of observation and for the protection of American interests.

18. In accordance with its general policy of not recognizing the acquisition of territory by force, the United States should favor the return to Czechoslovakia, immediately upon its liberation, of the territories taken by Germany and Hungary in 1938–1939 and those taken by Poland in 1938 and 1939. The return of these territories to Czechoslovakia during the transitional period should not prejudice subsequent adjustments, as indicated in paragraphs 4, 5, 6, and 8 above.

19. The United States should accord every facility for the return of the constitutional government to Czechoslovakia, without prejudice to the right of the Czechoslovak people to express as soon as practicable their desires as to the form and details of government.

20. If the transfer of certain minorities from Czechoslovakia is decided upon, the United States should use its influence to have such transfers carried out in an orderly manner, over a period of time, under international auspices.

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[10] For text of the agreement between the Governments of the Soviet Union and Czechoslovakia on the administration of liberated areas, signed in London, May 8, 1944, see Hubert Ripka, *East and West* (London, Lincolns-Prager Limited, 1944), p. 77, or Louise W. Holborn (ed.), *War and Peace Aims of the United Nations From Casablanca to Tokio Bay: January 1, 1943–September 1, 1945* (Boston, World Peace Foundation, 1948), p. 767. For documentation regarding the desire of the Czechoslovak Government to enter into a civil affairs arrangement with the American, British, and Soviet Governments, and the decisions by the American and British Governments that such an arrangement on their part was not needed, see *Foreign Relations*, 1944, vol. III, pp. 515 ff.

21. The United States, in cooperation with other nations, should use all appropriate means consistent with United Nations plans and supply policies to assist the people of Czechoslovakia to fulfill as promptly as feasible their basic civilian and rehabilitation requirements. Supplies and transport facilities should be allocated, in so far as possible, on the basis of a system of priorities.

22. Arrangements should be sought whereby Czechoslovakia would agree to cooperate, not only with the United Nations Relief and Rehabilitation Administration, but with other United Nations relief agencies, and to coordinate its economic policies and practices with the overall program adopted for post-war rehabilitation and economic reconstruction.

23. The United States may participate in loans and in arrangements for supplying technical assistance to Czechoslovakia in order to speed the process of economic reconstruction in Europe as a whole.[11] [Subject to approval of the general principle.] [11a]

24. Czechoslovakia should be accorded an equitable share of any payments in kind which the defeated Axis states may be required to make under a general agreement among the United Nations.

Originally prepared and reviewed by the Inter-Divisional Committee on the Balkan-Danubian Region.

Reviewed and revised by the Committee on Post-War Programs, June 8, 1944.

860F.01/1–2945 : Telegram

The Acting Secretary of State to the Chargé to the Czechoslovak Government in Exile in London (Schoenfeld)

WASHINGTON, February 9, 1945—8 p. m.

Zecho [12] 3. A copy of your Zecho 5 of January 29, 9 p. m.[13] is being transmitted by the Department to Ambassador Steinhardt.[14] Please

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[11] For documentation regarding the granting of cotton credit and consideration of other financial assistance, see pp. 549 ff.

[11a] Brackets appear in the original.

[12] Czechoslovak Series telegram.

[13] Not printed; it reported that the Czechoslovak Government was quite vague as to when it would be able to move from London to Czechoslovakia, and that it might not be able to do so until some time in March. Despite the Soviet Government's suggestions, the Czechoslovak authorities preferred not to go to Košice if a more western town were liberated shortly. President Eduard Beneš proposed first to go to Moscow to discuss problems with the Soviet Government and to make an effort to work out the personnel of the new government with Czechoslovak Communist leaders in Moscow and with representatives of the Slovak National Council. (860F.01/1–2945)

[14] Laurence A. Steinhardt, Ambassador in Turkey, who was appointed Ambassador to Czechoslovakia, December 20, 1944.

repeat messages on the transfer of the Mission or important political developments to Ankara for his personal attention. There is no change in his plans as reported in our Zecho 2 of January 24, 7 p. m.[15]

The War Department has been informed of your recommendation to include Lieut. Col. Woldike[16] in the initial group proceeding to Czechoslovakia.

We agree (paragraphs 5 and 6 of your Zecho 5) that the Mission should proceed by the most direct route to the future seat of the Czechoslovak government and not accompany Czechoslovak officials to Moscow.

When the Czechoslovak Government transfers the seat of government to some part of Czechoslovakia it is possible that the temporary capital will have ceased to be a theater of operations and will have returned to the administration of the Czechoslovak government under the Czech-Soviet Civil Affairs Agreement. In any event it is felt that when the Czechoslovak Government transfers itself to Czechoslovak territory, our mission should be prepared to send key personnel to take up their functions at the capital as soon as possible.[17] Therefore, as soon as the Government's transfer has been effected, we should advise the Soviet Government that a key group is proceeding immediately to Czechoslovakia via the route chosen and request the Soviet Government to advise its military authorities operating in that area of the date and route of the flight in order that they may render any assistance which might be necessary in connection therewith.

Action is being taken on the other points in your telegram.

Sent to London, repeated to Ankara for the information of Ambassador Steinhardt as Department's number 181.

GREW

[For text of statement by the Secretary of State, March 15, on the sixth anniversary of the Nazi invasion of Czechoslovakia, see Department of State *Bulletin*, March 18, 1945, page 438.]

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[15] Not printed; it reported that Ambassador Steinhardt expected to leave Ankara at or after the end of February and proceed to Washington for consultation before proceeding to his new mission (123 Bruins, John H.). Later, there was a change in these plans, and Ambassador Steinhardt did not leave Turkey and return to Washington until April 1945.

[16] Lt. Col. Aage Woldike, Assistant Military Attaché in London near the Governments in Exile of Czechoslovakia, the Netherlands, Norway, and Poland.

[17] Mr. Schoenfeld reported in his telegram Zecho 10, February 17, from London, that President Beneš hoped "the diplomats will come to Czechoslovakia as early as practicable, especially those of the United States, Great Britain, USSR, and France, since he attaches great value, among other considerations, to the moral effect of their presence." (701.0060F/2-1745)

860F.01/3–2245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 22, 1945—9 p. m.
[Received March 23—11 : 32 a. m.]

866. I called on Dr. Beneš this afternoon.[18] Masaryk[19] was also present. He explained the two subjects that were occupying his attention in Moscow, the first with the Soviet Government regarding foreign affairs and the second with his own political groups regarding the reorganization of his Government. In the first category he explained that the Soviets had maintained the principles of their previous agreements. Czechoslovakia, when the Germans were forced out, would exercise authority over the pre-Munich boundaries, leaving to the peace settlement of relatively small territorial adjustments at the expense of Germany and Hungary. The question of Ruthenia would also be settled after the war depending largely on the will of the people. He did not seem to be particularly exercised over the possibility of losing Ruthenia but if it were to be done he wanted to be satisfied that the people who wished to go to Czechoslovakia would have that privilege. I should not, however, give the impression that he was acquiesing in a decision to this effect. Soviets have agreed to continue to arm the Czechoslovakian Army, now four or five divisions, up to ten divisions. Beneš stated that Stalin had said "we will give you the arms and you the blood", later, however, Beneš admitted that supplies requisitioned by the Red Army in Czechoslovakia would be offset against the military equipment furnished by the Russians. Beneš says he also has an agreement from the Soviets to furnish Czechoslovakia with some supplies such as seed, transport equipment, et cetera, to start the wheels of economic life. These supplies will be paid for by Czechoslovakia depending upon how soon and in what condition her industries may be on liberation. I did not ask him how

[18] President Beneš and a party of Czechoslovak Government officials left London by air on March 11 and arrived in Moscow on March 17, where they were received with high honors. On March 19, Beneš paid a visit to Marshal Stalin. On March 21 and 24, Beneš had meetings with Foreign Commissar Molotov. Telegram 1023, April 3 from Moscow, reported receipt of a note from Molotov containing information on the Beneš visit. The first three and last paragraphs of Molotov's note were published practically verbatim in the Moscow press on April 1 while the fourth paragraph stated that the Czechoslovak and Soviet Governments had concluded an agreement concerning the reciprocal payment of expenses for the maintenance of the Soviet and Czechoslovak military units during the war and an agreement which defined the utilization of captured war materials in Czechoslovakia. (860F.01/4–345)

[19] Jan Masaryk, Czechoslovak Minister for Foreign Affairs.

much of the military and civilian supplies were to be American lend-lease or items similar thereto, but certainly this is a matter that should be watched. Stalin further agreed with Beneš' proposal that about 2 million of the 3 million Germans within Czechoslovakian territory should be transferred to Germany and similarly about 400,000 of the 600,000 Hungarians. Arrangements have further been made regarding the use of Galatz [20] for transport of supplies including UNRRA, although the Czechs evidently must provide their own transport from there on. Czechoslovakian Danubian craft now in Hungary are to be returned to Czechoslovakia. Dr. Beneš said also that the Soviets agreed that this outlet to the Black Sea should be assured to Czechoslovakia after the war. Molotov also agreed to the ship coming to Galatz that is to sail from England on the 26th of March with the international diplomatic corps and Czechoslovakian officials, travelling to Czechoslovakia. Molotov explained to Dr. Beneš, as had Churchill,[21] the decisions of the Crimea Conference regarding Germany, including the discussions on dismemberment.[22] Beneš explained to Molotov that he was ready to accept the decisions of the three principal Allies but that they must understand that it would be their obligation to maintain the dismemberment. He said that Molotov had agreed to the representation of the Czechoslovakian Government in Hungary, Rumania and Bulgaria. He hoped to receive soon reparations from Hungary. He assumed there would be no difficulty in regard to the transit of the UNRRA delegation because the head of the delegation was to be a Russian but I asked him to confirm that before he left Moscow. In regard to the San Francisco Conference [23] he had told Molotov that Masaryk would go to the Conference and would raise no objections to the Dumbarton Oaks [24] proposals although he knew a number of small nations were going to press strongly for modifications.

In connection with the reorganization of the Czechoslovak Government these discussions were going on between the party leaders he had brought with him from London, the members of the Slovakian

[20] The Rumanian Danube River port of Galati. Rumania was under occupation by the Soviet Army.

[21] Winston S. Churchill, British Prime Minister.

[22] For the decisions of the Conference, see Report of the Crimea Conference, issued as a communiqué, February 11, 1945, *Conferences at Malta and Yalta*, p. 968, and the Protocol of the Proceedings of the Crimea Conference, February 11, *ibid.*, p. 975.

[23] For documentation regarding the United Nations Conference at San Francisco, April 25–June 26, 1945, see vol. I, pp. 1 ff.

[24] For documentation regarding conversations at Dumbarton Oaks, August 21–October 7, 1944, on international organization, see *Foreign Relations*, 1944, vol. I, pp. 713 ff.

National Council[25] recently coming from Slovakia for this purpose and the Czechoslovak Communist leaders who had been living in Moscow. He explained that while in London he exercised a great deal of personal control whereas now he was adopting the constitutional attitude of the President, ready to receive the proposals of the party leaders which he would accept or reject as he considered proper. He is planning to recognize the Slovak National Council and to give home rule to Slovakia. He expects that the Communists will end up with about 4 out of 16 ministerial posts, two from Slovakia and two from Bohemia, but this had not been definitely determined.

I expect to see Beneš again before his departure in about a week. He was buoyant as ever and appeared to be quite satisfied with his discussions so far but I did not have the time to discuss with him any of the matters which I have reason to believe are giving him concern.

HARRIMAN

860F.01/3–2845 : Telegram

The Chargé to the Czechoslovak Government in Exile (Schoenfeld) to the Secretary of State

LONDON, March 28, 1945—8 p. m.
[Received March 28—5 : 05 p. m.]

Zecho 30. My 24, March 17, 4 p. m.[26] Due to Soviet objections, the Diplomatic Corps near the Czechoslovak Government will not accompany the Czechoslovak authorities when they leave London this evening for Czechoslovakia.

Ripka, whom I saw at 5 this afternoon together with Ambassador Nichols,[27] received the following message at 3 : 15 this afternoon from Tchitchaiev, the Soviet Chargé d'Affaires : [28]

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[25] On September 1, 1944, Slovak Communists and Democrats participating in the uprising against the pro-German puppet government of Slovakia and its German allies formed a Slovak National Council which proclaimed itself the representative of legislative and executive powers in Slovakia and the directing organ of military resistance against the Germans and their allies.

[26] Not printed ; it reported that at the suggestion of the Czechoslovak Foreign Office, a list of persons comprising the American Embassy staff which would accompany Czechoslovak Government group on their return to Czechoslovakia was handed to the Soviet Chargé in London on March 16, with a request for transit permit across Soviet occupied territory between Black Sea ports and Czechoslovakia (860F.01/3–1745).

[27] Philip B. B. Nichols, British Ambassador to the Czechoslovak Government in London.

[28] Ivan A. Chichayev, Counselor of the Soviet Embassy near the Czechoslovak Government in London.

"The Soviet military authorities consider that the military situation in the district of Košice and in the adjoining districts prevents at present moment the positive solution of the question of the Diplomatic Corps. Apart from this, there are difficulties in accommodation of a considerable number of members of the Diplomatic Corps. For the accommodation of the Diplomatic Corps, it is necessary to carry out necessary preliminary preparations after the arrival of the Czechoslovak Government on the spot.

In view of the above-mentioned facts, the Soviet Military Command considers it unavoidable to postpone the arrival of the Diplomatic Corps in Czechoslovakia for some time. In this connection it is envisaged that subsequently the transfer of the Diplomatic Corps to Czechoslovakia will be realized not at once, but in parts and that the Embassies and Missions will be represented in minimal numbers, at least in the beginning.

As regards the collaborators of the Czechoslovak Government apparatus, officers and public functionaries, there are no objections to their transfer to the liberated territory."

Ripka said that Tchitchaiev added orally that the Soviet member of the ACC [29] in Bucharest had been instructed to refuse a transit permit across Rumania for the Diplomatic Corps (my 29, March 26, 9 p. m.[30]).

In the circumstances the Czechoslovak Government felt unable to ask the Diplomatic Corps to accompany their officials when they leave London this evening.

Ripka spoke of his great embarrassment at this last-minute development and said that the Soviet authorities had been informed as long ago as February 9 of the plans for the Diplomatic Corps to proceed and that they had been given lists of persons early in March.

Repeated to Ankara as 22.

[SCHOENFELD]

760F.61/3-3145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 31, 1945—5 p. m.
[Received April 1—1:22 p. m.]

993. Yesterday afternoon Dr. Beneš came to the Embassy alone for tea and we had a talk lasting for 2 hours. He is satisfied with his discussions with Stalin and Molotov. He has concluded all of his arrangements with the Soviet Government including such details as air transport and radio communications to the outside world, except for one matter. The Soviets appeared to agree to the diplomatic corps

[29] Allied Control Commission.
[30] Not printed.

being moved from London to the seat of the new Czechoslovak Government at Košice. They were to sail on a ship leaving England March 26. The Soviet Government however did not give its approval in time and therefore the Diplomatic Corps remains in London. The Soviet Government has not refused but for some undisclosed reason is delaying approval of permission to travel through Rumania and Hungary to Czechoslovakia. Beneš is most anxious to have these diplomatic representatives with him and is disturbed by the delay. He hopes however that the situation will be straightened out shortly. He is well satisfied with his reception by Stalin and by what Stalin said during the dinner at the Kremlin given in his honor. Stalin made two speeches at the dinner which Beneš thought were particularly significant. In the first Stalin explained that the Soviet Government had no desire to promote the old czarist policy of pan-Slavism. This policy had no realistic bases. On the other hand he emphasized that the Slavic countries had a historic common objective of security against German aggression and in this Czechoslovakia was particularly interested. In his second speech he spoke of the fact that many people had been suspicious that the Soviet Union wished to bolshevize Europe. Turning to Beneš he said "you were justified in sharing this suspicion." On the other hand there was no longer a justification for this fear as the Soviet Government's policy had been reoriented to present conditions. The various Communist parties would become nationalist parties interested in the national interests of their own countries. In private conversation Stalin explained that he knew the Czechoslovak Communist leaders well as they had been in Moscow for the last 5 years. He said they were good, patriotic men but wore "blinkers" meaning that they were concentrating too much on their own ideology and he suggested to Beneš that he should undertake to broaden their outlook.

Beneš was not however as well satisfied with the composition of the new government which is to be announced after Beneš's arrival in Košice.[31] His comment was that "it might have been worse" and he maintained that his difficulties were with the Czechoslovak parties and personalities are not because of interference on the part of the Soviets. Fierlinger, Czech Ambassador to Moscow, is to be the new Prime Minister and Beneš feels that he can control him particularly as he is a career diplomat and has no political following in Czechoslova-

[31] President Beneš arrived in Košice on April 3. On April 4 he accepted the resignation of Prime Minister Jan Šramek (head of the London Czechoslovak Government) and appointed a new government headed by Prime Minister Zdenek Fierlinger.

kia. He told me in strict confidence that Stalin was not pleased with the selection, saying that the Western Allies would feel that this selection had been dictated by the Soviet Government and as an incorrect indication of Soviet domination of Czechoslovak internal affairs. Stalin assured Beneš that he had no intention of so doing and did not like the implication which would be drawn from this selection.

In the discussions between the Czechoslovak leaders from within the liberated areas, from London and Moscow, it was first agreed that all parties should have the same number of posts in the government. Then the Communists pulled a fast one (Beneš called it a "trick") by contending that the Slovakian parties were different from those of the western provinces.[32] It will be recalled that in Slovakia all parties have merged into two. The Communist Party now includes the Social Democrats[33] and the various liberal parties have joined in what is called the Democratic Party. It was further insisted that the Slovakian parties should have one third of the membership. After endless argument the following setup was agreed upon: there are to be 25 ministers, 2 [*22?*] senior and 3 junior. By the above maneuvers the Communists have succeeded in obtaining six senior posts and one junior.[34] The posts are made up as follows: three from the People's Party (Catholics), three Czech National Socialists (Beneš's Party), three Social Democrats, three Czechoslovak Communists, three from the merged Slovakian Communists and Social Democrat Party, and three from the Slovakian Democratic Party (consolidation of the liberal parties), four non-party individuals, including Masaryk. Since these non party members were Czechs it was agreed that the three under ministerial posts should be filled from Slovakia, one from the left party and two from the Slovak liberals. He is reasonably well satisfied with the individuals who were selected from the different parties and states the Communists and more radical socialists will be in the minority. Beneš expects that when Moravia and Bohemia are liberated there will be a reorganization of the Government and that the conservative sentiment

[32] i.e., Bohemia and Moravia.

[33] On September 17, 1944, elements of the Social Democratic and Communist Parties of Slovakia joined to form a new Communist Party of Slovakia.

[34] In telegram 1510, May 8, 8 p. m., the Chargé in the Soviet Union, George Kennan, analyzed the composition of the Czechoslovak Government. He indicated that there were 6 known Communists among the 22 senior Cabinet officials: Deputy Prime Minister Klement Gottwald, Deputy Prime Minister Viliam Siroky, Minister of Interior Vaćlav Nosek, Minister of Information Vaćlev Kopecký, Minister of Labor and Social Welfare Josef Soltész, and Minister of Agriculture Július Duris. Under Secretary of the Foreign Ministry Vlado Clementis was identified as a Communist among the junior members of the Cabinet. In addition, the following were identified as "thoroughly Sovietized members of the Government": Prime Minister Zdenek Fierlinger, Minister of Education Zdenek Nejedlý, and Minister of Defense General Ludvik Svoboda (860F.01/5–845).

of these areas will be given a stronger representation. The Agrarian Party has been left out as the leaders did not behave too well during the occupation but places will be given Agrarians when men can be selected who are untainted by collaboration. No representation is given to Ruthenia which will continue to be administered as it is now.

In speaking with Stalin of matters of general interest, Beneš told me that both Stalin and Molotov had indicated great satisfaction with the Crimea Conference and the Dumbarton Oaks Agreement and indicated determination to support the establishment of the world security organization in accordance with our agreement. Beneš said that he thought the Soviets were having some difficulty with the Ukrainians and participation in the world security organization for the Ukraine was important for the internal situation. Beneš said that Poland [35] came up several times in the conversations. He feels that the Warsaw Poles are pressing the Kremlin for a narrow interpretation of the Crimea Agreement as they do not want to bring in new strong elements. Molotov on several occasions indicated that Mikołajczyk [36] was unacceptable to the Warsaw Poles. I assured him that it was my personal conviction that neither the British or we would accept a whitewashed settlement. He said that he thought Stalin was getting bored by the Polish problem and wanted to have it settled but on the other hand Beneš could give me no assurance that Stalin would give in to our point of view. Beneš firmly states that he will not do anything to embarrass our negotiations such as concluding the proposed tripartite pact with the present Warsaw Government.

Beneš leaves this morning for Košice. He expects to travel extensively through the liberated areas to get in touch with the sentiment and attitude of the people.

HARRIMAN

860F.001/4–245 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, April 2, 1945—2 p. m.

769. Please arrange for the transmission of the following message [37] from President Roosevelt to President Beneš to be delivered when

[35] For documentation regarding the negotiations between the United States, the United Kingdom, and the Soviet Union concerning the establishment of a Polish Provisional Government of National Unity, see vol. v, pp. 110 ff.

[36] Stanislaw Mikołajczyk, former Prime Minister of the Polish Government in Exile in London and a leader of the Polish Peasant Party.

[37] This message was released to the press on April 6; see Department of State *Bulletin*, April 8, 1945, p. 599.

the latter arrives in Košice or any other place in Czechoslovakia where the government may be established: [38]

"His Excellency
Dr. Eduard Beneš,
President of the Republic of Czechoslovakia

It is a source of great personal satisfaction to me to see your untiring efforts for the liberation of Czechoslovakia crowned by your return to its own soil.

I know what joy your homecoming must mean both to you and to every other patriotic Czechoslovak because it marks the restoration of your country to the dignity of independence and freedom from foreign oppression.

Your homecoming also symbolizes to all Americans the turning of the whole world from the years of conquest and strife to an era of justice and cooperation in a community of free nations dedicated to those same principles of democratic integrity which are so characteristic of Czechoslovakia itself. Franklin D. Roosevelt" [39]

STETTINIUS

860F.01/3–2945: Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, April 4, 1945—noon.

784. Following is a summary of a telegram from the Embassy near the Czechoslovak Government in London (Zecho 30 March 28, 8 p. m.):

[Here follows a summary of telegram Zecho 30, March 28, 8 p. m. from the Chargé to the Czechoslovak Government in Exile, page 429.]

In as much as the Soviet Government has known of the plans of the Czechoslovak Government since February 9, the Department does not understand the sudden decision concerning the transfer of the Diplomatic Corps, particularly in view of the agreement on concerted action of the three powers contained in the Declaration on Liberated Europe signed at Yalta [40] and the statements attributed to Molotov

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[38] In telegram 1103, April 9, midnight, the Ambassador in the Soviet Union reported that he had transmitted the President's message to the Czechoslovak Chargé in Moscow by letter on April 4 and had asked that the message be delivered to President Beneš as requested by the President. It was further reported that on April 7, the Czechoslovak Chargé stated that he had not been able to confirm delivery of the message. The Ambassador thought that the delay might be accounted for by the fact that the Czechoslovak Chargé's communications with his government had to go through Soviet military channels. (860F.001/4–945) In telegram 1139, April 12, 2 p. m., the Ambassador in the Soviet Union reported that the Czechoslovak Chargé in Moscow still had no confirmation either of the receipt in Košice or the delivery of President Roosevelt's message to President Beneš (860F.001/4–1245).

[39] The message was initialed by President Roosevelt.

[40] *Conferences at Yalta and Malta*, p. 971.

and Stalin in your 866 March 22, 9 p. m. and 933 [*993*] March 31, 5 p. m. This development cancels the Department's instructions to ask for a blanket permit for the transit of the Mission through the Soviet military zone (our 719, March 27, 8 p. m. and 159 March 27, 8 p. m. to AmRep Bucharest).[41] Instead, the Department instructs you to request visas for the Counselor of the Embassy Alfred W. Klieforth, First Secretary John Bruins, in addition to a code clerk and stenographer whose names will be supplied by London, in order to ascertain if the Soviet authorities are using the situation in Košice as a nominal excuse for their refusal to admit the representatives of friendly governments during the initial stages of political reconstruction or whether they wish to exclude all diplomatic representation during this period.

Can you inform us if the Soviet Ambassador Zorin (your 897 March 24, 7 p. m.[42]) plans to go to Košice or any other seat of the Czechoslovak Government prior to the arrival of other missions or other interim representation? Has the Soviet Government officially transferred the Košice district and adjoining areas to Czechoslovak civil authority under the Civil Affairs Agreement?

The Department appreciates the full reports you have sent on the Czechoslovak-Soviet negotiations in Moscow (your 866, March 22, 9 p. m.; 919, March 27, 1 p. m.;[43] 952, March 28, 10 p. m.[44]) and hopes you will supply any information or suggestions facilitating the early establishment of our representation to the Czechoslovak Government. We feel that this representation is highly desirable during the initial stages of reconstruction of the government and civil authority on Czechoslovak soil.

Repeated to Ankara as Department's no. 388, and repeated to AmRep, Bucharest, as Department's no. 170.

ACHESON

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[41] Neither printed; they stated that the American Mission to Czechoslovakia planned to leave London on or about March 29 with a Czechoslovak Government group and other diplomatic representatives and proceed to Constanza in Rumania and then overland to Kosice or any other place where the Czechoslovak Government was established, and they suggested that Soviet and Rumanian authorities be approached with a view to expediting a blanket permit in order to avoid delay in processing individual transit permits (124.60F3/3–2745).

[42] Not printed; it reported that on March 22 the Moscow press announced the appointment of Valerian Alexandrovich Zorin as Soviet Ambassador to Czechoslovakia (701.6160F/3–2445).

[43] Telegram 919 not printed.

[44] Not printed; it reported on the negotiations which were taking place among various Czechoslovak groups regarding the formation of a new Czechoslovak Government (860F.01/3–2845). The results of these negotiations were described by the Ambassador in the Soviet Union in his telegram 993, March 31, 5 p. m., p. 430, detailing his talk with President Beneš.

860F.01/4–745 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, April 7, 1945—midnight.
[Received April 8—11:20 a. m.]

1086. ReDepts 784, April 4; sent Ankara as 338 and Bucharest as 170. We have today written to the Foreign Office withdrawing the request previously made for transit through the Soviet military zone to Czechoslovakia of the persons named in the Department's 719, March 27, 8 p. m.[45] and asking that the appropriate Soviet authorities be instructed to permit the transit of Klieforth, Bruin and Parry,[46] whose name was one of two submitted to us by London.

Zorin has definitely gone to Košic with Beneš and his name has appeared prominently in Soviet press despatches from that city. I am told that civil authority in Slovakia is being exercised exclusively by the Slovak National Council which, as the Department is doubtless aware, is headed by a Slovak Communist named Husak.[47] While this gives Moscow effective control of civil affairs in the area, the arrangement has been accepted by the Czech Government which, I understand, has formally delegated its authority to the Slovak National Council. Thus the civil affairs agreement has been observed in form, although violated in spirit. I understand that while the new government expects to remain in Košice until the liberation of Prague, the Slovak National Council will probably move to Bratislava in the near future. Thus civil affairs for Slovakia would not be administered from seat of Czech Government.[48]

Sent Department as 1086; repeated to Ankara as Moscow's No. 21 and AmRep Bucharest as Moscow's No. 57.

HARRIMAN

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[45] Not printed; but see footnote 41, p. 435.

[46] Carroll C. Parry, Vice Consul.

[47] Gustav Husák, Deputy Chairman of the Slovak Communist Party. In his despatch 268, April 20, the Chargé to the Czechoslovak Government in London reported on the election of a new executive of the Slovak National Council on April 11. Karol Šmidke and Jozef Lettrich were elected chairmen and Daniel Ertl, Gustav Husák, Ladislav Novomeský, Jozef Styk, Toma Tvarosek and Major Pollak were elected vice chairmen. (860.01/4–2045)

[48] In telegrams 1105 and 1106, April 9, from Moscow, Ambassador Harriman invited the Department's attention to the program of the new Czechoslovak Government which had been published in the Moscow press on April 9; the program, *inter alia*, recognized the Slovak National Council as the only legal representative of the Slovak nation and the bearer of governmental power on Slovak territory (860F.01/4–945).

860F.01/4-3045

The Supreme Commander, Allied Expeditionary Force (Eisenhower) to the Commanding General, 12th Army Group (Bradley)[49]

AG 014.1-1 (Czechoslovakia) GE-AGM FORWARD,[50] 19 April, 1945.
Subject: Civil Affairs Directive for Liberated Areas of Czechoslovakia

1. It is the policy of the United Kingdom and the United States Governments that Czechoslovakia be treated as an Allied liberated country and that the Sudetenland be treated as part of Czechoslovakia. The German regime in the Sudetenland, as well as in other areas of Czechoslovakia, is an alien one to be uprooted and destroyed. In this and in all other respects, Czechoslovakia, including the Sudetenland, will be considered and treated as Allied liberated territory.

2. In areas of Czechoslovakia liberated by forces under your command, you are authorized to take all measures deemed by you necessary for the success of your operations and safeguarding the persons, property and security of your forces. You will, as soon as possible, post in all such areas a proclamation, copies of which will be forwarded to you very shortly.

3. So far as feasible, you will, however, as in other Allied liberated countries, permit loyal Czechoslovakian authorities when found to conduct all matters of civil administration, including the re-organization of the administrative and judicial services and the elimination therefrom of Nazis and Nazi collaborators.

4. You will give the loyal Czechoslovakian authorities all assistance you consider possible to enable them to conduct the civil administration in accordance with your requirements and, so far as not inconsistent with the success of your operations, with the programs and policies of the Czechoslovakian Government.

5. It will be for Czechoslovakian authorities to take the necessary administrative and judicial measures to deal with Nazi and hostile persons and institutions. You should request the Czechoslovakian authorities to take appropriate steps to block their accounts and properties. It will also be primarily a matter for the Czechoslovakian authorities to regulate local financial and economic questions and you should notify this headquarters if they appear to be unable to do so. You will further notify the Czechoslovakian authorities of their responsibility for safeguarding United Nations property.

6. In the Sudetenland and any other parts of Czechoslovakia incorporated into the Reich, you will probably have greater difficulty than

[49] Copy transmitted to the Department by the United States Political Adviser for Germany at Supreme Headquarters, Allied Expeditionary Force (SHAEF), in his despatch 319, April 30, 1945; received May 5.

[50] Forward Headquarters of SHAEF at Rheims, France.

in other areas and must exercise greater care in finding loyal Czechoslovakians to whom you may look for the conduct and re-organization of the civil administration. In such parts you will also probably find that you will have to render such loyal authorities, when established, greater assistance than in other areas. However, the controlling principle in the Sudetenland, as in other areas is that stated in paragraph 3 above.

7. As a measure of assistance to loyal Czechoslovakian authorities and for the maintenance of law and order, if you deem the successful conduct of your operations so requires, you may issue such orders to the civil population or otherwise of a civil administrative or governmental character as you consider appropriate. For the enforcement of such orders and for the punishment of offenses against the persons, property or security of the Allied forces, you may, in your discretion, establish Allied Military Courts. The organization, jurisdiction and procedure of such courts will be in accordance with that established for Military Government courts, with such changes therein as you may consider appropriate to the conduct of such courts for the purpose hereof. Offenders tried by such courts will be restricted to those who purported under German Law to be Germans, except as you may arrange with loyal Czechoslovakian authorities or may consider necessary to your operations.

8. Allied service courts and authorities shall have exclusive jurisdiction over all members of their respective forces and all other persons subject to their respective service laws.

9. Your forces, members thereof, persons subject to their service laws, and attached organizations shall be exempt from all direct taxes, state or local.

10. Procurement of supplies, facilities and services, including civilian labor, will be effected when practicable through the Czechoslovakian Government and loyal local authorities in accordance with Czechoslovakian law. You may, however, exercise the right of direct requisition for such purposes when you deem necessary to your operations. You should as far as possible avoid making cash payments for such requisitions but if it becomes necessary to do so in order to obtain your requirements you should make payments only in accordance with prevailing local prices.

11. Such payments as you may make for the purpose of the foregoing paragraph, for payment of your forces, or for other authorized purposes in Czechoslovakia shall be made in Allied Military Marks until adequate supplies of Czechoslovakian currency become available and are released to you for that purpose by this headquarters. If prior to that time, supplies of such currency become available to you, you will report at once to this headquarters for further instructions. Until expressly authorized by this headquarters you will quote no rate

of exchange between Czechoslovakian currency and the pound sterling or the U.S. dollar. So long as you are using Allied Military Marks you may take such action as you deem necessary to secure the ready acceptance of such marks as equivalent in all respects to an equal number of Reichsmarks, including, as a last resort, the issue of a general order that such Allied Military Marks will be legal tender for all purposes in areas of Czechoslovakia liberated by the Allied Expeditionary Force on a parity of one Allied Military Mark equals one Reichsmark. If you should determine the issue of such order to be necessary, you will report to this headquarters at least 48 hours prior to its issuance.

12. You may retain and use all enemy war material falling into the hands of your forces in Czechoslovakia which you may require. You shall, however, release against physical receipt to the Czechoslovakian Government or loyal local authorities at the earliest possible moment any such war material which you do not require and which is suitable for civilian use or which was, prior to its acquisition by the enemy in Czechoslovakian ownership. You shall report to this headquarters for further instructions any such war material retained by you and not so used or released.

13. Your responsibility for displaced persons and refugees will be the same as in Army areas in other Allied liberated countries. Full discharge of that responsibility is an integral part of your military operations.

14. You will be responsible for calling forward supplies to meet your requirements under the foregoing paragraph 12 and for such relief and rehabilitation within your areas of responsibility in Czechoslovakia as may be necessary to insure the accomplishment of your mission. You will be responsible for completing arrangements for the bringing forward and delivery of such supplies to loyal Czechoslovakian authorities or other appropriate distributing agency and will obtain physical receipts for all such deliveries.

15. So far as military considerations will permit, you will deal with the Czechoslovakian Government or loyal local authorities and you will otherwise exercise your powers hereunder through or with the advice of Czechoslovakian liaison officers or other representatives of the Czechoslovakian Government who will be attached to your command or otherwise made available to you for that purpose as soon as possible.

16. Appropriate delegation and redelegation to subordinate commanders of the powers herein granted is authorized.

By direction of the Supreme Commander:

T. J. Davis
Brigadier General, USA
Adjutant General

740.0011 EW/4–1945

Memorandum for the Secretary of State, Prepared in the Department of State [51]

[WASHINGTON, April 19, 1945.]

A vigorous protest should be made concerning the delay in the establishment of our diplomatic representation to the Czechoslovak Government. Our representatives, who were prepared to leave London on March 29 with representatives of other states accredited to the Czechoslovak Government, did not leave due to Soviet objections. However, the Soviet Ambassador proceeded to Czechoslovakia with President Beneš. This action not only caused our Mission great embarrassment but has seriously complicated the process of providing representation to an Allied state. We should demand that our Mission to Czechoslovakia be admitted immediately and given absolute equality with the Soviet representative in matters of communication and transportation.

860F.01/4–2145 : Telegram

The Chargé to the Czechoslovak Government in Exile (Schoenfeld) to the Secretary of State

LONDON, April 21, 1945—2 p. m.
[Received 10:15 a. m.]

Zecho 43. My 3 of March 17, 1944,[52] and Department's 3524 of May 2, 1944.[53] In a note of April 20, Ripka, who is in charge of Czechoslovak Foreign Office in London [54] renews the proposal for a civil affairs agreement with the American and British Governments because of arrival of American forces on Czechoslovak territory.

Substance of Ripka's note is as follows:

Early in 1944 the Czechoslovak Government suggested to American and British Governments conclusion of an agreement on the relationship between Czechoslovak administration and Allied High Command whenever Allied armies entered Czechoslovak territory. At that time the two Governments rightly did not consider the matter urgent. The victorious advance of General Patton's [55] army to Czecho-

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[51] File copy not signed. This was one of several memoranda prepared for the Secretary of State on questions which he might wish to raise with Soviet Foreign Commissar Molotov. Molotov was head of the Soviet delegation to the United Nations Conference at San Francisco, April 25–June 26, 1945. For documentation regarding this Conference, see vol. I, pp. 1 ff. The Czechoslovak question was raised by the Secretary during a meeting with Molotov on May 2. See footnote 88, p. 450.

[52] *Foreign Relations*, 1944, vol. III, p. 515.

[53] *Ibid.*, p. 520.

[54] Ripka had been named Minister for Foreign Trade in the new Czechoslovak Government appointed by President Beneš in Košice on April 4. Ripka was the only member of the new government present in London.

[55] Gen. George S. Patton, Commanding General of the United States Third Army.

slovakia has fundamentally changed the situation and need for an agreement now becomes obvious.

The Czechoslovak Government is anxious for conclusion of such an agreement at earliest possible moment. Since advance of American troops brooks no delay Ripka suggests an immediate provisional agreement by which, until a formal agreement can be discussed and concluded, the relationship between Czechoslovak administration and American troops will be adjusted in accordance with principles suggested by the Czechoslovak Government in 1944, particularly points 1, 6, 7, and 8 of the draft proposed in note of March 16.[56]

It would be appreciated if this urgent matter could be dealt with as rapidly and effectively as possible to regularize the situation which has arisen through the lack of such an agreement between the Czechoslovak Government and the Supreme Allied Command.

As is known, a similar agreement was signed between the Czechoslovak and Soviet Governments May 8, 1944. *End Summary.*

I understand Czechoslovak Government has also approached SHAEF on this matter.

[SCHOENFELD]

860F.01/4–2245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 22, 1945—1 p. m.
[Received 9:58 a. m.]

4122. Before Eden[57] left he talked to me about our advancing Army into Czechoslovakia and the possible liberation of Prague.[58] He told me that he would forward me a note which the Foreign Office has sent me since his departure.[59] In substance it reads as follows, stating that it expresses his considered view:

He feels that if it were possible from the military aspect it would be most desirable politically for Prague to be liberated by the United

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[56] For text of the Czechoslovak draft agreement, see telegram Zecho 3, March 17, 1944, 5 p. m., from the Chargé to the Czechoslovak Government in Exile in London, *Foreign Relations*, 1944, vol. III, p. 515.

[57] Anthony Eden, British Secretary of State for Foreign Affairs.

[58] For a discussion of United States military operations into Czechoslovakia and the inter-Allied correspondence concerning these operations, see Pogue, *The Supreme Command*, pp. 468–469, and 503–508. For a briefer treatment of some of the same materials, see Forrest C. Pogue, "The Decision to Halt at the Elbe (1945)," in the volume *Command Decisions*, prepared by the Office of the Chief of Military History, Department of the Army (New York, Harcourt, Brace and Company, 1959), pp. 384–387. See also the article "Anniversary of Liberation of Czechoslovakia: Correspondence between SHAEF and Soviet High Command Concerning Decisions To Halt Allied Forces in Czechoslovakia", Department of State *Bulletin*, May 22, 1949, pp. 665–667.

[59] Foreign Secretary Eden arrived in Washington on April 15 to attend the funeral of President Roosevelt, who died on April 12, and to confer with the Secretary of State prior to the opening of the United Nations Conference at San Francisco on April 25.

States Army. Apart from the obvious advantage of the Western Allies contributing to the liberation of Czechoslovakia the occupation of the protectorate [62] or a part of it by the United States forces would enable your authorities and our own to get a footing in the country and establish our missions there as soon as a link-up with the Russians takes place and the way is opened as no doubt it would be not long afterwards for the Czechoslovak Government to return to their capital. It is true that practical difficulties might perhaps arise out of the hitherto unforeseen meeting of the United States and Soviet forces in this theater and out of the absence of any liberation agreement between your Government or ours on the one hand and the Czechoslovak Government on the other such as was concluded some time ago by the Soviet Government. Nevertheless, Mr. Eden feels that the advantage to be gained is considerable and would be glad to know whether your Government shares his view.

Mr. Eden is aware that there may be operational difficulties which would prevent the United States Army advancing fast enough to participate in the liberation of Prague. He was anxious, however, that I should put these views to you as representing his own estimate of the political aspect of the matter.

WINANT

860F.01/4–2145 : Telegram

The Acting Secretary of State to the Chargé to the Czechoslovak Government in Exile in London (Schoenfeld)

WASHINGTON, April 25, 1945—7 p. m.

Zecho 12. The Department is taking up urgently with the War Department and military authorities the question of a Civil Affairs Agreement with the Czechoslovak Government. (Your Zecho 43 April 21, 2 p. m. and your Zecho 45 April 21, 8 p. m.) [63]

For your confidential information the War Department wishes to negotiate this agreement in Washington. We believe this is desirable.

A draft agreement has been drawn up and is now in discussion. As soon as the necessary clearances are received, the question will be taken up with the Czechoslovak authorities in Washington.

You may tell Dr. Ripka informally that the matter is being con-

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[62] In March 1939, the areas of Bohemia and Moravia of the Czechoslovak Republic were occupied by German troops, and by a German Government decree of March 16, 1939, these areas were declared to be a portion of the Greater German Reich and under its protection as the "Protectorate of Bohemia and Moravia." For text of this decree, see *Foreign Relations*, 1939, vol. I, p. 45. For documentation regarding the occupation of Czechoslovakia by Germany, March 15, 1939, and the refusal of the United States to recognize the extinction of the Czechoslovak Republic, see *ibid.*, pp. 34 ff.

[63] Latter not printed.

sidered but do not make a formal reply at this time to his request for an agreement.

GREW

860F.01/4–2645 : Telegram

The Acting Secretary of State to the Chargé in the Soviet Union (Kennan)

WASHINGTON, April 26, 1945—7 p. m.

955. In reply to your 1086, April 7, midnight, and 1197, April 16, [*14*] 6 p. m.,[64] and London's 115, April 6, 6 p. m., and 134 April 16 [*14*], 6 p. m., [65] the Department approves London's suggestion that Assistant Military Attaché Lieutenant-Colonel Aage Woldike and his clerk, Corporal Raphael Dunigan, be included in the skeleton staff for the mission to Czechoslovakia. (Department's 784, April 4, noon). Please make necessary arrangements mentioned in the last paragraph of London's 115, April 6, 6 p. m. The mission to Czechoslovakia will probably be staged at Caserta.

The British Embassy has informed the Department that the British mission to Czechoslovakia has been reduced from 23 to 7 or 8, including an Ambassador, Military Attaché and clerical staff. The Department believes that it is desirable to work in close harmony with the British in presenting similar plans for representation and hopes you will continue your conversations with Clark Kerr [66] or Roberts.[67] The Department does not desire at this time to undertake joint action with the British pending the reply to your request reported in your 1086, April 7, midnight.

War Department informs us that radio equipment and personnel are available at Caserta [68] for use by our mission to Czechoslovakia. Instructions have been sent to hold these and arrangements will be made to have independent communications available to our mission. We agree with your 1197, April 16 [*14*], 6 p. m. that a request to the Soviet authorities at this time for permission to bring these facilities in would delay the fulfillment of the primary objective of immediate establishment of our representation.

In discussing the question of the establishment of the mission to Czechoslovakia the Department requests you, in your discretion, to make the following known to the Soviet authorities:

In accordance with Soviet objections concerning the lack of accommodations in Košice, this Government withdrew its request for transit

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[64] Latter not printed.

[65] Neither printed.

[66] Sir Archibald Clark Kerr, British Ambassador to the Soviet Union.

[67] Frank Kenyon Roberts, British Chargé in the Soviet Union.

[68] In Italy; location of Allied Force Headquarters, the unified inter-Allied command that planned and supervised military operations and military government in the Mediterranean Theater of Operations.

permits for mission to Czechoslovakia (Department's 784, April 4, noon) and resubmitted a request for a skeleton staff (your 1086, April 7, midnight). Consequently, we no longer consider the Soviet objections to the establishment of representation as valid and expect the Soviet authorities to make the necessary arrangements for the transit of our mission to Czechoslovakia. The Department has noted that Ambassador Zorin accompanied President Beneš to Košice and is apparently the only diplomat now present with the Czechoslovak Government. This Government regards Czechoslovakia as a sovereign state and expects equality in matters of representation, communication and transportation with all other diplomatic missions. We expect that our mission will be accorded the same facilities provided to Soviet missions in Western Europe.

Unless our mission is given permission to proceed immediately and be provided with facilities equal to other missions in Czechoslovakia, we must take the view that the Soviet Government is interfering with the right of this Government to carry on normal diplomatic relations with the Czechoslovak Government and that the objective of concerted action in the liberated areas agreed on at the Crimean Conference is not being carried out by the Soviet Government with respect to Czechoslovakia.

For your confidential information, this question of representation in Czechoslovakia was taken up urgently with Molotov immediately upon his arrival without any conclusive result. Please inform us at once when you have discussed this question with the Soviet Foreign Office. If no satisfactory reply is forthcoming within a week following your discussions, the Department may be compelled to announce to the press its inability to establish normal diplomatic relations with the Czechoslovak Government as a result of Soviet refusal to grant the required transit permission.

Repeated to London as Department's Zecho 13.

GREW

740.0011 E W/4–2845 : Telegram

The Secretary of State to the Acting Secretary of State [69]

SAN FRANCISCO, April 28, 1945.
[Received 4:40 p. m.]

9. Eden has just handed me a top secret memorandum reading as follows:

"Shortly before leaving for Washington Sir Alexander Cadogan [70] wrote to Mr. Winant pointing out the great political advantages which

[69] The Secretary of State headed the United States delegation to the United Nations Conference at San Francisco, April 25–June 26, 1945.

[70] British Permanent Under Secretary of State for Foreign Affairs.

would result if United States troops could press forward into Czechoslovakia and liberate Prague. The letter asked whether the United States Government agreed with this view, it is understood that the Ambassador passed on this enquiry to the State Department [71] but has had no reply.

His Majesty's Ambassador to the Czechoslovak Government has informed His Majesty's Government that the Czechoslovak Ministers are of course delighted at the arrival of United States troops at their borders and say that the Czechoslovak Communists are correspondingly depressed.

In our view the liberation of Prague and as much as possible of the territory of western Czechoslovakia by United States troops might make the whole difference to the post war situation in Czechoslovakia and might well influence that in nearby countries. On the other hand, if the western Allies play no significant part in Czechoslovakia's liberation that country may go the way of Yugoslavia.[72]

General Eisenhower has informed the Prime Minister that his main effort is against the southern redoubt.[73] The Prime Minister is, however, unaware whether General Eisenhower has been apprized of the significance of Prague.

The British Chiefs of Staff have been asked to draw the attention of the United States Chiefs of Staff to this matter."

My reaction to the foregoing suggestion from the political standpoint is favorable. You may wish to discuss the matter with the United States Joint Chiefs of Staff, as regards the military and political aspects of the question.

E. R. STETTINIUS

860F.01/4–2945 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, April 29, 1945—7 p. m.
[Received April 29—1:58 p. m.]

1414. ReDeptel 955, April 26, 7 p. m. After submitting in writing yesterday the request for inclusion of Colonel Woldike and Dunigan in the skeleton staff for Czechoslovakia and likewise the request for entry facilities I called today on the acting chief of the American Section of the Foreign Affairs Commissariat [74] to discuss the delay in the admission of our advance staff. He interrupted me at the start to say that he thought this question would be solved in a manner satisfactory to us in the very near future. For this reason I did not think

[71] This letter of April 16 is not printed, but its substance is contained in telegram 4122, April 22, 1 p. m., from London, p. 441.

[72] For documentation regarding the concern of the United States with internal conditions in Yugoslavia and the recognition of the Federal People's Republic of Yugoslavia, see vol. v, pp. 1208 ff.

[73] The National Redoubt was an area in western Austria and southern Bavaria thought to have been heavily fortified by the Germans; see Pogue, *The Supreme Command*, p. 435.

[74] Konstantin Alexandrovich Mikhailov.

it necessary to make known to him the various considerations set forth in the Department's telegram and merely told him that my Government was very seriously interested in this matter and that I hoped action would be taken at once.

If nothing further is heard on this subject in 3 or 4 days I will follow it up and make use of the general statements set forth in the Department's telegram under reference.

KENNAN

740.00119 EW/4-3045 : Telegram

The British Prime Minister (Churchill) to President Truman

LONDON, 30 April 1945.

24. There can be little doubt that the liberation of Prague and as much as possible of the territory of western Czechoslovakia by your forces might make the whole difference to the post-war situation in Czechoslovakia, and might well influence that in nearby countries. On the other hand, if the western Allies play no significant part in Czechoslovakian liberation, that country will go the way of Yugoslavia.

Of course, such a move by Eisenhower must not interfere with his main operations against the Germans, but I think the highly important political considerations mentioned above, should be brought to his attention. The British Chiefs of Staff have, therefore, on my instructions, asked the United States Chiefs of Staff to agree to the dispatch of a message to Eisenhower in order that he should take advantage of any suitable opportunity that may arise to advance into Czechoslovakia.[75] I hope this will have your approval.[76]

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[75] For an outline of the proposals of the British Chiefs of Staff and a discussion of the reaction to these proposals by the United States Chiefs of Staff and by General Eisenhower, see Pogue, *The Supreme Command*, p. 468.

[76] On May 1 President Truman sent Prime Minister Churchill the following reply:

"General Eisenhower's present attitude, in regard to operations in Czechoslovakia, which meets with my approval, is as follows:

" 'The Soviet General Staff now contemplates operations into the Vltava Valley. My intention, as soon as current operations permit, is to proceed and destroy any remaining organized German forces.

" 'If a move into Czechoslovakia is then desirable, and if conditions here permit, our logical initial move would be on Pilsen and Karlsbad. I shall not attempt any move which I deem militarily unwise.' " Harry S. Truman, *Memoirs*, vol. I, *Year of Decisions* (Garden City, N.Y., Doubleday & Company, 1955), pp. 216–217.

For a more detailed description of General Eisenhower's plans, referred to by President Truman, for military operations into Czechoslovakia, see Pogue, *The Supreme Command*, p. 469, and the message from General Eisenhower to the United States Military Mission, Moscow, April 30, 1945, Department of State *Bulletin*, May 22, 1949, p. 666.

740.00119 EW/5-445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

[Extracts] [77]

PARIS, May 4, 1945—2 p. m.
[Received 10 : 07 p. m.]

2345. For Matthews [78] from Murphy.[78a]

. . . . . .

Regarding Czechoslovakia the British of course are pressing for continued advance into that country and it looks as if we may advance up to the line of the Moldau [79] for operational reasons. British reasoning explains their proposals for a civil affairs agreement with the Czechs which they have been promoting. It should be noted that the proposed agreement is between the Supreme Commander and the Czech Government and not between the Czechs and the United States and British Governments. [Murphy.]

CAFFERY

740.00119 Control (Germany)/5-645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 6, 1945—8 p. m.
[Received May 6—7 : 25 p. m.]

2420. For the Acting Secretary from Murphy.

1. We understand that Stalin has replied favorably to the Prime Minister's suggestion [80] regarding cooperation and coordination of the Allied and Red Armies as they develop contact throughout Germany and has issued instructions to Red Army commanders that as they contact Allied forces they should work out the definition of temporary tactical demarcation lines for the two forces.[81] In addition, Soviet commanders have been instructed to suppress any offensive action by German forces within the provisional demarcation lines.

2. With respect to the general line dividing AEF and Red Army forces, General Eisenhower's proposal [82] that Allied forces should continue in the south beyond the Karlsbad–Pilsen–Budweis Line as far as the Moldau and upper Elbe, if such an advance seemed desirable

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[77] For remainder of this telegram, see vol. III, p. 775.
[78] H. Freeman Matthews, Director of the Office of European Affairs.
[78a] Robert D. Murphy, U.S. Political Adviser for Germany.
[79] In Czech, the Vltava River.
[80] See Prime Minister Churchill's message 18 of April 27 to President Truman, vol. III, p. 245, footnote 79.
[81] See Marshal Stalin's message of May 2 to President Truman, vol. III, p. 259.
[82] See communication from General Eisenhower to the United States Military Mission, Moscow, May 4, 1945, Department of State *Bulletin*, May 22, 1949, p. 666.

has been countered in a communication from General Antonov [83] in which he points out that the Russians had agreed to an extension of the Allied forces across the lower Elbe as far as the Wismar-Schwerin Line but preferred the Karlsbad–Pilsen–Budweis Line to be maintained in Czechoslovakia.

3. General Eisenhower has informed the CCS [84] of Soviet agreement to his proposal regarding surrender of remaining German forces that AEF should take surrender of those divisions facing west and Red Army of those facing east. [Murphy.]

CAFFERY

740.00119 Control (Germany)/5–645 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 7, 1945—8 p. m.

1917. For Murphy. Your 2420, May 6, 8 p. m. We suppose that the Russians prefer the Karlsbad–Pilsen–Budweis Line because they seek political advantages from it. For your information in representing our own political considerations, the Department submitted a memorandum as follows to the President on May 5:

"This Government is now faced with major political problems in connection with Austria [85] and Czechoslovakia on which we had every reason and right to expect real Soviet cooperation with us. Instead, we have so far had unilateral acts on the part of the Soviet Union, i.e., a recognition of an Austrian Government without consultation with us, refusal to agree to an airfield in the United States zone in Vienna, and a refusal to permit our Embassy to go to the seat of the Czechoslovak Government.

"It therefore seems that some hard bargaining is going to become necessary before these problems are settled in a manner satisfactory to us. The present military situation and its apparent possibilities offer some good material for such bargaining, provided immediate action is taken. It is therefore suggested that the Joint Chiefs of Staff be asked to consider urgently the following:

"If the American Armies pushed on to the Moldau River which runs through Prague, this would give us a strong bargaining position with the Russians. This river is a continuation of the Elbe where we have stopped farther north. Furthermore, the United States Third Army has now gone down the Danube through a good part of Upper Austria, which will presumably be in our zone of occupation in Austria. The Russians would, however, like to have us concede to them that part

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[83] General of the Army Alexey Innokentyevich Antonov, Chief of Staff of the Soviet Army. See the message from the United States Military Mission, Moscow, to SHAEF, May 5, 1945, Department of State *Bulletin*, May 22, 1949, p. 666.

[84] Combined Chiefs of Staff, the U.S.-British agency for the high-level control of military operations. See Pogue, *The Supreme Command*, p. 37.

[85] For documentation regarding the negotiations between the United States, the United Kingdom, France, and the Soviet Union regarding control machinery and zones of occupation for Austria, see vol. III, pp. 1 ff.

of Upper Austria north of the Danube. We propose that American forces advance to the Moldau River throughout its length. If they could do so we shall then be in a position of equality in both Austria and Czechoslovakia in dealing with the Soviet Government. Otherwise the Soviet Government will probably continue as it has done to the present to disregard our protests with respect to both Austria and Czechoslovakia.

"I submit the foregoing discussion of the political implications involved in this situation while fully realizing that the decision will no doubt have to be based primarily upon military considerations."

GREW

[For the Department's instructions to the United States Political Adviser for Germany regarding the political considerations which were to be kept before the American military authorities during the demarcation of lines between Soviet and Allied military forces, see telegram 1935, May 8, 7 p. m., to the Ambassador in France, volume III, page 281.]

124.60F/5-1045 : Telegram

The Acting Secretary of State to the Chargé to the Czechoslovak Government in Exile in London (Schoenfeld)

WASHINGTON, May 10, 1945—4 p. m.

Zecho 17. Since the transmission of Department's 955, April 26, 7 p. m. to Moscow, repeated to you as Zecho 13 April 26, 7 p. m., the Department has awaited developments in Moscow and in the military situation before taking further steps to get the mission into Czechoslovakia. This explains the delay in replying to your Zecho 34, April 6, 6 p. m.[86] and Zecho 41 April 14, 8 p. m.[87]

For your confidential information, the War Department has not been able to inform us of the precise location of our lines in Czechoslovakia or what our future military position will be. You will be immediately informed of any developments in the military situation.

Kennan reported on April 29 (Moscow's 1414 April 29, 7 p. m.) that the head of the American section of the Foreign Affairs Commissariat said the matter of admittance of the mission would be settled "in the very near future". No satisfactory agreement has been reached either in Moscow or in the Secretary's discussions with Molo-

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[86] Not printed.

[87] Not printed; in it the Chargé to the Czechoslovak Government in Exile in London reported that the British had taken up with the Soviet Government the question of the departure of British diplomatic personnel for Czechoslovakia. The Chargé also stated that it would be of great value if the American diplomatic mission to Czechoslovakia could have a radio transmitter and necessary personnel, and he suggested that radio equipment and an operator might be obtained from the OSS. (701.4160F/4-1445)

tov.[88] In view of the delays and the steps which have been taken to meet the original Soviet objections, the Department believes that the plan outlined in Department's Zecho 16, May 8, 7 p. m.[89] will solve the problem if the military situation permits such action to be taken.

. . . . . .

A draft Civil Affairs Agreement (your Zecho 43, April 21, 2 p. m., Zecho 45, April 21, 8 p. m.,[90] and despatch 269, April 21 [91] is now being discussed at the War Department and with the British Embassy. A request was sent to Masaryk [92] by the Czechoslovak Embassy asking his Government's views and the advisability of negotiating an agreement here. He referred the question to Košice but has received no reply. A draft agreement has been prepared here by CCS and also by SHAEF and we are prepared to take action as soon as definite word is received from the Czechoslovak Government concerning authority to negotiate an agreement.[93] Can you ascertain from Ripka what progress has been made in formulating the views of his Government and any decision as to where the agreement will be negotiated?

The Czechoslovak note of April 25 (your Zecho 49 April 28, 4 p. m.[94] and despatch 271, April 28 [91]) has been sent to the Secretary of War for transmission to appropriate military authorities.

Can you inform us of the rank of the British Military Attaché?

GREW

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[88] In the course of a conversation with the Secretary of State at San Francisco on May 2, Foreign Commissar Molotov stated that the military situation was the reason the United States diplomatic mission could not proceed to Czechoslovakia, but that it would be able to proceed shortly. (860C.00/5–245)

[89] Not printed; it stated that the Department proposed to ask the War Department to send an American diplomatic official to Prague if American military forces occupied that city. It was not deemed advisable to send Klieforth or anyone of his rank until the Czechoslovak Government was installed in the capital, but a lower ranking officer could take over Embassy property and arrange communications and transportation for the mission (124.60F/5–845).

[90] Latter not printed; it reported that the Czechoslovak military mission in Great Britain had requested agreement to the assignment of two Czechoslovak liaison officers to Supreme Headquarters, Allied Expeditionary Force, to advise on Czechoslovak military and civil affairs (860F.01/4–2145).

[91] Not printed.

[92] Jan Masaryk continued to be Minister for Foreign Affairs in the new Czechoslovak Government formed in Kosice on April 4.

[93] Telegram 2003, May 11, to Paris for Murphy, advised that the Department and the British Embassy were agreed that an intergovernmental agreement on civil affairs was politically desirable in view of the important position which Czechoslovakia occupied in Central Europe and in view of the differences with the Soviet Union on the question of United States and British diplomatic representation in Czechoslovakia (860F.01/5–245).

[94] Telegram Zecho 49 from London not printed; it reported that Czechoslovak Minister Ripka had requested that the United States Government be informed that Czechoslovak authorities had asked the British Government and military authorities for the transfer of the Czechoslovak ground and air forces serving with British forces, to the United States forces operating in the direction of Czechoslovakia so as to give those Czechoslovak forces the opportunity to fight over Czechoslovak territory (860F.20/4–2845).

740.00119 Control (Germany)/5-1245: Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 11, 1945—midnight.
[Received May 12—10:50 a. m.]

2552. From Murphy. ReDeptel 1917, May 7th. The excellent suggestion made by [*to*] the President in the Department's memo of May 5th was outstripped by the rapid tempo of military developments.

I discussed this matter informally with the Chief of Staff [95] SHAEF who has also been informed of the contents of the Department's 1935, May 8, 7 p. m.[96] Chief of Staff informed me that it could have been a comparatively simple matter for the US Third Army to have penetrated deeply into Czechoslovakia and to have taken Prague.[97] In fact German High Command strongly urged that USA forces should undertake such a mission and the opposition to the forces apparently would have been insignificant. In the absence of a directive however General Eisenhower's strategy laid emphasis on facilitating the occupation of southern Germany and western Austria thus paving the way for the longer term occupation. [Murphy.]

CAFFERY

860F.01/5-1245

The British Embassy to the Department of State

WASHINGTON, May 12, 1945.

PARAPHRASE OF TELEGRAM RECEIVED FROM THE FOREIGN OFFICE, DATED MAY 10TH, 1945

We have received similar approach from Ripka, Czechoslovak Minister left in charge here. The Czechoslovak proposal is that we as well as the United States Government should conclude a civil affairs agreement with the Czechoslovak Government on the lines of the Soviet-Czechoslovak agreement, and that pending conclusion of such an agreement relationship between the liberating forces and the Czechoslovak authorities should be governed by Articles 1, 6, 7, and 8 of the Soviet-Czechoslovak agreement.

In addition we have received from Supreme Headquarters Allied Expeditionary Force a draft of the civil affairs agreement, which it is proposed should be concluded between the Supreme Commander Allied Expeditionary Force and the Czechoslovak authorities, instead of on an intergovernmental basis as in previous cases. Our comments

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[95] Lt. Gen. Walter Bedell Smith.
[96] Vol. III, p. 281
[97] The Soviet Army occupied Prague on May 9.

in detail on terms of SHAEF's draft agreement will follow in a telegram to Joint Staff Mission.[99] We have also seen exchange of telegrams between Combined Chiefs of Staff and SHAEF in Joint Staff Mission series from which it appears that the United States authorities maintain their preference for a proper civil affairs agreement on governmental level.

While we appreciate the United States Government's wish to follow the precedent of cases of the Western European Allies by concluding a full-dress civil affairs agreement, we firmly prefer the less formal alternative proposed by SHAEF, of military agreement, to be concluded between the Supreme Commander Allied Expeditionary Force as such and a suitable Czechoslovak military representative, covering all forces under SCAEF's command. The political objections which we saw to agreements on a military level, when proposed in earlier Western European cases, do not apply with the same force in the case of Czechoslovakia. The Czechoslovak Government are already back in their own country and resuming their administrative functions; the same importance does not therefore attach to the conclusion of a formal civil affairs agreement as did in former cases where agreements in a sense constituted political charters under which the Allied Governments resumed their authority.

Political and practical arguments in favour of concluding an agreement on the basis proposed by SHAEF are:

a) Greater speed through avoidance of intergovernmental consultation and repeated representations to the Czechoslovak Government with whom communications are still poor. The essential is surely to secure a working arrangement at once.

b) We doubt whether Ripka's desire that full dress agreements should be concluded and publicised is in fact in the best interests of Czechoslovakia.

c) His Majesty's Government have no real need for a civil affairs agreement as there are likely to be no British troops or officers in Czechoslovakia except in an individual capacity.

d) The Soviet Government consulted His Majesty's Government and the United States Government quite correctly regarding their civil affairs agreement with Czechoslovakia and it might be thought necessary therefore to consult the Soviet Government, who might delay reply and might even raise objections.

Possibility of SCAEF concluding a military agreement on the above lines was discussed before receipt of SHAEF's draft with Ripka who considers it would be quite acceptable to the Czechs at any rate as an interim arrangement. In that case it seems probable that a more formal agreement which would probably take some weeks to negotiate would never in fact become necessary. The necessary authority of the Czechoslovak Government for the suggested military agreement

[99] The designated representatives of the British Chiefs of Staff on the Combined Chiefs of Staff in Washington. See Pogue, *The Supreme Command*, p. 37.

should be obtainable as Ripka has now received various telegrams from them. The agreement should be concluded on the side of the Czechs by any military representative they named.

Please give copy of this telegram which has been concerted with the War Office to Joint Staff Mission for their discussion with the Americans and yourself inform the State Department of our views with which we hope they will agree. The War Office are cabling similarly to Joint Staff Mission.

740.0011 EW/5–1445

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] May 14, 1945.

I have been informed informally by the War Department that the United States lines in Czechoslovakia extend from a point west of Carlsbad south through the Sudeten area to Pilsen and then southeast to the Austrian frontier at a point a few miles west of Budweis. The American occupation includes Pilsen and extends northeast nine miles beyond that city to a point less than forty miles from Prague. I am also informed that the United States forces are at present withdrawing in Czechoslovakia although there are no specific orders from SHAEF to do so. The withdrawal is being made by Commanders under general orders to make "local adjustments".

In view of the important political considerations advanced in the memorandum of May 5, a copy of which is attached,[1] I earnestly recommend that you consider requesting the Joint Chiefs of Staff to instruct SHAEF through proper channels to hold the line in Czechoslovakia that our troops now occupy, including the city of Pilsen.

JOSEPH C. GREW

124.60F/5–1645 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

MOSCOW, May 16, 1945—9 p. m.
[Received 2:10 p. m.]

1609. ReDepts 1069, May 14, 6 p. m.[2] With reference to entry of our mission into Czechoslovakia I phoned the Foreign Affairs Commissariat again on May 4 and was again told that the Soviet authorities were preparing to act in the very near future on our request. In view however of London's telegram to Dept Czecho 50 of May 4,

[1] Vol. III, p. 277.

[2] Not printed; it asked for information as to the status of representations to the Soviet Foreign Commissariat with respect to entry of the United States mission into Czechoslovakia and stated that the Department felt that there was no longer any reason why the mission should not proceed immediately to Prague (860F.01/4–2945).

7 p. m.[3] and of the changes which were then beginning to occur in the Czechoslovak situation I thought it best not to pursue any further our existing request of the Soviet Govt which was that the Soviet authorities be instructed to permit the travel of a skeleton staff to Košice or any other place in which the Czechoslovak Govt may be established.

We have had no reliable information here from any quarter as to what is actually taking place in Bohemia and Moravia, who is exercising authority there, or where the Czech Govt is at present situated. I had supposed that it would now be possible to arrange the entry of our mission direct to Prague from our zone of occupation by local agreement with whatever authorities are in control of the situation in Prague.[4]

If this is not the case, it is my personal feeling that we should insist that the Czechoslovak Govt approach the Soviet authorities in the first instance for such arrangements as may be necessary to permit our representatives to proceed to the seat of the Govt. I feel that any further step we may take should be only in support of such a move on the part of the Czech Govt.

I would appreciate any information the Dept could furnish concerning the present situation in Czechoslovakia in so far as it involves the relations between Czechoslovak and Soviet authorities.[5]

Sent Dept as 1609; repeated to London for Schoenfeld as 205.

KENNAN

860F.01/5–2345 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 23, 1945—2 p. m.
[Received 11 a. m.]

1715. My Brit colleague[6] has received note from Vyshinski[7] in reply to an inquiry made by Clark Kerr on April 16 stating that the

[3] Not printed; it reported that a note of May 3 from the Czechoslovak Foreign Office in London had asked that members of the Diplomatic Corps postpone "for a little while" their departure for Czechoslovakia pending the expected transfer of the Czechoslovak Government from Kosice to Brno or Prague itself (860F.01/5–445).

[4] In telegram 1130, May 23, 6 p. m. to the Chargé in the Soviet Union, the Department agreed that the presence of United States troops permitted dropping previous plans and sending the American diplomatic mission directly through the American military theater (124.60F/5–1645).

[5] In telegram 1130, May 23, 6 p. m. to the Chargé in the Soviet Union, the Department stated that it had no detailed information on relations between the Czechoslovak Government and Soviet authorities, but that it appeared that effective control was exercised by the Soviet military commander, although President Beneš and his government were in Prague (124.60F/5–1645).

[6] The British Chargé, Frank Roberts.

[7] Andrey Yanuaryevich Vyshinsky, First Deputy People's Commissar for Foreign Affairs of the Soviet Union.

Czech Foreign Ministry has informed the Soviet Govt that the Czech Govt has been transferred from Bratislava to Prague; that the Czech Govt has decided on the transfer in the near future of the Allied Diplomatic Reps from London; and that the Soviet Govt does not object to this decision.[8]

Sent Dept as 1715; rptd to London for Schoenfeld as 220.

KENNAN

124.60F/6-545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, June 5, 1945—7 p. m.
[Received June 6—12:13 p. m.]

3318. Klieforth requests that I transmit following message for him, brought from Prague by courier.

2. June 3, noon.

Please forward code text of following message to BBC[9] State:

1. The return of this mission to Prague on May 29 was greeted with real joy by all classes of people. The President and Prime Minister personally expressed to me their great satisfaction and obvious relief over our arrival. [At] the first state luncheon given by the President since his return, on the occasion of a Czech military parade on May 30, the Americans who were present with me received the major attention, almost to the point of embarrassment.

The first notice in the press of the arrival of this mission, however, was limited to a 20 word statement which appeared on May 30 that I was received by the President. Then on June 2 was published on the second pages a short account of the reestablishment of the Embassy. The news was delayed by the censor under Russian control. None of the Czech correspondents have been permitted, thus far, to interview us or even to take photographs.

2. President Beneš enjoys a high degree of popularity even in Slovakia and is the outstanding man in the country. The people regard him as the only person capable of solving the difficulties of the country. His position now compares with that of Masaryk[10] in 1918. His popularity amazes and impresses the Russians. He told me that he would be able to hold this support provided the Germans remaining in Czechoslovakia are deported almost immediately. This measure was urgent and important, he said, to get the country back on its feet, as with the removal of the Germans he hoped that it would also terminate the Russian and American military occupation.

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[8] Telegram Zecho 57, May 16, from London, reported that Minister Ripka, who was to leave London for Prague the following day, had stated that it was definite that the United States Embassy group could proceed to Prague when ready (124.60F/5-1645).

[9] Not further identified.

[10] Thomas Garrigue Masaryk, first President of the Czechoslovak Republic.

The President is being urged from all sides, including Communists, to seek dictatorial powers but he assured me that the "future of Czechoslovakia is in democracy" and of his firm intention of adhering to democratic procedure and to the early reestablishment of constitutional govt. I am convinced that this too is the general feeling of the people.

3. The establishment of order since liberation day of May 9 has made amazing progress and the present Govt as well as the National Committee[s] [11] deserves a great deal of credit. Communication within the country is being rapidly reestablished excepting in Slovakia where it is slow due to the destruction of railroad bridges.

4. While the Red Army was greeted enthusiastically as liberators by the Czech people, its popularity has waned rapidly because of its policy of living off the country and its general licentious conduct. The Russian Army is under relaxed discipline and the average soldier is anxious to return home. Even the Russian Ambassador admitted this to me. The American forces are more popular in their occupied zone because they are well behaved and live mainly from their own supplies.

5. The Czech Government exercises a great deal of administrative authority but major decisions seemingly are controlled by Moscow or by the Czech Communists functioning in the National Committees. Local and provincial affairs are strongly controlled by the National Committees. The number of Communists in federal and local organizations is probably larger at present than is justified by the popularity of the party.

6. The first UNRRA shipment reached Prague on June 1 but the local press has given all the credit to Russia for its arrival and for any improvement in food conditions which it may bring.

7. The financial situation is exceedingly complicated due to the inability of the Govt to stabilize the currency and establish a rate of exchange. The President told me that stabilization was difficult without the aid of an American loan.[12] Its delay slows the restoration of industry as manufacturers fear to unload existing stocks on an uncertain money market.

8. President Beneš told me that he greatly desires American forces to remain for the present and considers it important that their eventual withdrawal be synchronized with that of the Russian forces, although he desires to see both forces leave as soon as possible. This viewpoint is shared by all Czechs except the ardent Communists. It is exceedingly important, not only from the Czech viewpoint but from American prestige, to withdraw our troops at exactly the same time as the Russians. I trust I may be instructed to convey to the President as soon as possible your instructions on this subject. Presence of American forces in Pilsen at present is also highly useful to this mission as

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[11] Národní výbory, temporary organs of local public administration during the period following liberation.

[12] For documentation regarding the negotiations with Czechoslovakia regarding a possible loan, see pp. 549 ff.

a base of communications and supplies and also contributes to the prestige in Czechoslovakia of the Western Allies thus tending in some degree to offset the predominant Soviet influence.

CAFFERY

860F.01/6-845 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, June 8, 1945—6 p. m.
[Received June 10—9:40 a. m.]

8. My 2 of June 3.[13] The presence of this mission and that of the British has not embarrassed or weakened the high popularity of President Beneš but on the contrary has strengthened his position. The long delay in our arrival caused a certain feeling of despair in the country that the Western Powers had left Czechoslovakia to deal alone with Russia but this situation is now rapidly being modified. The Russian authorities here, both military and political, likewise have reacted to our arrival and have moderated certain unpopular public activities, and the Russian troops in Prague have been subjected to better discipline.

Beneš definitely is not a figurehead in spite of the high degree of the control of the country exercised by Russia. If the Russians removed him or publicly weakened him the country could fall into a state of civil war. So far no noticeable efforts have been made by any one to whittle down the President's popularity or if made there is no indication that they are sucessful. The President continues secure in his position unless he himself makes a public blunder. Prime Minister Fierlinger does not wield much influence except as a go-between with Moscow.

No Cabinet changes have occurred since liberation of Bohemia and Moravia but in view of great authority of the President it is accepted for the present as workable. Fierlinger wants to avoid unsettlement of frequent changes. Some may be made but I doubt whether Moscow will tolerate any shift towards the right.

The general elections are much discussed. This indicates country's desire to return soon to constitutional govt. However that seems unlikely while the country is occupied by Russian forces. The President and the govt and the political parties except Communists are very anxious to hold general elections at earliest possible date in order to profit by his popularity and the present unpopularity of Russia, due to excesses of the Red Army. The Communists for sim-

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[13] See *supra*.

ilar reasons prefer to postpone elections and therefore they may be deferred until end of the year.[14]

The various political parties are taking steps to strengthen themselves. In the meantime the Communist Party which had a good head start and derives support from the presence of the Red Army is making the greatest progress in the technical organization of the Party, but not in popularity. Due to the domination of the National Committees by the Communist members, the other parties are unable to obtain as readily as the Communists facilities for quarters, public meetings, transportation, etc. As long as the Russian occupation continues the average Czech however will play safe in not incurring the hostility of the Communists as he learned that the future under any occupation remains uncertain.

[Apparent omission] reestablishing the independence of Czechoslovakia depends on Beneš' ability to retain his prestige. He remains the outstanding man in the country and any help he receives in a general way from the western powers is a factor. He manages to make almost daily progress in obtaining concessions from the Russians although major political matters are still decided by Moscow, such as foreign relations and the strict censorship of the press and radio.

Russian events and the exploits of the Red Army constitute the major part of the published news. Other foreign news is reported only in an obscure fashion, similar usage in Moscow.

It is possible to take advantage of the keen desire of the Czech people to learn about the aims, ideals and war effort of the US by means of various media, as films, lectures and literature. If this is desired, I urge that it be done quickly. Proper activities of this kind are welcomed by the Czech authorities. A supply of films prepared by OWI [15] for Czechoslovakia is now available in London.

Demobilization of the Czech guerrilla and revolutionary soldiers is proceeding without serious difficulty parrallel with reestablishment of the regular army and does not constitute a political problem for the Govt.

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[14] General elections were not held until May 1946. However, on October 14, 1945, "elections" were held for a Provisional National Assembly which was to exercise legislative power for the Czechoslovak Republic until a constitutional National Assembly was elected by general, direct, secret voting according to the principle of proportional representation. The total membership of the Assembly was 300, of which 200 were Czechs and 100 were Slovaks. Regardless of the popularity of the respective parties, 240 seats were divided equally among the four legal parties in Bohemia and Moravia (Communist, Social Democratic, National Socialist and Peoples Democratic Parties) and the two legal parties in Slovakia (Communist and Democratic Parties). The remaining 60 seats were divided among so-called independent industrial and agricultural groups. Deputies to the Provisional National Assembly were chosen through a series of elections by national committees at local, district, and provincial levels, and not by a general popular vote.

[15] Office of War Information.

Russian Marshals Koniev [16] and Malinovsky,[17] who visited Prague recently, promised the Prime Minister that the requisitioning of industrial machines and goods by the Red Army which was done on a rather large scale, would cease immediately, and Czech owned property, but no German previously taken would be returned. This situation is seriously delaying the reconversion of industry and definitely slows recovery.

There are indications that stocks of goods useful to our war effort will come to light as soon as (1) the currency is stabilized and (2) Russian removal of industrial machinery and goods and indiscriminately living off the land are ended.

KLIEFORTH

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123 Klieforth, Alfred W.: Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, June 21, 1945—6 p. m.
[Received June 22—8:55 a. m.]

30. Yesterday afternoon while accompanied by Foreign Office official [18] I was taken to inspect an apartment with object of renting for personal use. The apartment supposedly was unoccupied. Upon arrival it was inhabited by Russian officers who had unexpectedly taken possession of it. One of them detained me by force for an hour first in the apartment and then under armed guard in the Embassy car outside. He was rough and insulting constantly threatening me as an American with dire consequences and roughly slapped the American flag on the car, although he fully realized that I was American Chargé d'Affaires. He endeavored also to deprive me of the car. I was finally released through intervention of another Russian officer. I reported the incident to Brit Ambassador [19] as Dean of Diplomatic Corps. He presented matter this morning to Foreign Office and demanded formal apology and punishment of Russian officer. Acting Foreign Minister [20] expressed deep regret and hoped that investigation which would be undertaken at once "would show that the Russians completely misunderstood the position and would make suitable amends". Likewise Brit Ambassador intends to report matter to the President whom he happens to see this afternoon on another matter.

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[16] Marshal of the Soviet Union Ivan Stepanovich Konev, Commander of the First Ukrainian Front, troops of which liberated Prague on May 9.

[17] Marshal of the Soviet Union Rodion Yakovlevich Malinovsky, Commander of the Second Ukrainian Front, troops of which participated in the liberation of Czechoslovakia.

[18] Dr. Bubnik.

[19] Philip B. B. Nichols.

[20] Jan Stranský, Czechoslovak Minister of Justice and Acting Minister for Foreign Affairs.

Brit Ambassador regards case as serious inasmuch as hundreds of similar cases happen daily to Czechs who are helpless and he and I fear that any day a more serious incident may happen to member of Diplomatic Corps.[21] Will keep you informed of results.

Rpted to Moscow as 6.

KLIEFORTH

860F.01/6-2345

The Acting Czechoslovak Minister for Foreign Affairs (Stránský) to the American Chargé in Czechoslovakia (Klieforth)[22]

PRAGUE, 21 June, 1945.

MONSIEUR LE CHARGÉ D'AFFAIRES: I have the honour to inform you of the following:

After the cessation of military operations the Czechoslovak Republic, in harmony with the ardent desires of all the Czech and Slovak peoples and in agreement with her Allies, resumed her public life as an entirely sovereign and independent member of the United Nations. The foremost task of the Czechoslovak Government was from the beginning to ensure the safety of the State with their own forces and to attain a speedy return to normal life in the country.

In agreement with these aims the Czechoslovak Government is carrying out a partial mobilisation of the Czechoslovak Armed Forces as well as a reconstruction of public life, in local government, finances, supplies, transport, etc.

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[21] In his despatch 29, June 21, the Chargé in Czechoslovakia reported in detail on the incident of his forcible detention and concluded:

"I have the feeling that in one way or another the unfortunate incident nevertheless is not without value. The British Ambassador and the French Chargé d'Affaires and I have been prepared for an incident of this kind, if not one of a more serious nature. As I have reported in previous despatches, the Russians have the habit of stopping cars on the roads and forcefully taking possession of them. The British Embassy's car, once when it was occupied by the Ambassador himself, was stopped twice by Russians who endeavored to take it. The other day an American army jeep, properly marked and carrying an American flag 'disappeared' from in front of the hotel. Likewise Russians—and in most cases Russian officers—force their way into inhabited as well as empty houses and apartments and remain. Upon their departure they simply take with them furniture and particularly valuables. Often the dwelling is completely emptied of its contents. The Czech occupants, as well as the Czech police, apparently are completely helpless in stopping the Russians. While the conduct of the Russian troops is being kept as quiet as possible, and there are no statistics available as to the number of cases of this kind, I fear that in Prague alone it has happened many thousand times. I doubt whether signs on the door, in Russian, Czech and English, will stop a Russian from forcing his way into a dwelling occupied whether by Czechs or members of a foreign diplomatic mission, unless the present undisciplined Russian troops are removed." (123 Klieforth, Alfred W.)

[22] Copy transmitted to the Department by the Chargé in Czechoslovakia in his despatch 30, June 23; received July 2. The Chargé also sent the text of this note in telegram 37, June 24, 1945, from Prague (not printed).

The Czechoslovak Government in pursuing this programme of reconstruction have to surmount great difficulties, arising mainly from the fact that the Czechoslovak territory is practically divided into two areas, American and Soviet. The Soviet area again has been divided into three zones under the command of Marshals Koniev, Malinovsky and Army General Yeremenko [23] respectively.

In order to solve as soon as possible all these problems, the Czechoslovak Government entered into negotiations with the Government of the Union of Soviet Socialist Republics and with the High Command of the Soviet Armed Forces. It has been already agreed that the Soviet Armed Forces, which for the time being still remain on the territory of the Czechoslovak Republic, will be under the central command of Marshal Koniev, and that Liaison Officers of the Soviet Armies will mostly reside in Prague, so that all urgent problems can be speedily solved in the seat of the Government. Moreover, it has been agreed that in all areas where Soviet units will remain, local governments will be in the hands of Czechoslovak authorities. Finally, the Czechoslovak Government has decided that the frontiers in these areas will be occupied entirely by Czechoslovak troops, as demands the sovereignty of the State. This is already being done simultaneously with the partial mobilisation of the Czechoslovak Armed Forces.

Even after this agreement with the Soviet authorities has been reached the reconstruction of the country is greatly hampered by the fact that the territory of the Czechoslovak State is divided into two zones, and within them these two Allied Armies are often guided by different point of views. If this state of affairs should be allowed to continue for a considerable time, the reconstruction of the country might be endangered, the more so because the Government have to solve very important and urgent problems of local administration, currency, customs, reconstruction of transport, supplies, industry and agriculture, all concerning the whole of the Czechoslovak territory. It is hoped therefore that the Government of the United States of America will understand the desire of the Czechoslovak Government to have the area still under the control of the American Armed Forces once more under Czechoslovak administration and Czechoslovak local governments, so as to be able to solve all financial, monetary, economic, transport and military questions.

Furthermore, the Czechoslovak Government desires to protect all sections of the frontiers of Czechoslovakia by units of the Czechoslovak Army. It is the wish of the Czechoslovak Government to be able to

[23] Gen. Andrey Ivanovich Yeremenko, Commander of the Fourth Ukrainian Front during the last month of the war and, afterward, Commander of the Carpathian Military District.

secure the State frontiers also in the area still under the control of the Armed Forces of the United States, by their own forces, on the same pattern as in the Soviet zone. The strength of these forces could be increased so that the units of the American Armed forces in the American zone could be released for other tasks.

I hope that the Government of the United States will, as always, understand the great problems Czechoslovakia has to face, and that by helping the Czechoslovak Government once more, will only strengthen the deep friendship and administration the Czechoslovak people feel towards the United States of America.

I beg you to be good enough to transmit the view of the Government of the United States on this question to the Czechoslovak Government.

Avail myself [etc.] DR. JAROSLAV STRÁNSKÝ

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123 Klieforth, Alfred W.: Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, June 23, 1945—8 p. m.

1399. Reference to Praha 6, June 21,[24] following message sent to AmEmbassy, Praha.[25]

"Dept greatly deplores incident reported inur 30, June 21 and fully supports Brit Ambs representation to Zecho Gov. Please make similar and forceful representations to Zecho FonOff yourself. Dept will take matter up in Moscow. Please keep Dept and Moscow fully informed."

Please protest energetically Sov FonOff and express our expectation that offender will be appropriately punished.

GREW

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123 Klieforth, Alfred W.: Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, June 23, 1945—noon.
[Received 9:45 p. m.]

32. Reference my 30, June 21. President Beneš through British Ambassador expressed his sincere regrets but added that he was not surprised over the incident. Acting Foreign Minister yesterday afternoon informed me that he had presented the case to Russian Embassy here for investigation.

Repeated to Moscow as No. 7.

KLIEFORTH

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[24] Same as telegram 30, June 21, 6 p. m.. from Prague, p. 459.
[25] As telegram 19.

740.00119 Potsdam/5-2446

Memorandum Prepared in the Department of State [26]

[WASHINGTON,] June 23, 1945.

Relations between the United States and Czechoslovakia remain excellent as they have been in the past. Diplomatic relations were resumed when the American Embassy was opened in Praha on May 29, 1945, thus enabling the United States to carry on the historic policy of supporting a free and independent Czechoslovakia.

Although Czechoslovakia was one of the original signatories of the United Nations Act [27] and has been liberated from German domination, it is still occupied by Allied armies. The Russian army occupies Praha and the entire country east of the capital. The American army occupies the western area on a line running south from Carlsbad (Karlovy Vary) through Pilsen (Plzen). The Russian army operates under the terms of the Czechoslovak-Soviet Treaty of Mutual Assistance (December 12, 1943) [28] and the Czechoslovak-Soviet Civil Affairs Agreement (May 8, 1944). The United States has no comparable agreement with the Czechoslovak Republic. The United States commander in Czechoslovakia has been asked to comment on the desirability of concluding a civil affairs agreement.

The presence of occupation troops in Czechoslovakia is not required by internal conditions or by any major problem of military security. A provisional government is functioning under President Beneš and is actively preparing for elections to establish a definitive and popularly elected government. The provisional government possesses security forces in sufficient number to maintain order and security within the national frontiers. The continued presence of Russian and American armies might tend to embarrass the efforts of the Czechoslovak people to recreate their own independent national life. The presence of these two armies likewise is retarding Czechoslovak economic recovery and rehabilitation due to the exchange rates established for military expenditures and the consumption of goods which otherwise might be used in the rebuilding of Czechoslovak economic life.

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[26] One of a group of documents prepared by the Department as background information for President Truman and his advisers for the meeting of Heads of Government at Berlin (Potsdam), July 17–August 2. For documentation regarding this meeting, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, 2 vols. For other background reports of the group of which this memorandum was a part, see *ibid.*, vol. I, pp. 249–280.

[27] The Declaration by United Nations, January 1, 1942, *Foreign Relations*, 1942, vol. I, p. 25.

[28] Treaty of friendship, mutual assistance, and postwar collaboration, with protocol, between the Soviet Union and the Czechoslovak Republic, signed at Moscow December 12, 1943; for text, see *British and Foreign State Papers*, vol. CXLV, p. 238, or Department of State, *Documents and State Papers*, vol. I, No. 4 (July 1948), p. 228. In regard to the negotiation of this treaty, see *Foreign Relations*, 1943, vol. III, pp. 670–734, *passim*.

The independence of Czechoslovakia can not be fully restored until the troops of both armies are withdrawn. The withdrawal of the American and Russian armies should take place as soon as possible to enable the Czechoslovak people to reorganize their own national life. The withdrawal of the two armies should be simultaneous and complete. A simultaneous withdrawal is necessary to prevent Czechoslovakia from coming under the apparent control of any one Allied power.

860F.01/6–2445 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, June 24, 1945—3 p. m.
[Received 4:20 p. m.]

36. Reference my 33, June 23,[29] regarding Foreign Office note [30] expressing desire of Zecho Govt to administer American zone.

President Beneš discussed this note with Brit Ambassador using him purposely as a medium to convey to me the following information. The note is a request for the withdrawal of the American troops from Czechoslovakia, but President Beneš made it very clear to Brit Ambassador that he hoped the American Govt "would give the right answer" namely, that the American Army would leave the country at exactly the same time as the Russian Army and as a simultaneous action. The separate withdrawal of the American Army would have a disastrous effect on public opinion and would inflict irreparable damage on prestige of Western Powers. Am telegraphing full text of note.[31]

Rptd to Moscow as 8.

KLIEFORTH

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123 Klieforth, Alfred W.: Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, June 25, 1945—3 p. m.
[Received June 27—2:18 a. m.]

40. Received your 19 of June 23 [32] Sunday [33] afternoon. This morning I requested and obtained an appointment with Dr. Stransky, temporarily acting as Minister for Foreign Affairs. I confined myself to the following remarks:

"I have the honor to inform Your Excellency that the Dept of State takes a serious view of my detention by force on June 20 and my

[29] Not printed.
[30] Note of June 21, p. 460.
[31] See footnote 22, p. 460.
[32] Text quoted in telegram 1399. June 23, 8 p. m., to Moscow, p. 462.
[33] June 24.

treatment while I was detained. The circumstances of this incident were explained to the Zecho Govt in my behalf by the Dean of the Diplomatic Corps, His Excellency Mr. Philip B. B. Nichols, the British Ambassador. While I have received with appreciation your expression of regrets concerning the matter as transmitted to me by the Brit Ambassador, I have the honor to inform you that I am now instructed to demand a direct formal apology and the punishment of the guilty person or persons who detained me and thereby caused offense to the Govt of the US."

I gave him the text of my remarks as an *aide-mémoire*. He was distressed and unhappy and said only that he had not received any reply so far from the Russian Embassy but that he would now demand (repeat demand) an immediate reply and communicate with me as soon as possible.

Sent Dept, rptd to Moscow as 10.

KLIEFORTH

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123 Klieforth, Alfred W.: Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, June 26, 1945—3 p. m.
[Received June 28—2:52 p. m.]

41. My 40, June 25. Dr. Skalicky, Chief of Protocol of Zecho Foreign Office [called on me?] this afternoon and delivered following signed letter dated June 25 from Dr. Stransky, Acting Minister of Foreign Affairs.

"With reference to your call this morning concerning the most regrettable incident of which you personally became victim on 20th June, I have the honor to present on behalf of my Govt a deep apology to you and to the Govt of the US.

I may add that the necessary steps have been taken both through the local authorities and through the Embassy of USSR with a view to have [*having?*] the matter investigated and the guilty persons punished."

The Foreign Office spokesman added that the Czech report of the incident agreed fully with my account.

KLIEFORTH

860F.01/6-2945: Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

[Extract]

PRAHA, June 29, 1945—noon.
[Received July 1—12:17 p. m.]

46. President Beneš told me today with great joy that unexpectedly all Russian troops would leave city of Prague by July 3 and implied

that my incident was one of contributing factors. He said that the Russian forces in entire country would be reduced substantially. He was unable however to learn date of final departure of entire Russian Army of occupation. I am of the opinion that a token reduction of our forces in American Zone would be appreciated by the President in view of Russian evacuation of Praha.

. . . . . .

Sent Dept as 46; rptd to Moscow as 11.

KLIEFORTH

860F.01/7-345

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

No. 36 PRAHA, July 3, 1945.
[Received July 17.]

SIR: I have the honor to enclose herewith copies in the original of a note dated June 30 but handed to me on July 2 by Dr. Clementis, the Acting Minister of Foreign Affairs, and of the Embassy's reply of July 3, regarding an unfortunate incident involving the Czechoslovak Vice-Premier, Mr. Viliam Široky, and a soldier of the U.S. Army, and other alleged "grievances" described as "symptomatic for the attitude of the U.S. units stationed in Prachatice–Česky Krumlov." While the incident occurred on June 24th, it and the other alleged grievances discussed in the note, with the exception of the food rations, were not mentioned by President Beneš on June 29th when he discussed with Major General Harmon,[34] commanding the U.S. forces in Czechoslovakia, "all the differences" between the Czechoslovak authorities and the American military forces.

Respectfully yours, A. W. KLIEFORTH

[Enclosure 1]

The Czechoslovak Acting Minister for Foreign Affairs (Clementis) to the American Chargé (Klieforth)

[PRAHA,] June 30, 1945.

MY DEAR MR. KLIEFORTH: I should like to bring to your attention the following matters:

The Czechoslovak Vice-Premier Viliam Široky was a victim of an unfortunate incident when on his way thru the U. S. zone in Czechoslovakia/Česky Krumlov–Prachatice area/on June 24th.

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[34] Maj. Gen. Ernest N. Harmon, Commanding General, XXII Corps, and Commander of American Forces in Czechoslovakia.

An American soldier policing the cross-roads near Česky Krumlov failed to make a clear sign in order to stop the Vice-Premier's car. He did it at the last moment with rifle directed at the car and its passengers. When questioned, the soldier admitted he knew the French language. It was then explained to him in French that the car was the Czechoslovak Vice-Premier's and had therefore to proceed further without any delay. The U.S. soldier in front of some Germans who had gathered around answered that it did not matter to him, he was an American soldier /"Moi, je suis un soldat américain"/. He then ordered the Vice-Premier's car back, let a German P.W.s [35] transport pass and only later allowed the car to proceed further.

I am afraid that this incident seems to be symptomatic for the attitude of the U.S. units stationed in Prachatice-Český Krumlov area. The 26th Inf. Division which was previously stationed in Austria does not seem to distinguish well between a liberated Allied and occupied enemy territory. The 26th Division still uses the Military Government Detachments instead of the Civil Affairs Detachments, destined for an allied country; the inscriptions of these detachments are still in English and German only.

It was only after repeated representations with the commanding general that Czech administrators were allowed to take over instead of a German Landrat and German Bürgermeister, members of the NSDAP [36] and well-known Czech haters. There are still instances of some German burgermeisters being allowed to keep their posts by the U.S. authorities although Czech administrators have been placed at the disposal of the U.S. authorities. The Czechs are allowed but exceptionally to exert control over German confiscated property [factories etc.]. There were instances of social gatherings where either Germans only or both Germans and Czechs were invited by U.S. hosts. I feel that it is not only an infringement of the non-fraternization rule but that such relations between the U.S. armies and Germans cannot fail to hurt the feelings of our people. The Germans in the Český Krumlov area receive also, following an order of the commanding general, higher rations than Germans in other areas of Czechoslovakia. The local Czech administrators are thus obliged to infringe a Czechoslovak Law. It is the result of this attitude that in this particular area of the U.S. zone in Czechoslovakia the German population is reported to be under the impression that this region will eventually belong to Austria and not to the Czechoslovak Republic.

My Government wish me to draw your attention to the mentioned grievances that exist in the 26th Inf. Division area and to the unfor-

[35] Prisoner of war.

[36] National Sozialistische Deutsche Arbeiterpartei (National Socialist German Workers Party).

tunate incident which, I am sure, will be investigated so as to enable the U.S. authorities to take all steps which are appropriate because of the Czech Vice-Premier being involved.

I am [etc.] Dr. V. CLEMENTIS

[Enclosure 2]

The American Chargé (Klieforth) to the Czechoslovak Acting Minister for Foreign Affairs (Clementis)

PRAHA, July 3, 1945.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of June 30, 1945 informing me of the unfortunate and regrettable incident on June 24th at Český Krumlov–Prachatice, of which the Czechoslovak Vice-Premier, His Excellency, Viliam Široky, was a victim.

Immediately upon the receipt of your note I applied to the Vice Premier for an appointment which he granted for 11 o'clock a. m. this morning, and accompanied by Lt. Col. Woldike, the Military Attaché of the Embassy, I extended to him in the name of my Government my deep regrets and apologies, which he was good enough to accept. At the same time I assured him that the U.S. Army authorities have been asked to take the necessary steps appropriate under the circumstances.

A copy of your note under acknowledgment with reference to the other matters raised in it was transmitted to the officer commanding the U.S. Army unit referred to for his information and such action as is necessary and appropriate under the circumstances.

Accept [etc.] [File copy not signed]

860F.01/7–445 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, July 4, 1945.
[Received 5:15 p. m.]

58. Received today note dated July 3 signed Clementis Acting Minister for Foreign Affairs.

"Referring to my note of 21st June (full text cabled Dept as 37, July [*June*] 24 [37]) I have pleasure in informing you that during the negotiations of the Czechoslovak Governmental delegation in Moscow from the 22nd to 30th of June 1945 among other points the question of the sojourn of the Russian troops on the territory of the Czechoslovak Republic was discussed. It has been brought to the knowledge of

[37] See footnote 22, p. 460.

the Czechoslovak Government by the Soviet authorities that approximately on July 5 the major part of the Soviet forces will leave the territory of the Czechoslovak Republic and as long as they remain for the time being in this country will be stationed exclusively near the Czechoslovak German frontier. In the aforesaid note I had the occasion to point out the difficulties which Czechoslovak Government in their effort for the economic and financial reconstruction are facing and which arise for the Czechoslovak administration out of the fact that the Czechoslovak territory has been and is still divided into two zones in the way of administration supply of provisions and economics. I am therefore again expressing the hope that the Government of the United States of America will as at all times hitherto find full understanding for the difficulties which the liberated states are forced to cope with and to hand over the territory until now occupied by American forces entirely into the hands of Czechoslovak Public bodies." [38]

KLIEFORTH

860F.01/7–545 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

HOECHST, July 5, 1945—11 a. m.
[Received 11 : 02 a. m.]

109. On basis of Agwar [39] signal to SHAEF, W–26489,[40] SHAEF is proposing to send message to Twelfth Army Group, which will be repeated to JCS,[41] setting forth Dept's policy concerning continued occupation of Czechoslovakia and mentioning it is estimated that Russian occupational forces in Czechoslovakia are now being reduced from 150,000 to about 40,000. Twelfth Army Group is instructed to arrange gradual withdrawal as soon as possible which

[38] Telegram 56, July 3 from Prague, reported on a radio speech made by Prime Minister Fierlinger in Prague regarding the outcome of the Soviet-Czechoslovak negotiations in Moscow. In the course of his broadcast, Prime Minister Fierlinger announced that the remaining Soviet military forces would be concentrated in the frontier region adjoining the German borders and the demarcation line separating the United States zone in Germany and Czechoslovak territory. No Soviet garrison would be maintained in the interior except at certain railroad junctions. The Prime Minister stated that it logically followed that the United States forces would withdraw from Czechoslovak territory (860F.014/7–345). For text of Prime Minister Fierlinger's broadcast, see Louise W. Holborn (ed.), *War and Peace Aims of the United Nations: From Casablanca to Tokio Bay, January 1, 1943–September 1, 1945* (Boston, World Peace Foundation, 1948), p. 1043.

[39] Adjutant General, War Department.

[40] The contents of this message from the Joint Chiefs of Staff to General Eisenhower are summarized in Pogue, *The Supreme Command*, pp. 507–508.

[41] Message S 95715, July 6, 1945, from British Air Chief Marshal Sir Arthur W. Tedder, Deputy Supreme Commander, Allied Expeditionary Force, to the United States 12th Army Group, and repeated to the Joint Chiefs of Staff, stated that policy regarding withdrawal from Czechoslovakia was that U.S. forces should be withdrawn simultaneously and in proportion to withdrawal of Russian forces, and went on to make the other points contained in Ambassador Murphy's telegram (United States Political Adviser for Germany Files).

will continue until US forces are reduced to about one fourth present strength. Meanwhile existing line of contact with Russians will be maintained. Twelfth Army Group is further instructed to keep this headquarters informed of its estimate of situation in Czechoslovakia so that recommendations can be submitted to JCS as to the appropriate time for complete withdrawal.

MURPHY

860F.01/7-745

Major General E. N. Harmon, Commanding General, XXII Corps, to the Chargé in Czechoslovakia (Klieforth) [42]

[PILSEN,] 6 July, 1945.

DEAR MR. KLIEFORTH: I am in receipt of your letter of 5th instant which I have forwarded to the Commanding General, Third Army,[43] for his information and such action as is appropriate.

As you understand, the question of the movement of American troops from Czechoslovakia is one to be settled on a level much higher than the XXII American Corps. However, the subject of interference with the local Czech Government administration within the zone now occupied by American troops is one that is receiving my fullest attention with a view to the most satisfactory arrangements with all parties concerned.

It has been difficult to understand and adjust all differences during the short period of two weeks that I have been in Czechoslovakia. Every day new questions arise which are being adjusted under the general policy of the American Army assisting in the re-establishment of the local Czech Government in every way possible with a minimum of interference. Some of the areas have little or no trouble. The American officers and the local officials get on splendidly together and cooperate to the fullest extent. In other areas, there is more difficulty, in some instances due to lack of appreciation by American officers of their real mission which is being straightened out by me immediately; in other instances the trouble lies with the local Czech officials who are impatient to get everything done at once and desire to use methods that are contrary to the ideals of America and are repugnant to the local American commanders and their troops. I am getting out an order today a copy of which I shall send to you for your information. It will give you an indication of what we are trying to do on this general subject.

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[42] Copy transmitted to the Department in despatch 44, July 7, from Prague; received July 17.

[43] Gen. George S. Patton, Jr.

I regret very much the incident where you felt it necessary to apologize for the action of an American soldier in stopping the Vice Premier, Mr. Siroky. I made a personal investigation of the incident immediately after having received the report. The automobile carrying the Vice Premier arrived at a crossroad at a high rate of speed. At the crossroad an American soldier, acting as Military Police, was directing traffic. At that moment a long convoy containing German Prisoners of War was passing the crossroad en route to Germany. In our Army convoys have the right of way until individual cars can be safely allowed on the road. As you know, trucks in convoy travel fairly close together and the convoy proceeds at a regular speed with regular intervals between vehicles. As an American General with full identification on my car as such, I have been repeatedly stopped under such circumstances until my car could be safely let into the traffic.

The Czech automobile, as stated before, came down at a high rate of speed and apparently insisted on moving right on into the main highway. The Czech driver shouted that he was a Czech and the American replied, "I am an American soldier. Wait." At this time, the Vice Premier identified himself and the American soldier permitted him to proceed as soon as he found a gap in the traffic where he could do so safely.

I interviewed the American soldier myself and found him to be a very neat and courteous soldier, and I believe his story is essentially correct. A little forbearance on the part of the Czech officials, a little less strenuous assertion of their rights, a little patience, and there would have been no incident of any kind. Had the American soldier allowed the Czech vehicle to rush blindly into the convoy and a serious accident had resulted, the American soldier would have certainly been at fault—and a serious fault indeed.

On July 5th there was presented to me for the first time since being in this area a request to vacate certain Czech establishments. I requested that the Czech authorities present me specific buildings they desired to be vacated and I would do all possible to meet their demands. Among other things suggested was the matter of hospitals. As you know, we have over 15,000 wounded Germans in Czech hospitals. Also, we had a requirement to maintain space for 10,000 additional patients. This latter requirement was cancelled during the past two days. We have already turned over some hospitals to the Czechs. We are removing German patients from the hospitals and sending them to Germany as fast as their condition will permit. We are consolidating patients in the hospitals as fast as we can and expect to turn more installations of this nature over to the Czech authorities as soon as it is possible to do so.

Every effort will be made by me to free installations for use by the Czech officials as fast as I can. However, it must be borne in mind that our troops have come a long way for the liberation of European countries. Our Government is now sending these millions of men back home for redeployment in other theaters or for discharge as fast as shipping and other arrangements can be made. This all takes time and until it can be accomplished, and until space can be found for our troops elsewhere, the Czech people must be patient and the American soldier must be given a reasonable standard of living conditions such as he is accustomed to and deserves.

I appreciate your courtesy in bringing all these matters to my attention and I assure you, and through you the Czech Government, that the American Army will do all that it can during its stay in Czechoslovakia to operate on a friendly and cooperative basis with Czech Government officials.

With kindest personal regards,

Sincerely yours, E. N. HARMON

860F.01/7-445 : Telegram

The Secretary of State to the Chargé in Czechoslovakia (Klieforth)

WASHINGTON, July 6, 1945—6 p. m.

41. Urtel 33 June 23;[45] 36 June 24; 37 June 24;[46] 46 June 29; 58 July 4 and Despatch 30 June 23.[47] Please address note along following lines to Zecho FonOff.[48]

US Govt acknowledges receipt of Zecho note of June 21 concerning problems created for Zecho State by presence of two Allied armies within national frontiers. US, which has always manifested admiration for course of Zecho democratic development since days of founding of Republic, would deeply regret if presence of two Allied armies and division of the Republic into two zones hindered the reconstruction of country and full achievement of national independence.

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[45] Not printed.

[46] See footnote 22, p 460.

[47] Despatch 30 not printed.

[48] The Chargé carried out this instruction by delivery of a note on July 9 to the Acting Minister for Foreign Affairs.

The Department's proposed reply to the Czechoslovak note of June 21 had been sent to John J. McCloy, Assistant Secretary of War; Mr. McCloy, in a letter of July 5 to the Director of the Office of European Affairs, acknowledged receipt of the proposed note, and continued as follows:

"As the continued presence of U.S. forces in Czechoslovakia is considered to be primarily a matter of political concern, the War Department has no objection to the dispatch of the proposed reply.

"In accordance with an informal request by Mr. Riddleberger of the Department of State, on receipt of advice that the note has been dispatched appropriate steps will be taken to amend the draft U.S./Czechoslovak Civil Affairs Agreement presently being considered by the Joint Civil Affairs Committee to include the points presented in the reply." (860F.01/7-545)

US Govt therefore views with sympathetic interest desire of Zecho Govt to prevent any situation from arising which might hinder a speedy reconstruction of the whole of Zecho. Orders have been issued to Commanding General US Forces European Theater to begin immediately a reduction in US forces now in Zecho.

In view of diligent efforts of Zecho Govt to restore normal life after 6 years of German domination, US Govt looks forward confidently to day when assistance of Allied armies will no longer be necessary and both armies may be withdrawn completely from Zecho territory.

Sent to Praha as 41; repeated to Moscow as 1537, repeated to Hoechst for Murphy as 70.

BYRNES

860F.01/7-645 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, July 6, 1945—6 p. m.
[Received 11:35 p. m.]

64. My 58, July 4 and my 36, June 24.

1. I regard the Czech's request for the complete withdrawal of the American troops from Zecho in advance of the complete withdrawal of the Russian troops, which I have been told on the best authority was demanded by Moscow, as a serious and almost irreparable loss to American reputation and "western" prestige, not only in Zecho but throughout eastern Europe. I am confident that this view is shared fully by President Beneš, top officials of ForOf, Cabinet members and leading Czechs except Prime Minister Fierlinger and a small but influential group of "eastern" Communists [49] led by Deputy Premier Gottwald.

2. It is generally and publicly known that Zecho's request for withdrawal of our troops is a result of direct Soviet pressure on the Czechoslovak Govt. In consequence if all our troops are withdrawn in advance of all Russian troops, Zecho people will conclude that it was done not voluntarily but under direct Soviet pressure, which the US was unable to resist or afraid to oppose.

(People of Prague for instance firmly believe failure of American troops to liberate Prague when they were only 20 miles distant was done upon "orders" of Moscow, which had to be obeyed, although Soviet troops were over 100 miles distant thereby delaying the city's liberation by many days.)

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[49] Presumably, the reference here is to the Communist leaders who had been in the Soviet Union during the war. These included the Czech Communists Zdenek Nejedlý, Minister of Education, and Vaćlav Kopecký, Minister of Information, and the Slovak Communist Viliam Široky, Deputy Prime Minister. Other leaders such as the Czech Communist Václav Nosek, Minister of Interior, and Slovak Communist Vladimír Clementis, Under Secretary for Foreign Affairs, had spent the war years in London.

3. The American policy of insisting upon multilateral action in international affairs in place of unilateral action will be judged adversely by the Czechs if we do not insist upon simultaneous withdrawal of all foreign troops.

4. Zecho's resistance to Soviet pressure, now on the increase in all respects, will be greatly weakened by American unilateral withdrawal with serious decline of western influence. The "eastern" Communists will profit by it at the expense of Beneš' authority and the non-Communist parties.

5. While nothing is said publicly, this problem is an important issue and the American answer is awaited with great impatience. Madam Beneš told me that her husband's present insomnia can be cured the minute I am able to give her husband the "right answer."

Rptd to Moscow as 16.

KLIEFORTH

860F.01/7-645 : Telegram

The Acting Secretary of State to the Chargé in Czechoslovakia (Klieforth)

WASHINGTON, July 9, 1945—6 p. m.

46. Urtel 64 July 6 and Deptel 41 July 6. For your secret information:

War Dept has agreed to Dept recommendation that US forces will remain in Zecho until further instructions after token withdrawal proportionate to Soviet as reported Urtel 46 June 29. SHAEF has instructed Twelfth Army Group to maintain existing line of demarcation with Soviet forces. US has no intention of making complete unilateral withdrawal at this time.

Note in Deptel 41 raises question of ultimate complete withdrawal of both armies from Zecho territory. If request for withdrawal of both armies should come from Zecho Govt, US will probably propose withdrawal be complete and simultaneous. Has Zecho Govt made any commitments under Soviet Mutual Assistance Pact or Civil Affairs Agreement on retention Soviet forces after official withdrawal to guard airfields and railroad junctions?

Dept approves suggestions urtel 64 and assures you all possible will be done to support our policy.

Please repeat to Hoechst for Murphy all messages of interest to US Commander.[50]

GREW

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[50] This telegram was repeated to Hoechst for Murphy as No. 86; repeated to Moscow as No. 1590, July 12, 5 p. m.

123 Klieforth, Alfred W.: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, July 9, 1945—midnight.
[Received July 10—8:30 a. m.]

2487. ReDepts 1399, June 23. Vyshinsky has written me along following lines:

"Soviet authorities have investigated Klieforth incident. Investigation has established that apartment Klieforth was inspecting had belonged to one Gerberstein a German who had received it from German authorities and had lived in it up to liberation of Prague at which time he went into hiding. From May 19 on, apartment was occupied by Red Army soldiers.

"When Klieforth and party entered apartment in question there were two Red Army chauffeurs and one sergeant in it. No Soviet officer was in apartment. Upon Klieforth's entry Red Army men inquired who they were, why they had come and requested Klieforth and those accompanying him to show their documents. During conversation the former house worker of Gerberstein, Anbrosheva, entered apartment. She stated that among the visitors was a German who had gone into hiding. Sergeant then requested all the visitors to go to adjacent commandant's office. All the witnesses, including Anbrosheva, confirmed that sergeant was not rude and uttered no threats.

"After visitors had left apartment Russian sergeant, knowing that there was a German among them, insisted that they go to commandant's office. This phase of conversation took place near a garage by which stood a sentry. Previously this sentry had not permitted visitors to enter garage. Sergeant instructed guard to watch after the automobile which visitors had left behind. Statement to effect that sergeant was discourteous to American flag does not correspond to facts. At time of conversation outside house the guard was standing at door of the machine and he consequently could not touch the flag which was on the front of machine near headlights. Competent Soviet authorities who carried out investigation are of the opinion that there was no forceful or insulting actions whatsoever on part of sergeant or Red Army men. Incident was result of misunderstanding due to fact that Klieforth and sergeant did not understand one another since conversation was in different languages and also to fact that Klieforth was accompanied by German who was identified by Anbrosheva. This could not help but bring about suspicious attitude towards visitors on part of Russian soldiers.

"In view of aforementioned, Soviet Govt sees no basis for a protest or for advancing any claims against sergeant or Russian soldiers who were with him."

Dept may wish to keep the tenor of this note in mind, which in substance completely rejects Klieforth's statements as false, when replying to Soviet protests regarding, for example, alleged firing by

American vessels on Soviet balloons in Murmansk [51] of treatment of Soviet POWs in US.[52]

Sent Dept as 2487; rptd Prague 16.

HARRIMAN

860F.01/7-1145: Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, July 11, 1945—midnight.
[Received 6:40 p. m.]

2525. From Klieforth's July 6, 6 p. m. (sent Dept as 64). I gather that Czech Govt has requested complete withdrawal of American troops from Czecho in advance of complete withdrawal of Russians. I consider it would have an adverse effect on our relations with Russia if we were to yield to this demand. Russians are extremely sensitive to considerations of prestige and any move on our part which is interpreted by them as a sign of weakness or vacillation with respect to any one of their actions often finds reflection of their attitude in numbers of other fields not immediately affected by action in question.

Sent Dept 2525; rptd Praha 17.

HARRIMAN

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123 Klieforth, Alfred W.: Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAGUE, July 14, 1945—6 p. m.
[Received 7:30 p. m.]

81. Reference Moscow's 2487, July 9. Full account of my Russian incident transmitted in despatch No. 29 of June 21, 1945.[53]

1. The nationality of Gaberstein is the subject of further investigation by the local police. Although he had provisional documents showing that he has been reinstated as a loyal Czech the chances are that now under Soviet pressure he will again be declared a German to give some justification to the actions of the Russian occupant of the apartment.

2. Ranking Russian in apartment was a sergeant and not an officer as I had assumed.

3. The statement that sergeant was not rude and offensive and uttered no threats is a complete falsehood. The Czechs present were

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[51] For documentation regarding the Murmansk balloon incident, see vol. v, pp. 860–875, *passim*.

[52] For documentation relative to the treatment and reciprocal repatriation of American and Soviet prisoners of war, see *ibid.*, pp. 1067 ff.

[53] See telegram 30, June 21, p. 459, and footnote 21, p. 460.

almost speechless with fright and I must admit that I too was frightened.

4. The so-called conversation after departure from apartment took place in front of house where my car was parked. When I refused to follow sergeant to Commandant's office he called for an armed sentry and placed him aside of the car. The sentry under threat of using his rifle refused to permit me to drive away. It was the sergeant not the sentry who was discourteous to the flag. In talking to me the sergeant repeatedly pointed his finger at me almost touching my face and said many times "After finished with these Germans who claim to be Czechs you American you will see what will happen to you." I did not misunderstand the sergeant although the conversation was carried on in different languages. I was detained by force in the car as witnessed by the FonOff official and other Czechs. I was relieved [*released*] finally when the sergeant returned accompanied by a Czech officer and after I protested vigorously to the latter that I was being detained by force as evidenced by armed sentry still guarding me and car.

5. FonOff informally told me today that Czech Govt has received note from Russian Embassy practically identical with Soviet note to Harriman. FonOff proposes to send copy to me without comment but suggested informally that in reply I ask for statements of Czech witnesses.

6. It is possible that now under Soviet pressure Czech witnesses will revise their account of incident, otherwise FonOff would not have suggested to ask for copy of their statements. However when Dr. Skalicky, Chief of Protocol, delivered note of June 25 containing apology he stated that Czech report of incident "agreed fully" with mine. Heidrich, Chief FonOff Legal Section remarked "Alas, we are helpless. Under our treaty with Moscow the Russians have jurisdiction over matters of this kind".

Sent Dept, rptd Moscow as 22.

KLIEFORTH

860F.01/7–1645 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, July 16, 1945—3 p. m.
[Received 11 : 40 a. m.]

82. Your 46, July 9, 6 p. m. President Beneš sent word to me through responsible intermediary that (1) he was satisfied with our reply (2) again stressed his hope that US Army would remain as long as the Russian and (3) expressed hope that to meet Russian pressure from Fierlinger *et al* US Army in its zone would also make token reduction of occupied area principally by evacuation of Pilsen.

KLIEFORTH

860G.5034/7–2345 : Telegram

The Ambassador in Czechoslovakia (Steinhardt)[54] *to the Secretary of State*

PRAHA, July 23, 1945—10 p. m.
[Received July 25—7:45 p. m.]

102. I called on the Prime Minister this morning. He was most cordial and promptly entered into a discussion of various matters. On the subject of nationalization and the protection of American interests he said that "in order to satisfy the people" it would probably be necessary to nationalize what he described as "heavy industry" as well as the banks and insurance companies. He was careful to point out that the nationalization of the banks and insurance companies would be occasioned less by the pursuit of state socialism than as a result of their insolvent condition. He also added that he anticipated Parliament would provide compensation "in all appropriate cases." Insofar as concerns American property interests in Czechoslovakia I stressed the desirability of an authorized statement that there would be no seizure or nationalization of American property and that in any general field in which the Government found it desirable to nationalize where American property rights might be affected there would be full and adequate compensation. He replied that he would bear my suggestion in mind but thought "such a statement at this time would be premature".

On the subject of the withdrawal of Russian forces he said it was progressing steadily and that within a very few days no more than 8 or 9 small Russian divisions would be left in Czechoslovakia and that these would all be concentrated along the Czech-German frontier. He added that all Russian garrisons will have been withdrawn within the next few days and that with the exception of a few of what he described as "office units" no Russian forces would remain in the interior of the country by the end of this month. He said that a few small units which would not be combat troops would be stationed at "one or two" railroad centers or junctions to be sure that Russian railway traffic moves smoothly. He then suggested that a similar withdrawal by the American forces to the Czech frontier was desirable.[55] I replied that I would refer his suggestion to Washington. In

[54] Laurence A. Steinhardt presented his credentials to President Beneš as Ambassador Extraordinary and Plenipotentiary on July 20, 1945.

[55] In his telegram 74, July 11, midnight, the Chargé in Czechoslovakia had reported that Prime Minister Fierlinger, in the course of an address on July 11, stated that Soviet troops were withdrawing toward the frontiers and it was therefore only logical that American troops would also soon be withdrawn behind the frontiers (860F.01/7–1145). In his telegram 75, July 12, 3 p. m., the Chargé reported that Prime Minister Fierlinger, in numerous public utterances and activities, had taken the lead in voicing Soviet dictated policies in demanding extreme economic measures and the unilateral withdrawal of American military forces (860F.00/7–1245).

my opinion it is undesirable that our forces be withdrawn from the area now occupied by them as distinguished from a reduction in the number of our troops which had heretofore occupied [apparent omission] as had the opportunity as a result of its own inspection to satisfy itself that Russian forces have actually been withdrawn to the extent asserted by Fierlinger.

We then discussed general economic conditions which Fierlinger said were gradually improving. He did not deny the disastrous effect on the food ration of the population resulting from wholesale seizure by the Russians of cattle and food supplies in general. He said that one time or another during the past few months between 2 and 3 million Russian troops had been in Czechoslovakia and that while they had brought some of their own food their local seizures had seriously affected livestock conditions throughout the country. He added that with the withdrawal of all Russian forces other than approximately 90,000 along the frontier of the country he expected food conditions in Czechoslovakia would materially improve.

Insofar as concerns industry he observed that the production of consumption merchandise particularly in Bohemia and Moravia was entirely a matter of the cooperation extended by the American, British and Russian forces of occupation in Germany not only in respect of raw materials that might be available there but particularly in affording transportation to Czechoslovakia from the west and the north. He said it was most desirable that the Elbe be made navigable as quickly as possible for transportation purposes and that he hoped the American forces would heighten their bridges at once as until this was done the large [vessels?] could not use the river for navigational purposes. He said the Russians had been extremely prompt in heightening or removing such of their bridges as have been obstructing river traffic. In the close of our talk I expressed the dissatisfaction of the Department and myself with the reply received from the Russian Government in connection with the Klieforth incident. Fierlinger replied that he desired to apologize once again and said he could not understand why the Russian Embassy had not made an apology and thus disposed of the incident. I suggested that by reason of his intimate relations with the Russians it might be appropriate for him to invite the attention of the Russian Ambassador to the desirability of an apology. He said he would do so and frankly observed that he was at a loss to understand why the Russian Ambassador had not tendered Klieforth an apology on his own initiative concluding his comment with the smiling remark "but you and I know how difficult it is to extract an apology from the Russians".

STEINHARDT

860F.01/7-745 : Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, July 24, 1945—8 p. m.

74. Zecho note June 30 received in despatch 36 July 3. Dept does not consider further action necessary beyond Klieforth's note July 3 to Zecho FonOff. Zecho note and General Harmon's letter to Klieforth despatch 44 July 7 [56] have been sent to War Department.

For your information, Dept can only call attention of War Department to other matters in Zecho note July 3 as well as despatch 41 July 5 [57] urtel 58 July 4 and note June 30 in despatch 36. These questions can not be settled without definite civil affairs agreement with US forces. In view of decision noted Dept 46 July 9 please ascertain in your discretion views of Zecho Govt on desirability of civil affairs agreement.

GREW

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123 Klieforth, Alfred W. : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, July 28, 1945—6 p. m.
[Received July 30—3:33 p. m.]

126. My 103 [*102*] of July 23. Foreign Office note dated July 16 but not transmitted to Embassy until July 25 regarding Klieforth incident stated in summary that as persons involved in incident were members of Red Army there are "solely the organs of Red Army come into question as regards investigation of incident and eventual punishment of person found guilty". Furthermore it stated that agreement dated May 8, 1944 between Czecho and Russian Govts concerning relations between Czecho administration and Soviet High Command after entrance of Soviet forces in country regulates the juridical position. Article VII of agreement stipulates that members of Red Army on Czecho territory are under exclusive jurisdiction of Soviet High Commander.

Foreign Office note also enclosed memorandum from Russian Embassy which repeated contents of Vyshinsky's note to Harriman.[58]

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[56] See footnote 42, p. 470.

[57] Despatch 41 not printed ; it transmitted to the Department the text of a note, dated July 3, from the Czechoslovak Acting Minister for Foreign Affairs to the Chargé in Czechoslovakia. Text of the note had also been sent to the Department in telegram 58, July 4, p. 468.

[58] For Soviet Deputy Foreign Commissar Vyshinsky's note to the Ambassador in the Soviet Union, see telegram 2487, July 9, midnight, from Moscow, p. 475.

Foreign Office had previously indicated to Klieforth that above note would be sent and suggested that upon its receipt Embassy request copy of evidence of Czech witnesses. Inasmuch as these witnesses have been briefed it is possible that their evidence under Soviet pressure may now be changed to coincide with Moscow's version of incident.

Embassy has therefore not asked for this evidence as Foreign Office said on day after incident that its version agreed fully with Klieforth's. Moreover it seems inadvisable at this stage to argue with Russians as to alleged facts of incident. Therefore Embassy has merely acknowledged Foreign Office note with remarks that its note had been received and referred to Dept.

Sent Dept as 126; repeated Moscow as 27.

STEINHARDT

840.4016/8-245 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

[Extract] [59]

PRAHA, August 2, 1945—8 p. m.
[Received August 3—9 p. m.]

144.

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In so far as concerns the presence of American and Russian armed forces in Czechoslovakia, Beneš said while Russians were withdrawing in accordance with the assurance given him and that while in some places the withdrawal was behind schedule it was progressing steadily, the delays apparently having been occasioned solely by transport difficulties.

He said he hoped that in near future Russians will have withdrawn completely with the exception of the agreed number of troops to be left in frontier zone. He intimates that a reduction in the American forces was desirable so as to encourage the Russians to continue their withdrawal but made it clear that he did not desire a complete evacuation by the American forces until the Russian evacuation is substantially completed. He made a passing reference to the "good treatment" the Germans are receiving from Americans in Sudetenland which he remarked was difficult for the local Czech population to understand having regard to the treatment to which they had been subjected by the Germans.

On the subject of nationalization Beneš intimated that he was proceeding cautiously but that his opposition to anything more than

[59] For the remainder of this telegram, see vol. II, p. 1266.

restricted state socialism continues. He seemed to feel that the moderates are steadily gaining ground and that the Communists and what he described as "a small group of hotheads" are steadily losing ground.

On subject of finances Beneš expressed a desire for a sound currency soon as this can be effected but expressed doubt that much could be accomplished along this line until a more normal situation prevails.

STEINHARDT

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123 Klieforth, Alfred W.: Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, August 7, 1945—8 p. m.

110. Dept approves decisions in your 126, July 28 and has sent following telegram to Moscow.[61]

"Urtel 2487, July 9 and Praha's 25, July 23 [62] and 27, July 28 [63] concerning Klieforth incident. Dept does not desire to argue with Sov concerning facts of incident or to make further inquiry among Zecho witnesses to reconcile differences between Sov and US versions. Vyshinski's note in urtel 2487 is not in agreement with facts as presented in Praha telegrams repeated to you and in Zecho note June 25 to Klieforth. Dept does not desire to pursue matter further with Zecho Govt since control over actions of Sov troops in Zecho is under sole jurisdiction of Sov High Command according to Article 7 of Zecho Sov Civil Affairs Agreement.

Please inform Sov FonOff that US Govt can not accept explanation in Sov note. US Govt is greatly dissatisfied with failure of Sov Govt to accept responsibility for the actions of its troops and with the fact that no apology has been made by a member of the Sov armed forces for an unfriendly act towards a diplomatic representative of an Allied state."

GREW

860F.01/8-245

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

No. 60 WASHINGTON, August 18, 1945.

The Acting Secretary of State refers to the Department's telegram no. 74 of July 24, 1945 and transmits herewith a letter from the Secretary of War of August 2, 1945 commenting on the Czechoslovak note

[61] Sent as telegram 1762, August 7, 8 p. m.
[62] Latter not printed.
[63] Same as telegram 126, July 28, 6 p. m. from Prague, p. 480.

of June 30, 1945 sent to the Department in the Embassy's despatch no. 36 of July 3, 1945.

The Ambassador is requested to bring the substance of the last three paragraphs of the letter of the Secretary of War to the attention of the Czechoslovak Government.[64] After the receipt of information that the Czechoslovak Government has been so informed, the Department will consider the issues raised in the Czechoslovak note of June 30, 1945 as closed.

[Enclosure]

The Secretary of War (Stimson) to the Acting Secretary of State

WASHINGTON, August 2, 1945.

DEAR MR. SECRETARY: I am replying to your letter of July 25, 1945 [65] with which you inclosed a copy of a Czechoslovak note of June 30, 1945 and a copy of a letter concerning that note from Major General E. N. Harmon dated July 6, 1945.

As you are aware, the primary reason why United States forces have continued in occupation of portions of Czechoslovakia results from our informal understanding with the Czechoslovak Government that our troops will be retained in that country as long as Russian forces remain. It has been further informally agreed that our troops will be removed proportionally with the removal of the Russian troops. This agreement has already resulted in the withdrawal of approximately four of the eight United States divisions originally in that country.

You are likewise aware of the efforts that have been made to secure the execution of a Civil Affairs Agreement with the Czechoslovakia Government. The existence of such an agreement would solve all of the questions raised by them. The United States has been prepared to negotiate an agreement but the delay which has occurred has resulted from inaction on the part of the Czechoslovak Government.

In view of the foregoing it is the opinion of the War Department that a suitable reply to the Czechoslovak note would be to call to their attention the fact that upon the execution of the proposed agreement the problems upon which they have commented would be solved. It

[64] Telegram 286, August 31, from Prague, suggested that since the proposal for a civil affairs agreement between Czechoslovakia and the United States was no longer active and since the Siroky incident had been settled, it would be better not to bring the letter of the Secretary of War to the attention of the Czechoslovak Government (860F.01/8–3145). Telegram 192, September 5 to Prague expressed the Department's concurrence in the recommendation (860F.01/8–3145).

[65] Not printed.

would also be appropriate to remind them that in the period immediately following the defeat of an enemy there are always a certain number of circumstances that are bound to occur as the result of chaotic conditions. As an example of the type of thing which will occur are the inscriptions that appear upon the vehicles used by the Civil Affairs detachments. It is obvious that in the fresh pursuit of an enemy time is not available to change language that may appear upon equipment. This is particularly true of conditions such as were present in the instant case where there was no original plan to occupy Czechoslovak territory.

The War Department does not have sufficient information in Washington upon which to base a reply to the various issues raised in the Czechoslovak note. However, as it appears that none of them are other than matters of small moment, in light of the facts previously stated in this letter, I do not believe it advisable to query the theater commander with regard to them. My opinion in this regard is based also upon the very adequate reply given by the Commanding General of the XXII Corps.

Sincerely yours, HENRY L. STIMSON

860F.01/8-2345 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, August 23, 1945—2 p. m.

156. Deptel 46 July 9 and 74 July 24. Following is summary of proposed War Dept message to Commanding General USFET [66] to be sent with Dept approval:

Commanding General USFET will be informed that continued retention US forces Zecho is political matter. CG USFET also to be informed that US forces will be withdrawn simultaneously with and in proportion to Soviet withdrawal. Both War Dept and Dept believe that formal request for civil affairs agreement by US Govt at present time would be politically embarrassing to Zecho desire for simultaneous withdrawal and would lead Soviets to assume that US planned to retain forces in Zecho for a protracted period. This assumption is believed would delay the objectives of simultaneous withdrawal in the near future of US and Soviet forces. War Dept will inform CG USFET that apparently no real necessity exists for formal civil affairs agreement and no steps should be taken to conclude one unless CG USFET has different views. *End summary.*

Dept would appreciate your comments urgently before approving above message.

BYRNES

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[66] Gen. Dwight D. Eisenhower, Commanding General, United States Forces, European Theater.

860F.01/8–2545 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, August 25, 1945—7 p. m.
[Received August 26—1:30 p. m.]

262. I am entirely in accord with policy that US forces should not be withdrawn from Czechoslovakia other than simultaneously with and in proportion to Soviet withdrawal. From recent conversations with members Czechoslovak Govt I am satisfied that they do not desire withdrawal US forces from Czechoslovakia unless and until Soviet forces are withdrawn. In spite of public statements to contrary that have been made in the past or that may be made in the future by Fierlinger and others I am reasonably satisfied that the views expressed above reflect the desire of Beneš, Masaryk and most of members of Govt other than extreme radicals.

At luncheon yesterday with Masaryk he informed me that there are still 320,000 Soviet troops disturbed [*distributed*] throughout Czechoslovakia notwithstanding Stalin's personal assurance that all Soviet forces would be withdrawn by July 20 other than "eight or nine" divisions along Czechoslovak German frontier. He said he was considering sending Svoboda, Minister of War, to Moscow to remind Stalin of his promise but that he would prefer Fierlinger go if he could be pursuaded to do so.

I am also in accord with the views of Dept and War Dept that a formal request for a civil affairs agreement by US would be politically embarrassing to the Czechoslovak desire for a simultaneous withdrawal and might lead the Soviets to assume that we plan to retain forces in Czechoslovakia for a protracted period. Furthermore relations between General Harmon and Czechoslovak officials with whom he has contact, as well as relations between General Harmon and the Embassy are so excellent that there is no longer either reason or necessity for a civil affairs agreement. All matters in this tripartite relationship have been and continue to be promptly disposed of on a cordial and cooperative basis without the slightest difficulty.

STEINHARDT

860F.01/8–2545 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, August 31, 1945—8 p. m.

182. As a result of plans for rapid demobilization and immediate reduction of occupation forces in Europe, CG USFET has proposed

to War Department that US forces in Zecho be withdrawn now.[67] War Department desires withdrawal from Zecho but recognizes that decision is political and will follow Dept's decision at least for immediate future. At request of Dept, War Department will send inquiry to CG USFET whether occupation forces can be reduced elsewhere in order to maintain US force in Zecho.

Dept recognizes that US forces cannot be maintained in Zecho for an indefinite period. While Dept may be able to delay immediate action, withdrawal of forces will become an urgent problem in immediate future. Dept will not propose to Soviets that complete and simultaneous withdrawal be made (urtel 262, Aug 25) but considers that request should be made by Zecho Govt.

Sent to Praha as 182; repeated to USPolAd,[68] Berlin as 386.

Dept would appreciate your comments.

BYRNES

860F.01/8–3145 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, August 31, 1945—10 p. m.
[Received September 1—11:20 a. m.]

287. General Harmon, Commander of the American Forces in Czechoslovakia, has informed me in the strictest confidence that of his 3 divisions 2 are being taken out of Czechoslovakia within the next 10 days and that although it was intended until 2 or 3 days ago to replace these forces, he has now been informed that they will not be replaced. He also told me that it is his understanding that Supreme Headquarters is recommending to the War Dept that all American troops be withdrawn from Czechoslovakia and that no replacements be sent. He gave it as his opinion that Supreme Headquarters is proposing to the War Dept that all American forces be removed from Czechoslovakia by the first of November.

The sudden withdrawal of all American forces from Czechoslovakia at this time while the Russians continue to maintain large forces in the country in violation of their promise to withdraw would constitute an abrupt reversal of our policy and would be regarded by all of the members of the Czechoslovak Govt including the President who desire a simultaneous withdrawal of American and Russian forces as

[67] The proposal for the withdrawal of troops from Czechoslovakia, which was set forth in a telegram from General Eisenhower to the Joint Chiefs of Staff, dated August 30, was referred to the State-War-Navy Coordinating Committee for consideration on September 4, 1945.

[68] United States Political Adviser for Germany (Murphy).

an abandonment by the US of Czechoslovakia to further Russian influence.

STEINHARDT

860F.01/9–445 : Telegram

The United States Political Adviser for Germany (Murphy) to the Secretary of State

BERLIN, September 4, 1945—5 p. m.
[Received 12:16 p. m.]

441. Your 386, August 31, 8 p. m.[69] crossed our 418, August 31, 6 p. m.[70] A telegram to USFET (United States Forces European Theater) from War COS (Chief of Staff [71]) states that the Dept believes that a token United States force should remain in Czechoslovakia as long as the Russians are there. War COS inquired whether in USFET's opinion, the retention of a token United States force in Czechoslovakia is feasible. USFET has consulted General Harmon who has stated that if we keep troops there, the force should not be reduced beyond two divisions. He added that at present we are handling both the Czechs and Russians on the occupation border with friendliness but firmness. He believes that were the force reduced, we would be subject to frequent incursions by Russians across the border into our area, thereby possibly losing prestige and effectiveness. USFET will probably advise the War Dept that any token force should not be less than two divisions, thus putting the decision up to the War Department.

It seems to me that the idea of ATC (Air Transport Command) force is not sound and that we should either maintain a substantial force, effective to cope with the situation, or withdraw entirely.

War COS also has telegraphed USFET stating that consideration has been given to whether United States-Czech civil affairs agreement is needed, suggesting that should we execute agreement now, Soviets would be justified in assuming our intention to stay a protracted period. War COS added that interested Depts in Washington believed civil affairs agreement unnecessary. This view is concurred in here, USFET believing that whether we stay or pull out of Czechoslovakia, such an agreement would be unnecessary since matters are proceeding well enough now. This view is taken on basis that even

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[69] Same as telegram 182, August 31, 8 p. m. to Prague, p. 485.

[70] Not printed; in this telegram, Mr. Murphy, on the basis of his knowledge of the situation in Germany, expressed the view that there was no overriding political necessity for the continued maintenance of American troops in Czechoslovakia (860F.01/8–3145).

[71] General of the Army George C. Marshall, Chief of Staff, U.S. Army.

if it were decided to keep our troops in Czechoslovakia, they would not remain any length of time.

MURPHY

860F.01/9–445 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, September 4, 1945—6 p. m.
[Received 9:20 p. m.]

306. To reconcile the War Dept's desire to withdraw all of our forces from Czechoslovakia in the near future with the political advantages of retaining American forces in the part of Czechoslovakia now occupied by them, I suggest that the two divisions about to be withdrawn be not replaced but that the third division be not withdrawn or if withdrawn that it be replaced immediately.

My reasons for recommending the above course are as follows:

1. The reduction of our present forces in Czechoslovakia, consisting of three divisions, to one division would have advantages and no foreseeable disadvantages in that the large number of American troops now occupying a relatively small area of Czechoslovakia are in excess of the numbers required and tend to emphasize the undeniable feeling on part of Czechoslovakians that Americans are too friendly with Sudeten Germans in occupied area.

2. The withdrawal of two thirds of our forces at this time might induce the Russians to reduce their forces in Czechoslovakia and would in any event strengthen the Czechoslovakian Govt in its efforts to persuade the Russian Govt to carry out its promise to withdraw its forces to Czechoslovakian frontier.

3. The present large American occupation forces by their mere presence tend to delay rehabilitation and recuperation in the small area occupied by them and to impede a return to normal life.

4. Our large forces create a certain amount of jealousy among the Czechoslovak male population because of their high standard of living and all that goes with it.

5. Our large forces have tended to make the Czechoslovakians reliant on American help and thus to stifle initiative in rehabilitation their own country.

6. The present demarcation line between the American and Russian forces could be held by a considerably smaller contingent of American troops.

7. The withdrawal of all American forces to the Bavarian-Czechoslovak border would probably result in an official or unofficial Russian infiltration into the evacuated American zone in Czechoslovakia with the resultant wholesale "requisitioning" by individual Russian troops of cattle and food, seizure of machinery, equipment, household and personal effects as "war booty" attacks on individuals and various other depredations such as are all too common in the present Russian occupied zone.

8. The withdrawal of all American forces would cause the Czechoslovakians to feel that they had been morally as well as physically abandoned by the Americans at the very time they are beginning to show signs of courage in standing up to Russians. This might well prove to be a determining factor as between the moderates and the Communists in the forthcoming Czechoslovak parliamentary elections.

9. The retention of one full strength American division or even less in Czechoslovakia along the present demarcation line would not necessitate any elaborate supply organization in their rear but would constitute merely a minor extension of our zone of occupation in Bavaria and would be cheap insurance against the unfortunate political reactions which might arise as the result of complete withdrawal (your 182, September 1 [*August 31*]).

STEINHARDT

860F.01/9–445 : Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, September 11, 1945—2 p. m.

214. Urtel 306 Sep 4. USFET states, and the War Dept agrees, that two divisions constitute the minimum which can be maintained in Zecho without serious complications and that the choice must lie between maintaining two divisions or withdrawing completely. Since War Dept indicates that only a decision at a very high level will cause it to postpone complete withdrawal, I am today asking the Secretary's approval to direct a letter to the Secretary of War urging him on political grounds to allow the retention of two divisions in Zecho, at least until we have been able to explore more thoroughly the possibility of simultaneous withdrawal of US and Soviet forces.

I should appreciate it if you would, in the light of this situation, transmit as soon as possible your estimate as to whether the Zecho Govt would at this time be willing and able to request US and Soviet Govts to effect a simultaneous withdrawal of our forces. You are authorized, if you believe it desirable, to inquire informally of the appropriate Zecho officials concerning the possibility of such a request being made at this time.

Should it appear that such a request is not likely to be made, the Dept proposes to consider the advisability of a direct approach by this Govt to the Soviet Govt with a view to seeking the latter's agreement to a simultaneous withdrawal of forces on the grounds that the presence of Allied armies in Zecho is no longer necessary and is inconsistent with the fact that Zecho is a member of the United Nations and possesses a Govt recognized by the US and USSR which is capable of maintaining order within its national frontiers. Should the

Soviet Govt not accede to this proposal we would be in a position to state at the time it became necessary to complete our withdrawal from Zecho that we had endeavored without success to arrange that all Allied forces be withdrawn simultaneously. Your views in regard to such a direct approach to the Soviet Govt would also be appreciated.

Sent to Praha as 214; repeated to Moscow as 1991; repeated to USPolAd, Berlin, as 439; repeated to London as 7798.[72]

ACHESON

860F.01/9–1445 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Acting Secretary of State

PRAHA, September 14, 1945—11 p. m.
[Received September 16—12:33 p. m.]

352. Department's 214, September 11. I have had a talk this afternoon with President Beneš to ascertain whether Czechoslovak Government would be willing at this time to request US and Soviet Governments to effect a simultaneous withdrawal of their forces.

President gave me in strict confidence following detailed account of his efforts to have Soviets withdraw their forces from Czechoslovakia.

Beneš said he had sent Svoboda Minister of National Defense and Clementis State Secretary for Foreign Affairs to Vienna a week ago to see Marshal Koniev [73] to:

(1) Complain of behavior of Soviet troops in Czechoslovakia;

(2) Remind Koniev of Stalin's promise made about 2 months ago that not more than 8 Soviet divisions would remain in Czechoslovakia after July 20 and that these divisions would be withdrawn to northern Czechoslovak frontier, and to ask him to reconcile recent Soviet request for food and supplies for over 300,000 men with Stalin's promise. President said he had instructed Svoboda to inform Koniev that amount of food and supplies requested would not be furnished.

(3) Inform Koniev that Czechoslovak Government would not permit the Soviet military authorities to requisition the very large amount of sugar they had demanded. The President informed me that when he had learned of the large quantity of sugar Soviet military au-

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[72] Repeated to London with the following additional message for the Secretary of State, then in London for the first session of the Council of Foreign Ministers, September 11–October 2, 1945:

"Do you approve my asking the War Department to postpone departure of last two divisions from Zecho until we have made an effort to obtain Soviet agreement to simultaneous withdrawal of both our forces. This is in accordance Beneš' confidential request of us some time ago."

For documentation regarding the first session of the Council of Foreign Ministers at London, see vol. II, pp. 99 ff.

[73] In June 1945, Marshal Ivan Stepanovich Konev became Commander in Chief of the Soviet Central Group of Forces, Commander of Soviet Forces in Austria, and Soviet representative on the Allied Council for Austria when that body was activated in September 1945.

thorities proposed to requisition he had (without consulting Cabinet) instructed the Czechoslovak military authorities to occupy the refineries and resist by force if necessary any attempt by the Soviets to requisition the sugar. He said Soviet soldiers had attempted to seize the sugar but when Czechoslovak guards fired over their heads they retired. He specifically requested that this incident be not disclosed.

(4) Protest at the continued entry into Czechoslovakia from Germany and Austria of considerable numbers of Soviet troops and to warn Koniev that if this practice continued and these troops continued to requisition at will there would be "conflict."

(5) Complain of the large garrisons, hospitals and other establishments the Soviet military authorities continue to maintain outside of Praha, Brno, and Bratislava and to request that they be withdrawn at once.

The President said that although Svoboda and Clementis had been cooly received by Koniev, after a full discussion of the grievances presented by them Koniev had promised to reduce Soviet forces in Czechoslovakia to eight divisions, to stop depredations by Soviet troops from Germany and Austria and to withdraw garrisons and other establishments outside of Praha, Brno and Bratislava. He had also agreed to the creation of mixed Czechoslovak Soviet units to deal on the spot summarily with irregular requisitions, attacks on civilians (including many murders) and other transgressions.

The President said he attributed Koniev's promise to remove the causes of complaint to the fact that shortly before Svoboda and Clementis left for Vienna he had instructed the Czechoslovak Minister in Moscow [74] to insist on seeing Stalin and to recite the same grievances to him. He said that after listening to the grievances Stalin had remarked "I understand the situation, there will not be tranquility before we leave completely."

The President then said that Svoboda and Boček, Chief of Staff, had left today for Moscow under instructions from him (1) to repeat what Svoboda had told Koniev and to refer to Stalin's remark to the Czechoslovak Minister (2) to ask for the armaments promised the Czechs by the Soviets and which have not been forthcoming and (3) to ask for the immediate fulfillment of Stalin's promise to reduce Soviet forces in Czechoslovakia to eight divisions.

The President then observed that as many of the Czech Communists holding office in his Government do not favor a reduction of Soviet forces in Czechoslovakia as they believe their presence will aid them in coming elections, he feared that any attempt by him to obtain approval of Cabinet to a request of US and Soviet Governments to effect simultaneous withdrawal of their forces might precipitate dissension within his Government. He suggested as an alternative that our Government

[74] Apparently reference is to the Czechoslovak Chargé in the Soviet Union, Jaroslav Hnidzdo.

prepare a precise plan for withdrawal of our forces from Czechoslovakia including dates, bring same to attention of Soviet Government and ask for its plan of withdrawal. He said that if our Government decided to pursue this or some similar course it would be desirable to communicate officially to Czechoslovak Government our plan of withdrawal so that his Government could also bring American plan to attention of Soviet Government. President remarked that if Soviets then failed to propose a plan to withdraw their forces he favored widest publicity in United States of our endeavor without success to arrange that all Allied forces be withdrawn simultaneously. Beneš regards it as great importance that any approach our Government may make to Soviet Government, or any plan of withdrawal that may be proposed by United States to Soviet Government be brought to personal attention of Stalin as he is convinced that failure of Soviets to withdraw from Czechoslovakia is policy and preference of Soviet generals and not that of Stalin. He pointed out that Soviet generals and their troops prefer remaining in Czechoslovakia to returning to Soviet Union or being stationed in hostile Germany or Austria. He said there was ample evidence that they "feel at home among their brother Slavs in Czechoslovakia and thoroughly enjoy our much higher standard of living."

I believe a direct approach by our Government to the Soviet Government along the lines suggested by Beneš offers the best prospect of achieving simultaneous withdrawal. Meanwhile and until the possibility of bringing about simultaneous withdrawal has been thoroughly explored I urgently recommend that we retain two divisions in Czechoslovakia and that the orders already issued for the reduction of our forces by September 21 to less than one division be countermanded. In conversation today with General Harmon in command of American forces in Czechoslovakia, his reasons were very convincing as to why he cannot effectively maintain control of 266 miles of demarcation line which he holds with less than two divisions.

Repeated Moscow as 30 USPolAd Berlin as 16 and London for personal attention of Secretary of State as 49.

STEINHARDT

860F.01/9–1445 : Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, September 17, 1945—4 p. m.

230. At request of Secretary Byrnes, War Department was asked on September 15 to hold up withdrawal of US forces from Zecho in order to give Zecho Govt chance to ask both armies to withdraw.

This message received before arrival of Urtel 352 Sep 14.
Sent to Praha as 230; repeated to Moscow as 2018.

ACHESON

860F.01/9-745

The Acting Secretary of State to the Secretary of War (Stimson)[75]

WASHINGTON, September 17, 1945.

MY DEAR MR. SECRETARY: I am informed that USFET has recently recommended that, with a view to expediting the reduction of United States military forces in Europe, the forces now in Czechoslovakia, which number I understand approximately three divisions, be withdrawn at once. I am, of course, most sympathetic to the prompt return to the United States of as many of our troops as possible but there are certain important political considerations in this particular instance which prompt me to urge that the complete withdrawal of our forces from Czechoslovakia be postponed.

As you are aware, the presence of our troops in Czechoslovakia has been welcomed by the populace and Government as the most concrete and telling evidence possible of our interest in the restoration of stable and democratic conditions in Czechoslovakia during this critical period of transition. This manifestation of our interest likewise has an important political effect in other countries of Central and Eastern Europe. Further important factors are: (1) The presence in Czechoslovakia of large numbers of Soviet troops which, although the Soviet Government has on several occasions expressed its intention to expedite their withdrawal, still remain, and (2) the imminence of elections in Czechoslovakia which may determine the degree to which that country is able to maintain a Government which is democratic and fully able to stand on its own feet, a result toward which both this Government and the Soviet Government are pledged to assist the liberated nations. Our objective is the withdrawal of all foreign forces from the country and the holding of fair and free elections.

Under these circumstances, I feel that immediate and total withdrawal of United States forces from Czechoslovakia might create the impression, however, erroneously, that the United States had disinterested itself in the affairs of this part of Europe. Ambassador Steinhardt informs me that this is the case and that our unilateral and complete withdrawal now might be a basic and upsetting factor in the forthcoming parliamentary elections.

I recognize, of course, that the withdrawal of all of our forces from Czechoslovakia cannot and should not be delayed indefinitely, but I

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[75] Circulated for the information of the State-War-Navy Coordinating Committee as document SWNCC 184/1, dated 17 September, 1945.

wish to urge most strongly that two divisions, which I understand are the minimum which USFET believes adequate to maintain our position there, be retained for the immediate future.

In the meantime, I intend to explore diligently the possibility of obtaining the agreement of the Soviet Government to a prompt and simultaneous withdrawal of all Allied forces from Czechoslovakia.

Sincerely yours, DEAN ACHESON

740.00119 Council/9–1945 : Telegram

The Acting Secretary of State to the Secretary of State, at London

WASHINGTON, September 19, 1945—9 p. m.

8200. Secdel [77] 85. Reference Praha's telegram 49, Sep 14, to London [78] marked for personal attention of Secretary.

Dept is inclined to adopt line of action recommended by Beneš in his conversation with Steinhardt. We do not foresee any difficulties in obtaining quickly from the War Department, which is urging an immediate withdrawal, a precise plan for withdrawing of American forces from Zecho. We agree with Beneš that any such approach to the Soviet Govt should be brought to the personal attention of Stalin. This could be accomplished by a message from the President to Stalin which would be submitted to you for approval before transmission to the White House.

To pursue this line of action effectively, however, it is essential that publicity be assured in the event of Soviet refusal to withdraw, or in the event of Soviet delaying tactics which would have the same effect. The purpose of keeping American troops in Zecho is to effect, if possible, a simultaneous and complete withdrawal of both American and Soviet forces. Military information received only yesterday indicates that the number of Soviet troops in Zecho is more likely to be increased than decreased during the winter. We are furthermore skeptical that the few American divisions now in Zecho will influence a Soviet decision to withdraw. If American forces are withdrawn without concurrent Russian withdrawal, which now seems likely, or without publicity on our effort to obtain complete withdrawal of all forces, the whole purpose of the retention of American troops in Zecho will be lost.

Please advise if you concur in this course of action.

ACHESON

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[77] Series designation for telegrams to London for the American delegation to the Council of Foreign Ministers.

[78] Same as telegram 352, September 14 from Prague, p. 490.

740.00119 Council/9–2845 : Telegram

The Acting Secretary of State to the Secretary of State, at London

WASHINGTON, September 28, 1945—8 p. m.

8627. Secdel 143. Deptel 7798 Sep 11,[79] Deptel 8200 Secdel 85 Sep 19, and Praha's 352 Sep 14 repeated to you as 49. With reference to plan for withdrawal of US forces from Zecho I propose with your approval to submit to the White House the following memorandum and proposed message from the President to Stalin.

The text of the memorandum for the President is as follows:

"I recommend that the attached message to Stalin respecting the withdrawal of American and Soviet forces from Czechoslovakia be sent by you.

The War Department states that the plans for the reduction of the number of occupation troops in Europe require the complete withdrawal of American forces from Czechoslovakia by November 15, 1945. At the present time there is stationed in Czechoslovakia the equivalent of two divisions, which is considered by the War Department to be the number necessary to police the border between the American and Soviet forces. General Eisenhower has estimated that 300,000 Soviet troops are stationed in Czechoslovakia and that the Soviet Government intends to increase this garrison to 500,000 during the coming winter. It is our understanding that the Russian forces live off the land, and furthermore, the Soviet Government has asked the Czechoslovak Government to provide the necessary supplies to accommodate this force.

American troops have been retained in Czechoslovakia at the request of the Department of State in the hope that a simultaneous and complete withdrawal of both Soviet and American forces might be effected. The efforts of President Beneš to have the Soviet forces withdrawn have not been successful, and the Soviet promise to reduce their garrison in Czechoslovakia to eight divisions by July of this year has not been carried out.

The proposed message to Stalin was suggested by President Beneš to Ambassador Steinhardt as the most effective means to accomplish a Soviet withdrawal, since the Czechoslovak appeals to Soviet military authorities have not obtained results. I consider that a unilateral withdrawal on our part without attempting to obtain similar action by the Soviets would be detrimental to the democratic and moderate elements in Czechoslovakia. Consequently, we should consider giving full publicity to our efforts if the Soviets refuse to withdraw or if they agree to withdraw but utilize familiar delaying tactics to keep their forces in Czechoslovakia after our withdrawal."

The text of the proposed message from the President to Stalin is as follows:

[Here follows text of proposed message, which was identical with message as sent, quoted in telegram 357, November 2, to Prague, printed on page 506, with the exception that the proposed message set

[79] Same as telegram 214, September 11, 2 p. m., to Prague, p. 489.

November 15 as the date for the withdrawal of American forces while the message actually sent fixed the date at December 1.]

On receipt of your approval, I shall submit the memorandum and the proposed message to the White House.[80]

ACHESON

740.00119 EW/10-1645

Record of a Meeting of the Secretaries of State, War, and the Navy, October 16, 1945, 10:30 a. m.

[Extracts] [81]

Present: The Secretary of State
The Secretary of War,[82]
accompanied by Colonel Charles McCarthy [83]
The Secretary of the Navy,[84]
accompanied by Major Correa [85]
Mr. Matthews [86]

. . . . . .

AMERICAN FORCES IN CZECHOSLOVAKIA

MR. PATTERSON raised the question of the presence of American troops in Czechoslovakia. He said that he understood the State Department wanted to keep approximately two divisions there for the present. The Army had scheduled these two divisions for redeployment to the United States by November 15. If they are to stay there beyond that date it must be for some time. He pointed out that failure to bring them back in view of the growing demand to get our boys home might be subject to some criticism. MR. BYRNES said that he proposed to suggest to Marshal Stalin that Russian and American troops be withdrawn simultaneously. This he understood was in accordance with Czechoslovak wishes. The Russian troops are living off the land and are therefore becoming increasingly unpopular in Czechoslovakia. If Stalin does not agree to our proposal we would, he felt, be in no worse position and could then make our independent decision whether to withdraw or not. Mr. Byrnes said that he thought our suggestion for simultaneous withdrawal might

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[80] In telegram 10213, Delsec 94, October 1, 7 p. m. from London, the Secretary of State asked the Acting Secretary to withhold any action on this matter until his return from London (740.00119 Council/10-145).

[81] For another portion of the record of this meeting, see vol. II, p. 59.

[82] Robert P. Patterson became Secretary of War on September 27, 1945.

[83] Col. Frank McCarthy, Secretary of the War Department General Staff.

[84] James V. Forrestal.

[85] Maj. Mathias F. Correa, U. S. Marine Corps, Special Assistant to the Secretary of the Navy.

[86] H. Freeman Matthews, Director of the Office of European Affairs.

make it more difficult for Stalin to refuse and there was just a chance that he might agree. He did not, however, wish to present this message to Stalin until another message on the question of future procedure for the Council of Foreign Ministers and the making of peace had been transmitted to him and Harriman had not been able to present his first message owing to Stalin's absence from Moscow.[87] He therefore asked for another week's delay. He said that, if necessary, he would take the responsibility of asking our Staff to retain our troops in Czechoslovakia.

MR. PATTERSON said that he understood that our object is to get both Soviet and U. S. forces out of Czechoslovakia and that the State Department is trying to bring about Soviet action in this sense. He would, meanwhile, agree to mark time.

. . . . . .

860F.01/10-1745

The United States Political Adviser for Germany (Murphy) to the Secretary of State

No. 1197 FRANKFURT, October 17, 1945.

SIR: With reference to my top secret telegram No. 146, October 17, 6:00 p. m.,[88] regarding the question of the retention of United States forces of occupation in Czechoslovakia, I have the honor to enclose a paraphrase of the USFET telegram to the War Department which sets forth General Eisenhower's recommendation to General Marshall on this subject.

The Department is informed that at General Eisenhower's request, accompanied by Deputy Chief of Staff, Major General Bull, I proceeded to Pilsen and Prague on October 14. At Pilsen a thorough review of the situation from the Army point of view was had. At Prague General Bull and I thoroughly canvassed the situation with Ambassador Steinhardt and members of his staff. I enclose for the Department's information a copy of my report to General Eisenhower dated October 16.

A supplemental report will be made to the Department regarding other features of our conversations with Ambassador Steinhardt, particularly with reference to the subject of restitution of property looted by the Germans in Czechoslovakia and which is now subject to claim

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[87] For text of the message from President Truman to Marshal Stalin regarding the future procedure of the Council of Foreign Ministers, see telegram 2152, October 12 to Moscow, vol. II, p. 562. Ambassador Harriman delivered the message to Stalin at the Black Sea coast resort of Gagri on October 24; for record of the meeting between Ambassador Harriman and Marshal Stalin, see *ibid.*, p. 567.

[88] Not printed; it outlined briefly the matters taken up in this despatch and its enclosures (860F.01/10-1745).

by the Czechoslovak Government. I believe that our visit was fruitful in developing closer cooperation between American authorities in Czechoslovakia and those in Germany and a better understanding of mutual problems developed. The Department is assured that every effort will be made by this office to support and assist Ambassador Steinhardt in his delicate mission.

Respectfully yours, ROBERT MURPHY

[Enclosure 1—Telegram]

The Commanding General, United States Forces, European Theater (Eisenhower) to the Chief of Staff, United States Army (Marshall)

[FRANKFURT, 17 October, 1945.]

S-28266. When I visited Prague recently I conferred with General Harmon, Ambassador Steinhardt, and others with regard to the problems connected with the continued maintenance of occupational forces in Czechoslovakia or alternatively to the withdrawal of US Forces. When I returned to Frankfurt I immediately directed General Bull and Ambassador Murphy to visit Prague and Pilsen with a view to making a detailed study of a withdrawal and all its implications. After carefully considering their reports, I am transmitting herewith the following comments and recommendations for your consideration.

Previous cables have outlined the situation existing in the part of Czechoslovakia occupied by US Forces. The two understrength divisions now in occupation, it is emphasized, are strung out along the US/Russian boundary for approximately 266 miles, with all units disposed on operation of road blocks and border patrol except for one battalion. General Harmon has successfully completed all missions given him when he entered Czechoslovakia. Law and order has been established under the Czechoslovakian Government. The population is tranquil, the enemy has been defeated and disarmed, the bulk of enemy captured material has been disposed of, and United Nations Displaced Persons have been repatriated. General Harmon's troops at present are placed in the position of protecting German minorities against Czech aggression and of blocking the movement of Soviet troops into the US sector of the country.

Expansion to a strength of approximately 150,000 Czechoslovak Forces is being made and within a month it is believed that they will have partially equipped and trained 50,000 men who can assume duties of occupation.

Desire was expressed by Ambassador Steinhardt to retain the US troops to influence Czechoslovakian development in a manner sympathetic to the Western Democracies and as a stabilizing influence, but now he does *not* believe that it is intention of Soviet authorities to

occupy Czechoslovakia permanently but do intend to quarter and feed a considerable number of troops there during the coming winter and to exploit the country's resources.

In view of foregoing, I recommend the following:

A. Due to the necessary transfer of a vast number of Sudeten Germans to the American Zone of Germany, there should be retained in Czechoslovakia the present strength of 1 corps of 2 divisions augmented by authorized strength replacements, under [*until?*] we are assured of the orderly evacuation of Sudeten Germans. (Our presence in Czechoslovakia, it is believed, will materially contribute to an orderly evacuation, all to our advantage.)

B. That in agreement with the Czechoslovak Government, our government inform the Soviets that there seems to be no necessity for further occupation of this friendly country by the military and request agreement by the Soviets for the withdrawal of occupational forces, stating a specified date when such withdrawal is to be completed. (Simultaneous withdrawal of US and Russian Forces need *not* be necessary).

C. That US troops be withdrawn, in cooperation with Czechoslovak authorities, in the event that Soviet agreement to the proposed withdrawal is *not* obtained. Withdrawal is to be initiated and completed within a two week period after the orderly evacuation of Sudeten Germans is assured. (It is recommended by Mr. Murphy that our proposal to the Soviet Government and the effective withdrawal date be announced publicly prior to this unilateral withdrawal.)

D. That our troops be withdrawn in accordance with A above in the event that the Soviet authorities agree on the withdrawal by a specified date.

E. Upon withdrawal of our forces, we should precede and accompany the move by an appropriate and effective publicity campaign describing the contribution we have made to the liberation and welfare of Czechoslovakia and the friendly cooperation we have maintained.

State Department is being informed by Murphy.

[Enclosure 2]

Memorandum by the United States Political Adviser for Germany (Murphy) to the Commanding General, United States Forces, European Theater (Eisenhower)

[FRANKFURT,] 16 October 1945.

In accordance with your wishes, General Bull and I proceeded to Pilsen and Prague. These are my impressions:

United States Army Occupational Forces

The XXII Corps with present strength of about 18,000 which is to be increased to about 26,000 is operating under a mission which it seems to me has expired. Since its arrival it has accomplished what was required of it under its directive. The enemy has been

subdued and disarmed, the population is tranquil, the problem of United Nations DPs has been liquidated, enemy materiel disposed of, a recognized Czechoslovakian Government is in authority and its administration rapidly gaining in efficiency and authority, a Czechoslovakian army with growing strength and improved organization has come into being. If United States forces are to remain, a new directive should be issued to justify their continued presence. What can be said in support of such deployment? These are arguments proffered by Ambassador Steinhardt which undoubtedly reflect the personal sentiments of some elements at least of the Czechoslovakian administration:

(1) The presence of United States Forces serves to influence Czechoslovakian development in a manner sympathetic to the Western Democracies.

(2) Their presence also serves as a stabilizing force and as a deterrent to Russian excesses (requisitions, pillage, disorder).

(3) According to General Harmon and members of his staff an additional reason for the retention of our forces in the area would be that their presence may prevent Czech excesses against the German minority which constitutes the bulk of the population in the area. If our forces move out, Russian forces undoubtedly will move in and in that case again the German population may suffer severely at the hands of the Russians as well as the Czechs.

(4) I might add that it could also be argued that the United States' adherence to Article 13 of the Potsdam decisions [89] regarding the orderly transfer of German populations could be invoked as an added reason for the retention of United States Forces in Czechoslovakia. At Potsdam the three Governments agreed to recognize that the transfer to Germany of German population from Czechoslovakia will have to be undertaken. They also agreed that any transfers that take place should be effected in an orderly and humane manner. As our forces in Czechoslovakia occupy the area where the greatest number of Sudeten Germans reside, it could be said that our forces are there to ensure the execution of the Potsdam decision in the manner prescribed.

Against the foregoing arguments the following considerations deserve consideration.

(1) The radius of influence of our forces on Czech thinking is exceedingly limited. An insignificant number of our soldiers speak the language or have relations of political value with Czechs. Contacts are principally social of the boy meets girl variety. However, the majority of these contacts appear to be with the German population which is in the vast majority in this region. In Marienbad according to General Harmon, there are about thirty thousand Germans as compared with only about one thousand Czechs. Our soldiers frequent German women and are welcomed by their families who see in such relationship protection and advantages whereas similar as-

[89] Article XIII of the Protocol of the Proceedings of the Berlin Conference, August 1, 1945, *Conference of Berlin (Potsdam)*, vol. II, pp. 1478, 1495.

sociation between our soldiers and Czech women is often resented by Czech men.

(2) According to our officers, our troops have developed a certain hostility to the Czechs where they have witnessed rough treatment by the latter of German evacuees. This develops the possibility of incidents between our troops and the Czech population.

(3) Our troops continue to occupy the territory of a friendly power without agreement or official invitation.

(4) Ambassador Steinhardt admits that because of the adverse effect which Russian conduct has had on the Czech population due to excesses in the area of Soviet occupation, Communist sentiment in that area, which was high at the beginning of the occupation is dwindling with the months. However, we are told that there is no similar decline in the zone of our occupation where the population has not been in contact with the Russian forces. Pilsen, for example, is a Communist stronghold.

(5) It would be difficult and undesirable to attempt to justify the deployment of U.S. forces in the territory of a friendly power for the protection of the German minority.

(6) If a question should be raised in Congress, for example, regarding the necessity of United States forces in Czechoslovakia, what reasons could be advanced in favor of it? We could hardly say that we consider them necessary to offset the political effect of the USSR and its forces of occupation.

(7) The danger of incidents between Soviet forces and our own is not to be excluded. Similar incidents with the Czech population are possible and should be avoided.

(8) The Czech Government and the Czech Army should assume their responsibilities and apparently are about ready and able to do so.

On balance there would seem small profit, if any, in the indefinite retention of our forces in Czechoslovakia. I would recommend that once we have worked out with the Czechs a program covering the evacuation of the remaining German DPs [90] and the Sudeten Germans, and that should happen shortly, that preparation for the departure of the United States forces be authorized.

If our forces move out, the move should be preceded and accompanied by an effective and appropriate publicity campaign describing our friendly cooperation with Czechoslovakia and the contribution we have made to its liberation and welfare. By analogy, the fact that we leave and the Russian forces remain in the country should stand out in contrast. In that connection, I suggested to Ambassador Steinhardt that some thought should be given to the use of the Munich radio transmitter to beam programs in the Czech language to Czechoslovakia. Ambassador Steinhardt had complained that he was unable to get sufficient coverage of American news in the Prague newspapers.

Incidentally, Ambassador Steinhardt stated that the Czechs seem to take a calmer view regarding the German minority. He said that the Czech Government now discriminates between "good" and "bad"

[90] Displaced persons.

Germans (the former wearing white armbands and the latter yellow). Of the former, the Government wants upwards of 700,000 to remain because they are useful citizens. The Government, he believes, will in the end be willing to organize the evacuation of the remainder on a very reasonable basis, and after the departure of a certain number over a period of weeks, he thinks that the Czech fervor will die down, once the principle is established, and it may well be that the Government will end up by permitting a good many more than 700,000 to remain in Czechoslovakia. But he would like to see an early start made in the evacuation with our cooperation for its immediate political effect, and in this I believe he should have our full support.

ROBERT MURPHY

740.00119 Control (Germany)/10-2645

The Secretary of War (Patterson) to the Secretary of State[91]

WASHINGTON, October 26, 1945.

DEAR MR. SECRETARY: In my letter of 15 October,[92] I explained the military implications of extending, beyond 15 November, the time limit our forces will remain in Czechoslovakia. At that time, I pointed out that General Eisenhower was studying this problem further and had sent Ambassador Murphy and General Bull to Czechoslovakia on 14 October. Ambassador Murphy and General Bull have made their study and General Eisenhower, on 17 October, submitted certain recommendations to the War Department.

General Eisenhower pointed out that his two-divisional strength of about 30,000 is now spread over a 266 mile front engaged in blocking the movement of Soviet troops into the U.S. sector of Czechoslovakia and in protecting the German minorities against Czech aggression. He also pointed out that all missions assigned to our forces at the time they entered Czechoslovakia, have been substantially completed. These missions included: the establishment of law and order; the defeat and disarmament of the enemy; the repatriation of United Nations displaced persons; and the disposal of captured enemy materiel.

General Eisenhower recommended on 17 October: that our two-divisional strength be retained in Czechoslovakia until an orderly evacuation of Sudeten Germans was completed; that, if possible, an

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[91] The record of the meeting of the Secretaries of State, War, and Navy, October 30, 1945, 10 a. m., contains the following statement by Secretary Byrnes regarding Secretary Patterson's letter: "Mr. Byrnes told Mr. Patterson that just before receiving his letter on this subject he had given instructions to proceed with the message to Stalin proposing simultaneous withdrawal of Soviet and American troops. The message has gone to the White House for approval since it is one to be sent by the President. Mr. Byrnes said that in view of the necessary delay in sending this message he suggested a fortnight's extension of the time for beginning our re-deployment out of Czechoslovakia. Mr. Patterson agreed to postpone the withdrawal from November 15 to December 1." (740.00119 EW/10-3045)

[92] Not printed.

agreement be reached with the Soviets on a schedule of withdrawal; that, if agreement was not possible, our withdrawal be inaugurated when the orderly evacuation of the Sudeten Germans was assured, to be completed within two weeks thereafter; and, in any event, our move be accompanied by appropriate publicity describing our friendly cooperation with the Czechs and our contribution to their liberation and welfare.

To secure added data, General Eisenhower was queried further to determine: first, the estimated period until evacuation of the Sudeten Germans could be completed; and second, whether there was any military necessity for retaining our troops in Czechoslovakia until that completion. To this query, General Eisenhower replied on 22 October: that it is estimated that a minimum of four months will be required, with a possibility that movement will take longer if winter conditions are severe; that the Czechoslovakian government is considered capable of effecting the orderly evacuation once an inter-allied agreement is reached; that detailed arrangements, in accordance with Section XIII of the Potsdam Conference, are still being negotiated by the Allied Control Council; that final plan for the movement awaits completion of a census by the Czechoslovakian government, and the determination of certain other factors by the Allied Governments; and that there is no military requirement for retaining U.S. troops in Czechoslovakia until the evacuation is completed.

In view of the information outlined above, it is believed there is no military necessity for the retention of our troops in Czechoslovakia after the target date of 15 November. Any retention after this date must be justified by non-military considerations. Because of the effect that any extended retention would have on the demobilization, as outlined in my letter to you of 15 October, it is requested that, should it be felt that a longer retention is required, this matter be referred to the President pointing out the implications. Since General Eisenhower's present instructions lapse on 15 November, a decision on the matter should be reached by 1 November.

Sincerely yours, ROBERT PATTERSON

860F.00/10-3145 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

[Extracts] [93]

PRAHA, October 31, 1945—midnight.
[Received November 3—1:15 p. m.]

509. President Beneš invited me to lunch alone with him today to discuss various matters and as he put it "to bring me up to date".

[93] For the remaining portions of this telegram, see p. 555, p. 939, and vol. II, p. 1304.

The substance of his remarks in the course of a 2-hour talk is as follows:

1. In spite of the fact that the Provisional Assembly has met [94] it will not be possible for Beneš to reconstitute the Cabinet, as he had hoped to do before the elections,[95] by eliminating some of the Communist members, as the leaders of the six parties have been unable to come to an agreement. The Czech and Slovak Communist parties recognizing that they are overrepresented in the present Cabinet have taken advantage of the agreement that all changes in the Cabinet prior to the elections must be by unanimous agreement among the parties by refusing to surrender any of their posts in the Cabinet. A compromise has been reached to increase the Cabinet by three posts until the elections. The new posts will go to members of the Resistance groups so that the Cabinet which has heretofore been balanced evenly between the "London and Moscow groups" will now be controlled, as the President put it, by the "London and Resistance groups". I judge from the general nature of the President's remarks that the three new members of the Cabinet will be Moderates.

2. Beneš is seriously concerned with the course being pursued by Kopecky, Communist Minister of Information. While disturbed at the policies of some of the other Communist Ministers he considers them to be patriotic Czechs or Slovaks who while they may be misguided or too radical to suit his taste, have nevertheless acted in accordance with their dictates as patriots rather than as instruments of Soviet policy. As to Kopecky, however, the President is in possession of what he regards as satisfactory proof that Kopecky has been acting as a tool to further Soviet aims. As soon as the elections have taken place Kopecky will be replaced by a Moderate as Minister of Information and the entire Ministry purged.

3. The President is aware of the criticism to which UNRRA operation in Zecho have been subjected. In placing UNRRA distribution in the hands of a Moderate, Majer, Minister of Food, with Loebel, Communist, as his assistant, Beneš believed that Majer would be able to control the distribution. He has ascertained, however, that Majer has been so occupied with the functions of his office as Minister that Loebel has in effect been supervising UNRRA distributions. In view

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[94] The Czechoslovak Provisional National Assembly opened on October 28.

[95] Elections for a Provisional National Assembly were held on October 14. See footnote 14, p. 458. In his telegram 467, October 16, 1945, 5 p. m., the Ambassador in Czechoslovakia commented on these elections as follows:

"The so-called elections to the Provisional National Assembly are in effect hand-picked appointments by the various political groups including parties, trade unions and local committees. The assembly will consist of 100 Slovak and 200 Czech Moravian-Silesian members. While on paper the membership of 300 is almost evenly balanced between Leftist and Moderate elements, informed observers believe that the Leftist groups can count on not more than 135 to 140 votes because the Social Democratic Party is not closely knit and its Moderate wing cannot be relied upon to support radical measures." (860F.00/10-1645)

of the probability of greatly increased UNRRA deliveries in the near future Beneš has under consideration the designation of some outstanding individual to assume complete charge of UNRRA distributions throughout Zecho with an independent Zecho staff.

4. The President stated that the negotiations with the Soviet Govt for the withdrawal of Soviet forces from Zecho have led to no reduction in the total number of Soviet troops within the country. When I asked him to estimate the total number of Soviet troops now in Zecho he said he had received so many conflicting reports he was at a loss to know which to believe. He observed however, that the Soviet request for food for 300,000 men was some indication of the approximate number that must be in the country. He confirmed reports received by the Embassy that additional Soviet troops have recently entered Bohemia from Germany and Austria but stated that there had also been some withdrawals. He remarked that little value would be attached to Soviet statements and promises on this subject as he had received a definite assurance from Stalin that all of Malinovsky's Mongolian troops would be withdrawn from Zecho before the end of July. As he had received reports a few days ago of the presence in Bratislava of a considerable number of Mongolian troops he had sent Clementis, a Slovak Communist, to Bratislava to make a personal investigation and report to him. On his return to Praha Clementis had confirmed the presence of Mongolian troops in Bratislava.

Beneš then stated that the Provisional Assembly now afforded him an opportunity to air the prevalent discontent at the presence of the Soviet Army in Zecho and said that several speeches would shortly be made in the Assembly complaining of the continued presence of the Soviet and American armies on Zecho soil. He added that, of course, we would understand the necessity for mentioning both armies so that the remarks would not be too pointedly directed at the Soviet Union and specifically requested me to inform the Dept that the presence of American troops in Zecho would be brought into the discussions in the Assembly primarily with the object of bringing about a simultaneous withdrawal. He then said that he had under consideration addressing a request to the four great powers for the evacuation of Zecho by both foreign armies. He said that one of the reasons he would give for desiring an immediate evacuation was the Zecho's monetary reform [96] would be useless unless the Soviet and American armies withdraw in the near future. He pointed out that the recent monetary reform reducing the currency in circulation to a reasonable amount would be intermixed within a few months as the Soviet Army has requested 850 million crowns and the American Army 120 million crowns monthly.

[96] By Presidential decree of October 20, 1945, previous Czech and Slovak crown currencies ceased to be legal tender and were replaced, as of November 1, by a new Czechoslovak crown currency. The reform was aimed at drastically reducing the amount of currency in circulation.

734-362—68——33

I gained the impression that Beneš will refrain from presenting such a request until there is a meeting of the great powers.

Insofar as concerns the reorganization of the Czechoslovakian Army, the President stated that considerable progress is being made. He hopes that in the relatively near future it will be possible to station Czech garrisons in the vicinity of large Soviet concentrations so as to encourage the local population to refuse supplies to the Soviet forces. He said that as food was now being furnished the Soviet troops through the appropriate Czech Ministries, the local population had been instructed to refuse Soviet demands or requisitions but that they hesitated to do so in the face of the customary show of force and that a Czech garrison in the neighborhood might induce greater popular resistance to seizures of food and livestock which he said were extensive.

. . . . . .

The President is leaving Praha tomorrow for a short vacation.

STEINHARDT

860F.01/11–245 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, November 2, 1945—4 p. m.

357. Following is message sent by President Truman to Stalin concerning the simultaneous withdrawal of forces from Zecho:

"As you know, ever since the time when the late President Wilson intimately associated himself with the liberation of Zecho from Habsburg rule, my country has followed with deep and sympathetic interest the struggle of the Zecho people for national independence and economic security. We have always admired the diligence displayed by the Zecho state in constructing democratic institutions and in contributing to the peaceful international life in the European family of states.

In the last days of the war, the American army crossed the western frontier of Zecho in pursuit of our common enemy and advanced to a line north of Plzen, while the Red army, fighting valiantly from the east, entered the city of Praha. The armies of the Soviet Union and the United States thus carried out the liberation of Zecho. Since the close of hostilities, the armed forces of our two countries have remained on Zecho territory in order to assist the Zecho people in the elimination of the remnants of the Nazi forces.

The continued presence of Allied troops, however, is proving to be a great drain on Zecho economic resources and is delaying the normal recovery and rehabilitation of this Allied state which remained longer under Nazi domination than any other member of the United Nations. I therefore desire to withdraw the American forces from Zecho territory by Dec 1, 1945. In the absence of a similar intention on the part of the Soviet Govt, there will still remain in Zecho a large number of

Red army soldiers. I should therefore like to propose to you that the Red army be withdrawn simultaneously with our forces.

Since there is no longer any necessity to protect the Zecho people against any Nazi depredations, and since the presence of our troops undoubtedly constitutes a drain on their economy, I also feel that the American forces should be withdrawn as soon as practicable in order to permit the Zecho people to reap the full benefits of the assistance being given to them by the United Nations Relief and Rehabilitation Administration and other agencies. By the simultaneous withdrawal of both Soviet and American forces from Zecho, the American people would be assured that the drain on Zecho resources had ceased.

I hope that you can give consideration to my proposal and that, in withdrawing our forces simultaneously, we can announce to the world our intention of removing any obstacle which delays the recovery of the Zecho state."

You may in your discretion communicate this message to President Beneš.

BYRNES

860F.01/11-845 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, November 8, 1945—11 p. m.
[Received November 10—12 : 25 p. m.]

546. I have conveyed to President Beneš the substance of Dept's 357 of November 2, which, as the result of garbles in transmission, was not decipherable until November 7. Beneš expressed his keen satisfaction with the message sent by President Truman to Stalin and requested me to transmit his thanks to the President. He then said that only an hour before my visit Gen. Svoboda, Minister for National Defense, had informed him that Gen. Zhadov,[97] Commander of the Soviet forces in Praha, had notified him that he had received instructions to begin the withdrawal of his forces from Czechoslovakia immediately and to complete the same within 3 weeks. At the same time, Gen Zhadov had requested that transportation be provided for 40,000 troops.

Later in the day at a reception at the Soviet Embassy Gen. Zhadov requested me to make an appointment for him with Gen. Harmon "to say goodbye as I am leaving Czechoslovakia with my forces within the next 2 or 3 weeks"

On telephoning to Gen. Harmon's headquarters I was informed that he had left Czechoslovakia for about 10 days. Gen. Barnett,[98]

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[97] Col. Gen. Aleksey Semenovich Zhadov, Commander of the Soviet Fifth "Guards" Army.

[98] Maj. Gen. Allison Joseph Barnett, Commanding General, U.S. 94th Infantry Division in Czechoslovakia.

who is temporarily in command, informed me that he had received no instructions from the War Dept or Third Army Headquarters concerning the withdrawal of American forces from Czechoslovakia.

While I assume the Dept will not wish to give publicity to President Truman's initiative in this matter until the Soviet forces have been withdrawn from Czechoslovakia, as to do so might prejudice the withdrawal, I suggest that as soon as the withdrawal has been completed suitable publicity would be desirable lest the Communists in Czechoslovakia claim full credit for having brought about the withdrawal not only of the Soviet forces but of ours as well. In this connection the Dept will recall that the Communists in Czechoslovakia have given the credit to the Soviet Government for the Potsdam declaration with respect to the expulsion of the Sudeten Germans from Czechoslovakia and have endeavored to create the impression that the Americans have been responsible for failure to implement the declaration.

STEINHARDT

860F.01/11-945 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, November 9, 1945—8 p. m.

378. Following is message which President Truman has just received from Stalin in reply to the President's message of November 2, text of which was sent to you with Deptel 357, November 2:

"I have received your message concerning the withdrawal of the American and Soviet armies from Czechoslovakia. Unfortunately, it was delayed in reaching me in view of the irregularity of air mail from Moscow to Sochi in connection with the variable weather.

"Your proposal concerning the withdrawal of the armies during November can only be welcomed particularly since it fully accords with the Soviet plans for demobilization and withdrawal of armies. Consequently, it may be considered that the withdrawal of the Soviet and American armies from Czechoslovakia will be completed by the first of December."

You may communicate substance of this message to President Beneš. Dept is releasing statement [99] to press regarding US and Soviet plans for withdrawal of their troops from Czechoslovakia by December 1.

Repeated to USPolAd Berlin for Murphy as 842.

BYRNES

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[99] Department of State *Bulletin*, November 11, 1945, p. 766.

860F.01/11-3045 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, November 30, 1945—10 p. m.
[Received December 1—2:59 p. m.]

650. The entire 22 US Army Corps evacuated Zecho on November 29 with exception of 300 officers and men. On November 30 General Harmon and 290 officers and men departed, leaving only 5 officers and 5 men who are closing out certain details and will depart within a week.

The Soviet evacuation is progressing steadily. Red Army troops have disappeared entirely from many areas. Long convoys are to be seen on the roads heading east and south. I will report to Dept in about a week the extent to which Soviet evacuation is complete.[1]

Sent Dept as 650 repeated to USPolAd Frankfurt unnumbered.

STEINHARDT

INTEREST OF THE UNITED STATES IN THE CESSION OF CARPATHIAN RUTHENIA [2] BY CZECHOSLOVAKIA TO THE SOVIET UNION, AND IN OTHER CZECHOSLOVAK FRONTIER PROBLEMS

[For statements of policy regarding Czechoslovakia's frontier problems, see memorandum by the Division of Central European Affairs, January 11, 1945, entitled "Summary: Czechoslovakia", and annexes, printed on page 420.]

860F.01/1-2545 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, January 25, 1945—8 p. m.
[Received January 26—9:30 a. m.]

235. In regard to the question of the detachment of Ruthenia from Czechoslovakia, the Department's attention is invited to my 4384,

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[1] Telegram 696, December 6, from Prague, reported on a conversation between President Beneš and Ambassador Steinhardt in the course of which Beneš stated that reports received by him indicated that the Soviet Government had kept its agreement to evacuate Czechoslovakia by December 1, and since that date the only Soviet troops on Czechoslovak territory were a few hundred wounded and sick officers and men and a few hundred officers and men guarding captured German military equipment (860F.01/12-645).

[2] As incorporated in the Czechoslovak Republic after World War I, this territory was called Sub-Carpathian Rus. As annexed by Hungary in 1939, it was called Ruthenia. After being ceded to the Soviet Union in 1945, it was called Transcarpathian Ukraine. It is also sometimes referred to as Carpatho-Ukraine.

November 16 [3] repeated to London as 260 numbered paragraphs 4 and 5, and Mr. Harriman's 4873 December 17, 8 a. m.[4] In addition to these communications, a despatch No. 1370 [5] was addressed to the Department on January 9, in which the situation was treated in some detail. For the Department's convenience there follows a paraphrased summary of pertinent portions of that despatch:

Nemec [6] returned to Moscow beginning of December to establish contact with his Government. During the month he and his delegation had spent in liberated area they had been allowed to reside in Chust but not to visit larger centers of Uzhorod and Mukucevo nearer to front. He had also not been able to communicate with his Government. Local executive power was exercised by Ruthenian National Council, a local political organization Communist controlled, ostensibly representing resistance and patriot elements. Nemec and other members of delegation had functioned as liaison officers of London Government vis-à-vis Ruthenian National Council and Red Army. Council had come out in favor of annexation with Soviet Union. Formal resolution to this effect passed November 26. Red Army had been entirely correct and had remained aloof from this agitation. Czechs recognized, however, that movement enjoys at least tolerance of Moscow party circles, and realized that choice before them was whether to retain province nominally part of Czechoslovakia though penetrated and dominated from Soviet side or to cede it entirely, which could be done only after liberation of entire country and consultation of electorate. Pros and cons of this question are then discussed. *End Summary.*

It is understood here that the Red Army has been drafting Ruthenians and that the Czechs have protested in vain against this practice as inconsistent with the Civil Affairs agreement.

It should perhaps be added that there has been no manifestation on the official Soviet Government level of any desire to incorporate

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[3] Not printed; in it the Chargé in the Soviet Union reported his observations on a public lecture delivered in Moscow by Václav Kopecký, a leader in the Czechoslovak Communist Party in exile in Moscow, before a small audience composed in considerable part of Czechs, on the subject of Czechoslovakia's liberation. Paragraphs 4 and 5 of the telegram expressed the Chargé's view that the Soviet Union would not annex Ruthenia but would subject it to considerable cultural and political penetration (860F.01/11–1644).

[4] Not printed; in it the Ambassador in the Soviet Union, W. Averell Harriman, reported on a conversation with the Czechoslovak Ambassador in the Soviet Union, Zdenek Fierlinger. Fierlinger stated that the Ukrainian nationalist movement appeared to be strong in Ruthenia, but he appeared to be complacent about the question, and he pointed out that Ruthenia had never been important economically to Czechoslovakia and that it was not in the interests of his country to force the Ruthenians to remain in Czechoslovakia against their will (860F.01/12–1744).

[5] Not printed.

[6] Frantisek Nemec, Delegate for Liberated Territories for the Czechoslovak Government in Exile in London. Delegate Nemec and his staff arrived in a portion of Ruthenia liberated by the Soviet Army in October 1944.

the province into the Soviet Union,[7] and it is significant that this item has been noted only on the Kiev (Ukrainian language) radio.[8] It is possible that no final view has evolved on this point in high party circles. In this case, the Communist penetration of local Ruthenian administration and the concurrent agitation for annexation would reflect only the usual predilection for encouraging conflicting tendencies until it is clear which one presents the greatest advantages to Soviet interests.

Sent Department as 235; repeated to London as 28.

KENNAN

[For a report on the remarks of Czechoslovak President Eduard Beneš regarding the question of Ruthenia made in the course of a conversation with the Ambassador in the Soviet Union, see telegram 866, March 22, 1945, 9 p. m., from Moscow, printed on page 427.]

740.00119 EAC/4-2845: Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, April 28, 1945—5 p. m.
[Received 11 p. m.]

4329. At April 25 meeting of the European Advisory Commission[9] the United Kingdom representative[10] circulated a formula providing recognition of the full political authority of the Czechoslovak Government within 1937 boundaries and reserving final determination of Czechoslovak frontiers until frontiers in central Europe are defined

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[7] In this connection, telegram 63, January 6, from Moscow, reported that Czechoslovak Ambassador Fierlinger had told Ambassador Harriman that the Czechoslovak and Soviet Governments had reached agreement that neither Government would involve itself in the Ruthenian separatist movement and both would await liberation to ascertain whether the people really wanted to join the Ukraine (860C.01/1-645). Despatch 225, January 1 from the Chargé to the Czechoslovak Government in Exile in London, Rudolf Schoenfeld, reported that Czechoslovak Government officials admitted privately that pro-Ukrainian sentiment had increased in Ruthenia, but they denied that the Soviet Government had shown bad faith (740.0011 EW/1-145).

[8] In telegram 124, January 19, 8 p. m., to Moscow, the Department reported on a Kiev radio broadcast of January 10 describing a manifesto by the First Congress of People's Committees of Ruthenia calling for the reunion of Ruthenia with the Soviet Ukraine; the Department asked for information regarding the attitude of the Soviet Government toward the detachment of Ruthenia from Czechoslovakia (740.0011 EW/1-145).

[9] Ambassador Winant was the United States Representative on the European Advisory Commission. For documentation regarding the participation by the United States in the work of the European Advisory Commission, see vol. III, pp. 1 ff.

[10] Sir William Strang.

in the peace settlement.[11] Except for substitution of "definitely" for "definitively" in the last sentence this formula is the same as that transmitted by their Chargé d'Affaires near the Czechoslovak Government in attachment to his despatch No. 266 FF April 18, 1945 to the Department[12] in the EAC[13] Strang stated that his Government had as yet made no communication to the Czechoslovak Government but that he believed this formula would be acceptable to that government.

Strang proposed that a statement like that contained in the second paragraph of the United Kingdom formula be made to the representatives of the Czechoslovak Government by the Allied Consultation Committee of the EAC in reply to a question raised by the latter regarding steps for declaring invalid the Munich agreement and German acts deriving from it. The only Soviet comment on this formula was that the Soviet Government had had nothing to do in any form with the Munich agreement.[14] This brief comment gave no indication whether the Soviet Government agrees with the United Kingdom position that the final settlement of the Czechoslovak frontiers should be held in abeyance pending the general peace settlement.

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[11] The formula read as follows:

"In his note of 5th August, 1942, addressed to the Czechoslovak Minister for Foreign Affairs, Mr. Eden declared on behalf of His Majesty's Government in the United Kingdom that, as Germany had deliberately destroyed the arrangements concerning Czechoslovakia reached in 1938, His Majesty's Government regarded themselves as free from any engagement in this respect. Mr. Eden added that, at the final settlement of the Czechoslovak frontiers to be reached at the end of the war, His Majesty's Government would not be influenced by any changes effected in and since 1938.

"Bearing this declaration in mind, His Majesty's Government in the United Kingdom for their part agree that the Czechoslovak Government should exercise full political authority from the date of the unconditional surrender of Germany throughout the area bounded by the frontiers of Czechoslovakia as these existed before December 31st, 1937. His Majesty's Government consider, however, that the question of the final settlement of the Czechoslovak frontiers must remain in abeyance until international frontiers in Central Europe are definitively laid down in the peace settlement." (Mosely File: Lot 52 M 64, Box 6, File Czechoslovakia-205)

For the exchange of notes between the United Kingdom and the Czechoslovak Republic concerning the policy of His Majesty's Government in the United Kingdom in regard to Czechoslovakia, London, August 5, 1942, see *British and Foreign State Papers*, vol. CXLIV, p. 986.

[12] Not printed.

[13] European Advisory Commission.

[14] The Munich Agreement signed on September 29, 1938, by Germany, the United Kingdom, France, and Italy, regarding the cession of the Sudeten area of Czechoslovakia to Germany; for text, see E. L. Woodward and Rohan Butler, (eds.), *Documents on British Foreign Policy, 1919–1939*, Third Series (London, His Majesty's Stationery Office, 1949), vol. II, p. 627, or Department of State, *Documents on German Foreign Policy, 1918–1945*, series D, vol. II, (Washington, Government Printing Office, 1949), p. 1014. Documentation regarding the German-Czechoslovak crisis is printed in *Foreign Relations*, 1938, vol. I, pp. 483 ff.

Since the United Kingdom formula is in general accord with previous expressions of United States policy I propose to agree to the step proposed unless otherwise instructed.[15]

WINANT

860F.014/6-545

The Czechoslovak Acting Minister for Foreign Affairs (Clementis) to the American Chargé in Czechoslovakia (Klieforth)[16]

PRAGUE, May 31, 1945.

SIR: I have the honour to address to you the following information:

The Czechoslovak Government has always claimed frontiers for this country which were in existence before Munich, at the same time never failing to emphasize to the competent bodies that this point of view must not be prejudicial to future claims of rectification of frontiers to be raised at a suitable time in full accord with the Allied Governments, in favour of the Czechoslovak Republic and to the disadvantage of the enemy states. The period immediately following the end of war operations has on our part been considered as most suitable for this purpose. The Czechoslovak Government has therefore prepared proposals along this line in order to lay duly substantiated claims before all Allied Governments and, should such rectification concern the boundaries of the friendly neighbouring Polish State, naturally also before the Polish Government.

In the meantime, however, it has been brought to the knowledge of the Czechoslovak Government that the territory of Kladsko was placed under the administration of the Polish authorities and that, by a proclamation dated in April 1945, Mr. St. Piaskowski was appointed commissioner of the Polish Republic for the administrative province of Lower Silesia.

This proclamation, which was addressed to the population of Lower Silesia and South Brandenburg, and which having been posted also in the area of Kladsko, was evidently supposed to cover this area too, asserted that this province, Slavonic from time immemorial, had been taken from Poland.

With respect to the arguments contained in the aforesaid proclamation, I take the liberty of drawing your attention to the fact that the area of Kladsko, up to the year 1742 when first annexation by Prussia took place, had been a possession of Bohemia to which it belonged also ethnographically to such an extent that even at the

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[15] There is no indication that the Department replied to this telegram nor that the matter was considered further in the European Advisory Commission.

[16] Copy transmitted to the Department in despatch 3, June 5, from Prague; received June 13.

present time, after more than two hundred years of forced Germanisation, entire groups of communities have never been deprived of their decidely Czech character.

It should be added to the statement of the Polish proclamation that the primary origin of these inhabitants is Slavonic, that these primarily Slavonic inhabitants used to and still do belong to the Czech branch. For this reason these people applied to the Czechoslovak Government to take charge of Kladsko until final determination of the frontiers should be made.

Owing to the fact that Kladsko gravitates to Czechoslovakia also economically and by its system of transport, it is the intention of the Czechoslovak Government to take over the control of this territory, as shown in the map attached hereto [encl. A],[17] without any further delay.

The Czechoslovak Government would not consider the taking charge of Kladsko as a final act, being fully aware of the fact that this problem will ultimately have to be solved at the Peace Conference.

The Czechoslovak Government, knowing that such regulation of north-eastern boundaries of Czechoslovakia in her favour may concern future Polish frontiers, is determined to settle this point in amicable accord with the Polish Government.

I may add that the Czechoslovak Government does not consider the present note as providing for all claims concerning rectification of frontiers which may have to be raised in connection with ethnological, historical, geographical, economic, transport and other motives.

A similar note is being addressed to the representatives of the Governments of Great Britain, the Union of the Soviet Socialist Republics, France and to the Polish Government.

Accept [etc.]

Under Secretary of State:
DR. V. CLEMENTIS m.p.

760C.60F/6–1945 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, June 19, 1945—6 p. m.
[Received July 2—10 a. m.]

24. Czech Govt has accepted Soviet invitation to send delegation to Moscow to negotiate with Polish representation all questions relating to mutual relations of both states. Delegation consists of Prime Minister,[18] Acting Foreign Minister,[19] Minister of Trade [20] and Minister

[17] Brackets appear in the original; map not reproduced.
[18] Zdenek Fierlinger, Czechoslovak Premier after April 4, 1945.
[19] Vladimír Clementis, Under Secretary of State for Foreign Affairs.
[20] Hubert Ripka.

of Public Health,[21] representing four existing political parties,[22] leaving June 22 for Moscow. Clementis informed me that negotiations involve various boundary disputes and incidents, principally regarding Poland's refusal to acknowledge Czech claim to Teschen District.[23] Minister for Foreign Affairs added that Czechoslovakia willing to abide by all pre-Munich frontier lines with Poland but not at expense of Czecho claim for rectification of Czecho–German frontier especially the incorporation of Glatz [24] area. Latter area now under nominal control of Polish authorities. I have impression that invitation which was sudden and unexpected was issued solely upon initiative of Moscow.

KLIEFORTH

740.00119 Potsdam/5–2446

Memorandum Prepared in the Department of State [25]

[WASHINGTON,] June 23, 1945.

CZECHOSLOVAKIA

BOUNDARY CHANGES

The United States favors the restoration of the frontiers of Czechoslovakia as they existed in 1937 and does not recognize any territorial change made in the Munich Agreement and Vienna Award of 1938,[26] or changes made as the result of the German annexation of Bohemia and Moravia in 1939.[27] Any changes in frontiers made, other than the return of these territories to Czechoslovakia, or minor adjustments in the frontiers with Germany and Hungary proposed by the Czechoslovak Government on the basis of ethnic considerations, should be part of the larger European question of territorial change and frontier rectifications.

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[21] Adolf Procházka.

[22] The Social Democratic Party was represented by Fierlinger, the Communist Party by Clementis, the National Socialist Party by Ripka, and the People's Party by Procházka.

[23] Telegram 55, July 2, from Prague, reported that Teschen (in Czech, Tesin) had been occupied by Czech troops following liberation, but subsequently the Czechs had withdrawn and the Poles had occupied the city; some border incidents had followed (860F.01/7–245).

[24] In Czech, Kladsko.

[25] One of a group of documents prepared by the Department of State as background information for President Truman and his advisers for the meeting of Heads of Government at Berlin (Potsdam), July 17–August 2, 1945. For documentation regarding this meeting, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, 2 vols. For other background reports of the group of which this memorandum was a part, see *ibid.*, vol. I, pp. 249–280.

[26] The arbitral award by the Italian-German Commission regarding the cession of certain territories by Czechoslovakia to Hungary, made at Vienna, November 2, 1938; for text, see *Documents on German Foreign Policy, 1918–1945*, series D, vol. IV, p. 125.

[27] For documentation regarding the occupation of Czechoslovakia by Germany, March 15, 1939, and the refusal of the United States to recognize the extinction of the Czechoslovak Republic, see *Foreign Relations*, 1939, vol. I, pp. 34 ff.

The specific territorial questions are as follows:

(*a*) *Sudetenland.* The Munich Agreement of 1938 incorporating Sudeten territories into Germany was not recognized by the United States. These areas should be returned to Czechoslovakia and incorporated immediately into the Czechoslovak State.

(*b*) *Teschen.* The United States favors a direct settlement of the Teschen question by Poland and Czechoslovakia. If the two states do not reach an agreement, this Government favors the resumption of Czechoslovak administration in the Teschen area since it does not recognize the transfer of this territory to Poland in 1939.[28]

(*c*) *Ruthenia.* The United States favors a direct settlement of the question of Ruthenia by Czechoslovakia and the Soviet Union. It is hoped that the Ruthenian question is settled as a whole and that the final settlement is based on the desires of the Ruthenian people as ascertained in a free and fair plebiscite.

(*d*) *Glatz.* The Czechoslovak Government has announced its intention to occupy Glatz (Kladsko) in the Silesian salient without prejudicing the final settlement of the question at the Peace Conference. This area is now reported to be under Polish administration. The United States assumes that, if the Allied Control Council in Germany[29] agrees to this proposal, the Czechoslovak Government will agree that the territory in question remain subject to the authority of the Allied Control Council until a final decision is made concerning the disposition of territories lying within the 1937 frontiers of Germany.

860F.014/6–2945 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 29, 1945—11 p. m.
[Received June 30—12:17 a. m.]

2331. Note just received from FonOff[30] states that as a result of conversations which have recently taken place between Soviet and Czech Govts an agreement[31] has been reached according to which trans-Carpathian Ukraine which in 1919 became an autonomous unit in the Czech Republic is reuniting in accordance with the desires dis-

[28] On October 1, 1938, the Czechoslovak Government yielded to an ultimatum by the Polish Government for the immediate cession of Teschen to Poland. For text of the Polish ultimatum and Czechoslovak response, see *Documents on British Foreign Policy, 1919–1939*, 3d ser., vol. III, p. 68. For text of the Polish decree regarding the transfer of Teschen to Poland, October 11, 1938, see *British and Foreign State Papers*, vol. CXLII, p. 765. See also *Foreign Relations*, 1938, vol. I, pp. 708–718, *passim*.

[29] For documentation concerning negotiations in the European Advisory Commission regarding the instrument of surrender, the zones of occupation, and the control machinery for Germany, see vol. III, pp. 160 ff.

[30] Not printed.

[31] For text of the treaty between Czechoslovakia and the Soviet Union incorporating Sub-Carpathian Ruthenia (Carpathian Ukraine) into the Ukranian Soviet Socialist Republic, together with protocol, signed in Moscow, June 29, 1945, see *British and Foreign State Papers*, vol. CXLV, p. 1096.

played by the population of trans-Carpathian Ukraine with its age old fatherland-Ukraine and is being incorporated in the Ukrainian SSR.

Note concludes that the Czech and Soviet Govts have decided to conclude an appropriate treaty on the basis of the foregoing amicable agreement.

HARRIMAN

860F.01/6-1445 : Telegram

The Acting Secretary of State to the Chargé in Czechoslovakia (Klieforth)

WASHINGTON, June 30, 1945—5 p. m.

32. Questions raised your 18 June 14[32] and despatch 3 June 5[33] concerning occupation Glatz salient (Kladsko) also presented to Brit. Brit reply delivered Zecho FonOff June 18 acknowledged receipt of note and made no observations except to note with satisfaction proposed Zecho action would not prejudice settlement final questions of sovereignty and that until final settlement made on disposition of enemy territory, area would remain subject to supreme authority of Allied Control Council in Germany.

If Zecho contention true that area is now occupied and administered by Provisional Polish Govt, it raises important question similar to Polish occupation and admin other Silesian territory.[34] Can you ascertain if Polish occupation has taken place formally in name of Provisional Govt?

You may base reply to FonOff[35] on following summary: US acknowledges receipt note of May 31 announcing intention to occupy Kladsko and does not object in principle if other powers represented on Allied Control Council in Germany interpose no objection to such temporary occupation pending the final agreed settlement between all powers concerned. US policy recognizes 1937 frontiers Germany which included Kladsko (Glatz) salient. US does not agree with Zecho statement that end of war operations a desirable time for making frontier changes. Supreme authority over enemy area lies in Allied Control Council and no alteration can be made without assent of all members of Council. US has no objection if local admin in Soviet area of occupation is entrusted as matter of convenience to indigenous

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[32] Not printed; it reported that Czechoslovak Acting Minister for Foreign Affairs Clementis, in an address on June 13, had stated that the Czechoslovak Government would submit a proposal to the Allies for rectification of the Czechoslovak-German frontier in the Hlutschin [Hlubčicko], Ratiboř, and Kladsko regions (860F.01/6-1445).

[33] See footnote 16, p. 513.

[34] For documentation regarding the interest of the United States in the determination of the frontiers of Poland, see vol. v, pp. 110 ff., especially pp. 198-298, *passim*.

[35] In his telegram 67, July 9, 4 p. m., the Chargé in Czechoslovakia reported delivery to Czechoslovak Foreign Office of reply as instructed (860F.014/7-945).

Polish officials. Similarly US does not object to use of indigenous Zecho officials administering territory in Soviet area of occupation. Formal action, however, in occupying enemy territory in name of Prov Polish Govt or Zecho Govt in areas assigned to Soviet army for occupation can not be approved without previous consultation and agreement of nations represented on Control Council in Germany and will be construed as unilateral action by occupying power disregarding agreement [36] signed concerning control machinery and occupation of Germany.

For your secret info US position depends on nature of Polish action. US favors Zecho occupation Kladsko in view of historic territorial claims as well as ethnic and strategic considerations, and will probably not object to permanent rectification favorable to Zecho. Can you comment?

Sent to Praha as 32; repeated to Moscow as 1484.

GREW

860F.014/7-245 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, July 2, 1945—6 p. m.
[Received July 3—4:50 p. m.]

54. Clementis, Acting Minister of Foreign Affairs, requested me to see him this morning.

(1) He said negotiations with Poles in Moscow regarding Teschen resulted in no decision. Neither side surrendered its claims but both parties agreed to avoid frontier incidents. Russians maintained formal neutral attitude but recommended that dispute be referred to peace conference.[37]

(2) He added that Czechoslovakia "was pleased" to complete transfer of Ruthenia to Russia. Full text of agreement follows by

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[36] For text of the agreement between the United States, the United Kingdom, and the Soviet Union on Control Machinery in Germany, signed at London November 14, 1944, and the amending agreement between the United States, the United Kingdom, the Soviet Union, and the Provisional Government of the French Republic, see Department of State, Treaties and Other International Acts Series No. 3070, or *United States Treaties and Other International Agreements*, vol. 5 (pt. 2), p. 2062.

[37] In telegram 2276, June 26, from Moscow, Ambassador Harriman reported on a visit by Premier Fierlinger in the course of which Fierlinger stated that negotiations with the Poles at Moscow regarding Teschen had come to no conclusion, that Poles were pressing their claim particularly because of their loss of territory to the Soviet Union, and that the Poles also rejected Czech claims to Kladsko (860F.00/6-2645). In telegram 46, June 29, from Prague, Chargé Klieforth reported having been informed by President Beneš that Czechoslovakia would never give up its claims to Teschen (860F.01/6-2945). In telegram 33, August 6, from Warsaw, Ambassador Arthur B. Lane reported the opinion of the Czechoslovak Ambassador in Poland, Joseph Hejret, that Polish agitation over Teschen had been fostered by the Soviet Government in order to make its influence further felt in Poland and Czechoslovakia; Hejret also stated that the Soviet Government had called Polish and Czechoslovak representatives to Moscow to discuss the frontier problems (760C.60F/8-645).

pouch. In return Russians agreed to evacuate all Russian troops from Czechoslovakia by July 5th except for 9 divisions about 90,000 troops which would remain along Czechoslovak-German frontier.

(3) Czechoslovak Commission in Moscow also discussed with Russia all Czech claims for rectification of frontier including Glatz and Leobschutz area together with quite an extensive but narrow strip along practically entire Czech-German frontier. He promised to send me full description of this area at an early date. Russians told Czechs that boundary changes would have to be settled at peace conference.

Sent Dept as 54; rptd Moscow as 13.

KLIEFORTH

860F.014/7-345 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, July 3, 1945—noon.
[Received 1:07 p. m.]

2395. ReEmb's 2331, June 29. As Dept is aware incorporation of Ruthenia into Soviet Ukraine had been presaged by several recent manifestations of Soviet policy and did not come as a surprise. (My 866 March 22,[38] 1105 April 9 [39] and 1634 May 17 [40] may be recalled in this connection).

Following points may usefully be noted in this connection:

1. Citation of ethnological affinity and of Ruthenian people for reunion with Ukrainian Motherland can only bring a smile from any one familiar with province of Ruthenia. Ruthenia was last associated with Ukraine, as far as we are aware, in your [*year?*] 1220: a period not likely to evoke any lively associations in minds of present population. Bulk of people are illiterate and politically apathetic. Most of them are probably inclined for economic reasons to look back on their inclusion in Hapsburg Hungary as most prosperous and happy time in recollection of living people. Outward manifestations of Ruthenia political sentiment have usually been chiefly a matter of a few intellectuals, usually not natives of the province. Claim of cultural affinity with Ukraine is tenuous and debatable. It is of fairly recent origin and its protagonists among whom the Nazis in 1939 were some of the most prominent have generally had ulterior motives.

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[38] *Ante*, p. 427.

[39] See footnote 48, p. 436.

[40] Not printed; it reported Chargé Kennan's view that considerable significance should be attached to the publication in Moscow on May 17 of a statement by Czechoslovak Premier Zdenek Fierlinger regarding the desire of the Czechoslovak Government to settle the question of Ruthenia in a way friendly to the Soviet Union (860F.014/5-1745).

2. Province contains no economic resources of any importance; its population is in a pitiable state of squalor and backwardness; and it has always been a financial burden on any larger state it was associated with. It could therefore hardly have been desired by Russia for economic reasons.

3. In view of the above it seems clear that main reason for cession of province was its strategic position and desire of Moscow leaders to have common frontier with Hungary. Extensive connection of Ruthenian economy with Hungary, favored by geographical factors will give Soviet authorities another channel of entry into Hungarian economic affairs.

4. It will be recalled that the border between Ruthenia and Slovakia (which will now be the border of the Soviet Union) was somewhat changed in favor of Ruthenia in 1939 in response to Hungarian military intimidation and German diplomatic pressure. Map published in Soviet press indicates that this line which leaves entirely in Ruthenia the railroad from Galicia to Hungary through Uzhorod has been selected as final border. We would appreciate confirmation from Prague that this is the case and if possible a description of the exact line.

5. Soviet press statement to effect that this completes gathering all Ukrainians into one national state deserves special attention. Some quarters will attribute this to desire on part of Soviet leaders to call a halt to aspirations of Ukrainian Communist circles which have been so liberally catered to of late. (Claims to areas west of Curzon Line [41] had been voiced in Kiev on several occasions.) A more likely motive for this statement would be a desire to reassure the Poles and Slovaks—who are more aware than people in the West of flimsiness of ethnological arguments by which Galicia and Ruthenia have been declared Ukrainian and of the fact that these arguments could be evoked with little, if any, less persuasiveness in the case of peoples even farther west—that they need have no fears of further expansion of the Soviet Ukrainian administrative apparatus.

HARRIMAN

860F.014/7-945 : Telegram

The Chargé in Czechoslovakia (Klieforth) to the Secretary of State

PRAHA, July 9, 1945—6 p. m.
[Received 10 : 17 p. m.]

69. Reference Moscow's 15 July 3.[42] I agree fully with Harriman's views regarding incorporation of Ruthenia. While Czechoslovakia

[41] For the origin and a description of the Curzon line, see *Foreign Relations*, The Paris Peace Conference, 1919, vol. XIII, pp. 793–794.

[42] Same as telegram 2395, July 3, noon, from Moscow, *supra*.

gladly got rid of Ruthenia, as it was a real burden on the state, the authorities are very apprehensive of public opinion in US fearing that they will be accused of "selling Ruthenia down the river" as a matter of appeasement. The Czechs frankly are ashamed of the deal, as it was realized that the vast majority of Ruthenians would have voted against it if given a chance. I learned reliably that the main objection to Allied diplomats landing in Constanza en route to Praha was desire to prevent them from learning true situation in Ruthenia. Exact new boundary line between Czechoslovakia and Ruthenia now being negotiated here by commission of three Slovak and three Ukrainian (Russian) Army officers. The railroad line mentioned in Harriman's telegram is well within Ruthenia and the new border according to Russian General Staff map used as basis of negotiations by Russians is about 25 kilometers west of 1920 boundary line.

Sent to Dept rpted Moscow as 18.

KLIEFORTH

860F.014/8-3045

The Czechoslovak Ministry for Foreign Affairs to the American Embassy in Czechoslovakia [43]

No. 25028/II/45

By a note of the beginning of June, 1945, concerning Czechoslovak claims on the area of Kladsko, the Czechoslovak Ministry of Foreign Affairs took the liberty of informing the Representative of the Government of the United States of America that the Czechoslovak Government were preparing proposals for the rectification of the frontiers of Czechoslovakia to the disadvantage of hostile Powers. The Czechoslovak Ministry of Foreign Affairs sent a similar note to the Representatives at Praha of the Government of Great Britain, of the Union of Socialist Soviet Republics, and of France.

At the same time, the Czechoslovak Government informed the Polish Government through their Minister at Warsaw of the preparation of such proposals. The Czechoslovak Government did this in the knowledge that a rectification of the north-east boundaries of Czechoslovakia to its advantage could affect the future boundaries of Poland, and with the determination to settle problems of this kind in amicable accord with the Polish Government. From the note of the Czechoslovak Minister, as well as from different oral communications, made by competent persons, the Polish Government learned that the Czechoslovak proposals also concerned the Kladsko, Hlubčice and Ratiboř districts and that the Czechoslovak Government intended

[43] Copy transmitted to the Department in despatch 70, August 30, from Prague; received September 13.

supporting their claims to those regions also by ethnographical arguments.

It is true that, by the Potsdam Agreement, the administration of the Kladsko, Hlubčice and Ratiboř districts has been entrusted to Poland, but the final decision regarding the western frontiers of Poland, and therefore, the settling of the question into which State these districts should be incorporated, has been reserved for the Peace Conference.[44] The Czechoslovak demands for the rectification of the frontiers in these regions have not, therefore, become meaningless and, for this reason, the Czechoslovak Government cannot be indifferent if the Polish authorities in the said districts take measures against the local Czech population which create the impression of having as their object the eradication of the Czech element in these regions and thus the depriving of the Czechoslovak Government of one of the arguments which they intend to put forward in favour of their territorial demands; neither can they be indifferent if the Polish authorities and Polish troops act in a manner which must necessarily result in the total cessation of all economic life in those districts.

According to authentic reports, the population of Czech nationality in the Kladsko, Hlubčice and Ratiboř areas is being subjected to systematic oppression of all kinds on the part of the Polish State authorities.

This population is constrained by all means to take part in demonstrations for the annexation of these regions to Poland and is compelled to sign manifestoes calling for this annexation. The Polish authorities have started a forcible action for the acquisition of Polish State citizenship. They summon inhabitants of Czech nationality, particularly supporters of families, and confer upon them Polish State citizenship. Everyone is obliged to sign and protests are of no avail. In Communities where Czechs are living, Polish schools are being established and church-services in Polish are being introduced: sermons in the mother-tongue of the people, customary from time immemorial, are interdicted.

Hand in hand with nationality oppression goes unscrupulous economic oppression. The economic situation in these parts is so dreadful that they are faced with absolute ruin. The army units, which are being constantly changed, requisition, expel, beat and persecute, and the administrative authorities do not remain far behind in similar activities. The local population is driven to despair by the terror reigning everywhere. Bedding, furnishings, including wall-clocks

[44] For the decision of the Conference of Berlin (Potsdam Conference) regarding the western frontier of Poland and the administration of certain former German territories by Poland, see section IX B of the Protocol of the Proceedings of the Berlin Conference, *Conference of Berlin (Potsdam)*, vol. II, p. 1491. For additional documentation, see *ibid.*, entries in index under "Poland: Frontiers and Areas of Administration," vol. I, p. 1077, and vol. II, p. 1631.

and sewing-machines, as well as agricultural machines and implements, cattle /down to the last cow/ and even crops are being taken from the inhabitants. Czech farms are being occupied by Polish colonists from the East, who force the Czech population to work in the fields; for their work they give them neither food nor money. In some places the inhabitants are being driven out altogether from their farms and dwellings, are being assembled in camps and then taken to unknown destinations. Before being taken away, the Czech inhabitants, in some places, have been tortured by official Polish organs in rooms specially equipped for that purpose.

It is no wonder that, in this dreadful economic situation, famine is setting in and, in consequence of that as well as of the severe mental and physical torment to which this population is being subjected, mortality is increasing at an amazing rate. In Ratiboř, for instance, between twenty and thirty persons die every day, mostly children. There are no hospitals, no doctors, no medicaments and, in some communities, typhoid fever is beginning to spread.

These horrors are crowned by the fact that both soldiers and civil commissaries and their assistants every day utter threats to the effect that, if the population does not remain in those regions, the time will come when "*trzy dni nie bendzie Boga a slitowania*" /for three days there will be neither God nor mercy/. Under these circumstances, and for fear lest they should be transferred to Poland the inhabitants, often with only a small suitcase, are fleeing across the frontier into Czechoslovakia.

Since it cannot be concealed that, by this method of proceeding, the Polish authorities are pursuing in the Kladsko, Hlubčice and Ratiboř districts a policy of *faits accomplis* which, in their consequences, might impair some of the premises in favour of the satisfying of the Czechoslovak claims to the said districts or, on the satisfying of those claims, might, to say the least, cause Czechoslovakia to come into possession of territory ethnically estranged and economically depreciated, the Czechoslovak Government take the liberty of drawing attention to this state of affairs.

It is true that the Potsdam Conference entrusted Poland with the administration even of those parts, but at the same time it stressed the fact that the definitive frontiers would be determined by the Peace Conference. Hence, in the opinion of the Czechoslovak Government, it plainly follows that the Polish Government are not empowered to effect in those districts changes in the situation such as would prejudice the decision of the Peace Conference. The settling of those areas with Polish population alone creates a state which is of itself prejudicial. The Ministry of Foreign Affairs drew the attention of the Polish Government to the matter in their note of August 20th, 1945, with the request that they should remedy it and now take the liberty

of requesting the Government of the United States of America to be kind enough to act accordingly.

The Ministry of Foreign Affairs avail themselves of this opportunity to express to the Embassy of the United States of America the assurance of their highest consideration.

PRAHA, August 26, 1945.

860F.014/8–3045 : Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, September 29, 1945—5 p. m.

273. Text of Zecho note Aug 26 Urtel 278 Aug 30 [45] and despatch 70 Aug 30 [46] concerning treatment of Zecho population in disputed border areas has been forwarded to Warsaw for comment by Ambassador Lane.

Under present circumstances Dept can not go beyond reply to previous Zecho note Deptel 32 June 30. Any direct intervention by US in dispute between Poland and Zecho is not considered desirable. Dept prefers direct settlement by two countries if possible [47] and considers instructions Deptel 32 unchanged by Potsdam agreement. Since Polish control of area is temporary pending final decision on German frontiers, Dept considers that problem contained in Zecho note should be brought to attention of Council of Foreign Ministers [48] by Zecho Govt as a development which prejudices final settlement of frontiers as contemplated in Potsdam agreement.

Warsaw's comments on Zecho note will be transmitted to you. In the meantime, if this question is brought to your attention again by FonOff, you are requested to state that it is your personal view that a direct settlement should be made.[49]

Repeated to London as 8640; repeated to Warsaw as 150.

ACHESON

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[45] Not printed; it transmitted a summary of the note of August 26 from the Czechoslovak Ministry for Foreign Affairs printed *supra*.

[46] Not printed; this despatch transmitted as an enclosure the text of the Czechoslovak note of August 26, printed *supra*.

[47] In his telegram 631, November 27, 11 a. m., the Ambassador in Czechoslovakia reported that Czechoslovak Prime Minister Fierlinger had told him that the Czechoslovak Government was about to accept a Polish proposal to discuss all outstanding questions between the two countries (760C.60F/11–2745).

[48] For documentation regarding the first session of the Council of Foreign Ministers in London, September 11–October 2, 1945, see vol. II, pp. 99 ff. Czechoslovak frontier claims were not taken up by the Foreign Ministers.

[49] In a note to Jan Masaryk, Czechoslovak Minister for Foreign Affairs, dated October 1, 1945, the Ambassador in Czechoslovakia repeated the substance of the Department's instructions contained in this telegram (Praha Embassy File).

SURRENDER OF MEMBERS OF THE SO-CALLED "SLOVAK STATE" IN UNITED STATES CUSTODY TO THE CZECHOSLOVAK GOVERNMENT[50]

860F.00/6-1845

The Czechoslovak Ambassador (Hurban) to the Acting Secretary of State

WASHINGTON, June 18, 1945.

EXCELLENCY: Upon the instructions of my Government, I have the honor to submit to Your Excellency the following request:—

The Czechoslovak Government has been informed that the Allied Military Authorities have apprehended and now detain the following Czechoslovak nationals:

a/ Jozef Tiso, the so-called President of the so-called Slovak State;
b/ Béla Tuka, Štefan Tiso, Mikuláš Pružinský, Géza Medrický, Aladár Kočiš, members, at different periods, of the so-called Slovak Governments in Bratislava;[51]
c/ Tomáš Kubala, C.I.T.[52] of the assult sections of the Hlinka Guards.

These persons escaped from Czechoslovakia when the country was liberated and placed themselves under the protection of the German authorities. They are indicted for criminal offences against Czechoslovakia, ranging from high treason, treason—felony and kindred offences—which they perpetrated in their office, or for the benefit of Germany—to participation, in varying degrees, in a number of criminal offences against public order, person and private and public property, committed prior to, and during the existence of the Bratislava régime.

To characterize their treasonable actions, it is sufficient to recall their collusion with Hitler, resulting in the proclamation of an "Independent Slovak State", which immediately sought and obtained the protection of Germany. The foreign policy of this "state" was formally and materially subordinated to Germany. The Bratislava "governments" of which the above-mentioned persons were prominent members, closely collaborated with Germany in all matters. During their rule they introduced and enforced Nazi principles and methods in Slovak political life and administration, and persecuted not only their political opponents, but every loyal citizen of the Republic. They pursued

[50] The United States never recognized the existence of the Government of Slovakia. For statement of United States policy regarding the nonrecognition of Slovakia, see instruction 372, August 28, 1939, *Foreign Relations*, 1939, vol. I, p. 70.

[51] Tuka and Štefan Tiso served as Premiers, Pružinský as Minister of Finance, Medrický as Minister of National Economy, and Kočiš as Minister of Education in the former Slovak State.

[52] Not further identified.

an anti-Jewish policy on racial and religious grounds. Their economic policy was subservient to Germany and impoverished the country. They declared war on Soviet Russia and Great Britain and the United States of America and sent into Russia and later into Italy, Slovak troops who at the first opportunity passed over to the Allies.

Their odious actions culminated during the Slovak uprising, which aimed at liberating the country from German domination and restoring the Czechoslovak Republic. They sabotaged the preparations and efforts of the patriots and in every possible way assisted the Germans in their remorseless repression of the uprising.

2/ For these reasons the Czechoslovak Government asks for the surrender of the above-named persons to the Czechoslovak authorities.

3/ As other persons, who escaped to Germany, after having taken part in the activities of the Bratislava régime, as politicians, members of the Government, officials or other agents, may have fallen into the hands of Allied authorities, the Czechoslovak Government would be grateful, if such individuals were likewise surrendered to the Czechoslovak authorities.

The Czechoslovak Government expresses a similar request in respect of persons of the aforesaid categories who in future may be apprehended by the Allied authorities.

4/ At the same time the Czechoslovak Government asks for the surrender of SS Gruppenfuehrer Hans Elard Ludin, Hitler's envoy to Bratislava. In his capacity as high official of the Nazi administration, H. E. Ludin actively participated in the political and economic oppression of Slovakia, the terrorizing of the Slovak people and the letting of Slovak property. On his instructions and under his direction Slovaks were sent abroad to work for Germany and others were carried away to concentration camps.

In transmitting to Your Excellency this request, I wish to add that a communication on identical terms is being addressed by the Czechoslovak Ambassador in London to the Government of the United Kingdom.

Accept, [etc.] V. I. HURBAN

860F.00/6-1845

The Acting Secretary of State to the Czechoslovak Ambassador (Hurban)

WASHINGTON, July 2, 1945.

EXCELLENCY: I have the honor to acknowledge receipt of your note of June 18, 1945 requesting the release to Czechoslovak officials of the following members of the so-called "Slovak State" now detained by the Allied military authorities:

Josef Tiso; Béla Tuka; Štefan Tiso; Mikuláš Pružinský; Gésa Medrický; Aladár Kočiš, and Tomáš Kubala.

A request has been sent to Supreme Headquarters Allied Expeditionary Forces to release, with the concurrence of the British representatives, the above-mentioned persons to the Czechoslovak authorities.

The case of SS Gruppenfuehrer Hans Elard Ludin has been referred to Mr. Justice Jackson,[53] who as you know is now in London, in order to ascertain whether Ludin may be wanted as a defendant or witness in the proposed trial of the European Axis leaders and their associates.[54]

The request of your Government for the release to the Czechoslovak officials of other persons associated with the so-called "Slovak State" now in the custody of Allied military authorities, or who may be apprehended in the future, may be addressed directly to Supreme Headquarters Allied Expeditionary Forces by the Czechoslovak Military Mission.

Accept [etc.] JOSEPH C. GREW

740.00116 EW/9-1145 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 11, 1945—8 p. m.

7841. You are requested to bring the following views of the Dept concerning delivery of former members of Slovak state to Zecho authorities to attention of FonOff:

Zecho note June 18 requested surrender of Josef Tiso; Béla Tuka; Štefan Tiso; Mikuláš Pružinský; Géza Medrický; Aladár Kočiš, Tomáš Kubala. These individuals now held by US military authorities are under indictment for treasonable and criminal offenses against Zecho state. Instructions were sent to USPolAd, Hoechst, July 2 Deptel 52 [55] to request US military authorities to release individuals named in Zecho note June 18 to appropriate Zecho officials under terms of JCS Directive 1349 "Renegades and Quislings".[56] At same time Dept requested Brit concurrence since Brit directive on quislings presented to EAC was similar to JCS 1349. On Aug 31 Zecho representative on United Nations War Crimes Commission further requested surrender of Alexander Mach; Karol Murin; Ivan Murin;

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[53] Robert H. Jackson, United States Chief of Counsel for Prosecution of Axis Criminality.

[54] Ludin was subsequently turned over to Czechoslovakia in 1946 and was tried and executed.

[55] Not printed.

[56] The paper under reference was approved by the State-War-Navy Coordinating Committee in the form of an enclosure to document SWNCC 42/1 of May 23, 1945; for text, see vol. III, p. 515.

Tido Gašpar; Pavel Opletal, Antonin Neumann, Pavel Kubiš and Florian Hurinský.[57]

FonOff replied through Embassy Sep 8 that it did not realize when policy was formulated on quislings that certain governments would take advantage of situation and attempt to obtain release of alleged quislings without presenting *prima facie* case. Brit FonOff proposes to make reservations in policy as regards Zecho and Yugo and has asked Dept to agree that both countries be placed in same category as regards delivery of alleged quislings. FonOff requests that above mentioned Slovaks not be released to Zecho authorities until presentation of *prima facie* case acceptable to US and UK.

Dept does not agree that Zecho should be given exceptional treatment or that Zecho request for delivery of Slovaks is comparable to Yugo request for wholesale delivery of former members of puppet state. Dept agrees with Brit view on Yugo quislings but cannot under present circumstances agree to its extension to Zecho.[58]

Unless FonOff has urgent reasons for opposing delivery of Slovaks listed in paragraph 1 Dept shortly will request US military authorities to release them to authorized Zecho officials. Dept does not contemplate agreement to Zecho note of June 18 that any members of former Slovak state apprehended in future be turned over automatically to Zecho authorities but sees no objection to the release of Slovaks specifically requested by Zecho Govt.

Sent to London as 7841; repeated to Praha as 216; repeated to USPolAd, Berlin as 448.

ACHESON

740.00116 EW/9-2645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, September 26, 1945—9 p. m.
[Received September 27—6:35 a. m.]

10002. Re Department telegram 7841, Sept. 11. Foreign Office official directly concerned with repatriation alleged Quislings told

[57] Mach was Minister of Interior in the Slovak state, Karol Murin was principal secretary to President Tiso, Ivan Murin was a professor of theology, Gaspar was Chief of the Propaganda Department in Slovakia, and Neumann had been Chief of President Tiso's Chancellery. The request for surrender of these individuals was also made in note 6774/45, August 30 from Ambassador Hurban to the Secretary of State (not printed); in Hurban's note, however, the name Pavel Opletal is omitted and is replaced by the name of Karol Oplustil, Vice President of the Parliament in the former Slovak State (860F.00/8-3045).

[58] Telegram 301, September 3, from Prague, reported that it would be difficult to explain any considerable further delay in delivery of the requested Slovaks, and commented upon the British position in linking the Czechoslovak and Yugoslav requests by asserting that the matter of the surrender of war criminals would be lost in a maze of international politics unless each delivery was dealt with independently on its merits (860F.00/9-345).

us this afternoon that Foreign Office is very anxious to coordinate its policy with ours. He said Foreign Office was anxious that all eastern European countries be treated alike in this regard and felt that to meet Czech request for release of designated Slovaks without requiring *prima facie* evidence would make it very difficult later on to refuse similar requests from Yugoslavs and Poles. He said Foreign Office was also very anxious to avoid releasing any person who might be persecuted because his political views did not correspond with those of party in power in any given eastern European govt. He admitted that Czechs in many respects can be regarded as western rather than eastern European power but reiterated view that it would be very difficult to refuse to repatriate alleged Quislings to other eastern European states if Czech requests were met. He repeatedly emphasized desire of Foreign Office to coordinate its general policy with Depts in re release of alleged Quislings but offered no observations re individual alleged Slovak Quisling listed in Department tel cited above. Although Embassy communicated substance of Dept's instruction cited above by letter to Foreign Office, foregoing information was given to us orally and we were told that written reply to our letter would not be made.

WINANT

740.00116 EW/9-2645 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, October 4, 1945—8 p. m.

8791. You are requested to inform FonOff Deptel 7841 Sep 11 and Urtel 10002 Sep 26 that Dept considers US position with regard to release of prominent members of former Slovak state without requiring *prima facie* evidence consistent with US views as transmitted Brit Embassy's telegram 6385 Sep 21 to FonOff on release of Yugo Quislings.[59] Dept does not agree that a regional approach should be adopted to distinguish between Eastern and Western states as suggested in oral reply of Brit FonOff to questions raised in Deptel 7841 but that decisions should be made in terms of US and Brit policy as stated in directives on United Nations Renegades and Quislings.

Dept does not consider that Zecho request for release of prominent Slovaks is contrary to provisions in these directives giving military authorities authority to postpone action on specific cases pending consultation with their Govts.

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[59] For United States policy regarding the release of Yugoslav Quislings, see telegram 888, October 11, 1945 to Caserta, vol. v, p. 1265.

You are further requested to inform FonOff that since Dept considers US position consistent with policy towards Yugos and thus coordinated with Brit policy, instructions have been sent to USPolAd, Berlin, to request military authorities to release Slovaks designated in Deptel 7541 [*7841*] to Zecho authorities in accordance with procedure in JCS directive 1349 "Renegades and Quislings." [60]

ACHESON

EFFORTS TO PREVENT REMOVAL TO THE SOVIET UNION AS WAR BOOTY OF AMERICAN-OWNED INDUSTRIAL PROPERTY IN CZECHOSLOVAKIA

462.11 EW/International Telephone and Telegraph Corp./8-1345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 20, 1945—5 p. m.

1871. Following message [61] has been received from the AmEmbassy, Prague:

"Among International Telephone and Telegraph Corps properties now in Czechoslovakia are two factories of that corporation moved in from their German plants during the war years and listed as war booty by the Russian and Czech Governments,[62] as follows:

> "(A) Field telephone set manufacturing plant at Bruntal, Moravia of Ferdinand Snaphardt which I.T.T. local representatives state is 100% owned by I.T.T. New York. This plant is guarded at present by Russian soldiers, is being operated by Russian soldiers, who are daily shipping out material. I.T.T. representatives have been denied access despite certificate by Embassy of American ownership and representation of Col. Kokrda of Czechoslovak Army, liaison with Russian Army on war booty matters.

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[60] In a note to Vlado Clementis, Czechoslovak Under Secretary of State for Foreign Affairs, dated November 2, 1945, the Ambassador in Czechoslovakia wrote as follows:

"It seems that just a few hours before we talked about the delivery to your Government of the members of the former Slovak Government they were brought to Prague by the American military authorities and turned over to the Czechoslovak military authorities at Ruzyne airfield. Luckily I was able to cancel my telegram to Washington complaining bitterly of the failure of our military authorities to keep the assurance made about three weeks ago that they would be promptly delivered." (Praha Embassy File)

[61] Telegram 168, August 7, 1945, 8 p. m. from Prague.

[62] The Soviet Union and Czechoslovakia signed an agreement in Moscow on March 31, 1945, regarding the manner of utilizing war trophies on Czechoslovak territory. According to telegram 161, August 6, 1945 from Prague, which reviewed the agreement and reported that a Czechoslovak mission was in Moscow seeking to reduce the number of properties covered by the agreement, war trophy enterprises were considered those which were constructed for war purposes by Germany during the occupation (740.00119 EW/8-645).

"(B) Vacuum tube manufacturing plant at Vrchlabi (Sudeteg) formerly Hohenelbe of C. Lorenz A. G. latter being wholly owned by I.T.T. as stated in your telegram 62 July 18, 8 p. m.[63] nothing removed to date, being operated by Czechoslovak national administrator but is guarded by Russian Army who refuses access to I.T.T. and Embassy representatives. However Embassy unofficially informed today that as result of Embassy's representations this Plant has been removed from war booty list in Moscow.

"Latest information is that 60 Russians are now in factory taking inventory preparatory to moving matériel and machines to Russia notwithstanding removal from war booty list."

Above cable suggests there may have been removals or that removals are contemplated. You are instructed to inform Russian authorities that any such action would be a matter of concern to American Government, and to request urgently:

(*a*) that said plants be removed from war booty list,
(*b*) that no removals of machinery and materials should take place and steps be taken to ensure return of such machinery and material as may have been removed,
(*c*) that representatives of Embassy and I.T.T. be given immediate access to the properties and subsequently that I.T.T. be allowed to assume full control.

BYRNES

462.11 E.W. International Telephone and Telegraph Corporation/8–2245 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, August 22, 1945—7 p. m.
[Received 3:24 p. m.]

244. Notwithstanding the assurances the Embassy received from Zecho Minister of Foreign Affairs[64] that plant of C. Lorenz, A. G. located at Vrchlabi Zecho had been removed from official list of war booty plants, we are now reliably informed that Russians are preparing to remove 75 percent of equipment for shipment to Russia.[65] This

[63] Not printed; it stated that the International Telephone and Telegraph Corporation had requested that all possible steps be taken to protect the Lorenz Valve Factory at Hohenelbe, in which it owned 100 percent interest (360F.115 International Telephone and Telegraph Corporation/7–1845).

[64] Jan Masaryk.

[65] Telegram 103, September 11, 6 p. m. to Vienna, reported that Col. Sosthenes Behn, President of the International Telephone and Telegraph Corporation, had been in Prague recently where he heard unofficially that the Soviet Government had put the Vrchlabi vacuum tube factory back on the war booty list and proposed that 75 percent of plant's machinery and material would be moved to the Soviet Union (360F.115 International Telephone and Telegraph Corporation/9–1145).

plant is property of International Tel and Tel Co. We have made further representations to Zecho Government on subject but suggest Department bring matter to attention Russian Government before equipment is removed.

Sent Dept as 244, repeated Moscow as 29.

STEINHARDT

360F.115 International Telephone and Telegraph Corp./9–1145 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)[66]

WASHINGTON, September 11, 1945—8 p. m.

1995. Mytel 1871, Aug. 20. Please request Soviet Govt to instruct its military commanders in Czechoslovakia to desist from removal of machinery equipment and other property in Czecho that is certified by AmEmbassy Praha to Czecho ForOff to be Amer property, also to desist from guarding such property against free access of Amer repr. For your info Amb Steinhardt reports [67] "Soviet diplomatic and military authorities in Praha seem quite prepared to withdraw their guards from American property and to discontinue the removal of machinery and equipment providing appropriate instructions are received by them from Moscow."

Case of Amer owned C. Lorenz A. G. plant at Vrchlabi, Czechoslovakia especially urgent to prevent removals. Amb Steinhardt reports [68] reliably informed Russians preparing to remove 75 percent of equipment for shipment to USSR. Erhardt [69] reports [70] Gen Morosov ordered cessation dismantling factory at Vrchlabi for sufficient time for Moscow issue appropriate instructions.

ACHESON

462.11 E.W., International Telephone and Telegraph Corporation/9–1345 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, September 13, 1945—8 p. m.
[Received September 13—8 p. m.]

3266. Department's 1995, September 11. Removal of and denial of access to American properties in Czechoslovakia.

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[66] Repeated to Prague as telegram 217 and to Vienna as telegram 104.
[67] Telegram 259, August 25, from Prague, not printed.
[68] See telegram 244, August 22, from Prague, *supra*.
[69] John C. Erhardt, United States Political Adviser for Austrian Affairs, whose mission was moved from Salzburg to Vienna on August 23, 1945.
[70] Telegram 159, August 23, from Salzburg, not printed.

Referring to Ambassador Harriman's August 25 letter on same subject [71] I made written representation to Vyshinski [72] today in conformity with instructions referred to above.

I am afraid, however, that this step which is essentially a repetition on a lower level of representations recently made by Ambassador Harriman and thus far apparently not heeded by the Soviet authorities, will appear here to be rather an indication of weakness in our position than of determination on our part to press the matter firmly.

To Department as 3266, repeated to Praha 30, Vienna 14.

KENNAN

360F.115 International Telephone and Telegraph Co./7–1945 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, September 19, 1945—5 p. m.
[Received September 20—12:25 p. m.]

365. Replying on Sept 17 to this Embassy's notes of August 23 and Sept 4 on subject of proposed removal machinery and equipment as war booty from Lorenz plant at Vrchlabi owned by International Telephone and Telegraph Company Czechoslovak Ministry of Foreign Affairs which previously had advised plant removed from war booty list now states this was error and that USSR consents to taking only 75 per cent of equipment and machinery claiming seizure and removal in accordance with international law. Note emphasizes that Czechoslovak Govt absolutely needs plant for its industrial life but has little or no hope of changing Soviet decision.[73]

Sent Dept as 365 repeated Moscow as 32.

STEINHARDT

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[71] Telegram 3064, August 26, from Moscow, reported that a letter had been sent to the Soviet Foreign Commissariat on the subject of removals of property of the International Telephone and Telegraph Corporation from Czechoslovakia; the telegram expressed the expectation that no early Soviet reaction to the letter could be expected except acceleration of the planned removals (360F.115 International Telephone and Telegraph Corp./8–2645).

[72] Andrey Yanuaryevich Vyshinsky, Assistant People's Commissar for Foreign Affairs of the Soviet Union.

[73] Telegram 364, September 19, from Prague, reported the receipt of a similar note from the Czechoslovak Foreign Ministry regarding the unsuccessful efforts of the Czechoslovak Government to persuade the Soviet Government to renounce its claims to the International Telephone and Telegraph Corporation plant at Bruntal as war booty (360F.115 International Telephone and Telegraph Corp./9–1945).

360F.115 Int. Tel. and Tel. Corp./10–545 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, October 5, 1945—9 a. m.
[Received 5 p. m.]

3456. Embassy's telegram No. 3064, August 26.[74] Soviet Foreign Office replied on September 28 to Ambassador's letter of August 26 re protection I. T. and T. property in Czechoslovakia:

"According to information received from competent Soviet organs, the plant of the firm 'Ferdinand-Oschard' was quartered in a textile factory. The equipment of this plant, consisting of 154 units, was brought out from Berlin in 1944. 100 units of this equipment were manufactured before 1939 and 54 units after 1939. All the equipment of this plant, according to information received by the People's Commissariat, has been left on the spot by the Soviet authorities, and no dismantling or removal of it is contemplated.

The plant of the 'Lorenz' firm for production of vacuum tubes began to be built in 1940 in Vrchlabi by order of the Ministry of Armament of Germany. The construction was begun on the foundation of a textile factory. The first section of the factory was re-equipped and began to operate in 1941. The second newly constructed section began operation in 1942; the third section underwent capital re-equipment in 1943. The machine equipment for this plant entered into use by years as follows: In 1940, 57 units; in 1941, 73 units; in 1942, 125 units; in 1943, 417 units; in 1944, 678 units; and in 1945, 195 units. In all, 1,540 units reached the plant. This equipment was manufactured and was evacuated from German plants belonging to the following firms: Tekars, Koch, Leibold, Eindhufen, Bruckner-Korborg Siemens, Rudolf Geraus and others. By years of manufacturing the equipment installed is divided as follows: 1940, 93 units; 1941, 91 units; 1942, 307 units; 1943, 705 units; 1944, 344 units. In all, 1,540 units.

As is evident from the foregoing, the equipment of the above two plants was manufactured entirely by German firms and has no connection with American firms. The dates cited above of the installation of the equipment in the above plants indicate that the opening and development of these plants took place in a direct relationship with the military efforts of Germany. Therefore, the Soviet Government sees no foundation for considering the request of the Government of the United States that the equipment of the above plants be removed from the lists of war trophies."

KENNAN

[74] See footnote 71, p. 533.

360F.115 Int. Tel. and Tel. Corp./10-545 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 16, 1945—4 p. m.

2352. Reurtel 3456 October 5. Dept advised of Soviet intention to remove by December 1 equipment in vacuum tube plant at Vrchlabi and Ferdinand Schachardt telephone set factory at Bruntal presumably as war "trophies". Dept requests you strongly protest this action as contrary to Potsdam Agreement [75] under Article IV, paragraphs 1, 5, 8 and 9 which specify that only German external assets available for Soviet reparations are those located in Finland, Hungary, Rumania, Bulgaria and Soviet occupied zone of Reich.[76] Furthermore, this Government cannot accept apparent Soviet position that this equipment constitutes war booty and as such subject to removal by Soviet Government in violation of above paragraphs of Potsdam Agreement. This equipment clearly capable of use for civilian peacetime production without reconversion. Neither does US Government recognize that origin of equipment (Urtel paragraph 2) proves such equipment not property in which US nationals may have ownership interests.

Sent to Moscow repeated to Prague.[77]

BYRNES

740.00119 E.W./12-1545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, December 15, 1945—9 a. m.
[Received 7:20 p. m.]

4175. Vyshinski replied in letter dated December 13 to my representations concerning removal by Soviet military authorities of equipment of vacuum tube factory in Vrchlabi and of telephone factory in Bruntal as follows:

"The Soviet Government is not able to agree with the point of view of the American Government in accordance with the actions of the

[75] See Report on the Tripartite Conference of Berlin, released to the press on August 2, 1945, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1499, or Department of State *Bulletin*, August 5, 1945, p. 153.

[76] For documentation regarding German reparations and restitution, see vol. III, pp. 1169 ff.

[77] Repeated to Prague as telegram 388.

Soviet military authorities in Czechoslovakia, in particular concerning the removal of trophy equipment of the above named German factories, could be regarded as contrary to article IV, paragraphs 1, 5, 8 and 9 of the decisions of the Berlin Conference of the Three Powers. In this connection, the Soviet Government believes it is necessary to draw the attention of the American Government to fact that article IV of these decisions relates only to reparations and not trophies.

In this regard I must also point out the correctness of the assertion of the Soviet military authorities in Czechoslovakia that the equipment of these German factories in Vrchlabi and in Bruntal, whose production was placed entirely at the service of the German Army, is a war trophy and, as a consequence, can be removed to the Soviet Union. In particular such a decision is in full conformity with the definition of the term 'war material', given in the texts of the protocols to the armistice agreements where it stated that the term 'war material' will be regarded as including all 'war material' or equipment belonging to, used by, or destined for use of the enemy or their members.[78]

In addition the question of the removal from the territory of Czechoslovakia liberated by the Red Army of the equipment of German enterprises and of other trophy property possessing an important military significance, was already settled in the month of March of this year by an agreement between the Governments of the Union of Soviet Socialist Republics and Czechoslovakia; the equipment of enterprises, which in the present instance is under discussion, fully comes under the operation of this agreement.

However, meeting the wishes of the Czechoslovak Government, the Soviet Government has decided to limit itself to the removal of only 50 percent of the equipment of one of the above mentioned factories (namely, the vacuum tube factory) and that as regards the remaining part of this equipment in place, transferring it to the disposition of the Czechoslovak Government.[79]

Thus, this question should be considered, as you see, exhausted.

I beg you Mr. Ambassador, et cetera".

Sent to Department 4175; repeated to Prague 36; Berlin 145.

HARRIMAN

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[78] For the definition of "war material", see article 2 of the Protocol to the Allied Armistice with Rumania, September 12, 1944, Department of State Executive Agreement Series No. 490, or 59 Stat. (pt. 2) 1712, 1726; article 2 of the Protocol to the Allied Armistice with Bulgaria, EAS No. 437, or 58 Stat. (pt. 2) 1498, 1514; and article 1 of the Protocol of the Allied Armistice with Hungary, January 20, 1945, EAS No. 456, or 59 Stat. (pt. 2) 1321, 1351. For documentation regarding the negotiation of these armistice agreements, see *Foreign Relations*, 1944, vol. IV, pp. 133 ff. for Rumania; *ibid.*, vol. III, pp. 300 ff. for Bulgaria, and *ibid.*, pp. 847 ff. for Hungary.

[79] Telegram 725, December 13, from Prague, reported receipt of a note of December 7 from the Czechoslovak Foreign Ministry stating that the Czechoslovak Government had been informed that the Soviet Government had renounced its claim to the International Telephone and Telegraph plant at Bruntal and had agreed to increase the percentage of machines and equipment to be left on the premises of the tube plant at Vrchlabi. The telegram also reported that the Embassy had renewed its protest to the Czechoslovak Government against the removal of any equipment from the American-owned plant. (360F.115 International Telephone and Telegraph Co./12–1345) Telegram 787, December 27 from Prague, recommended that the attention of the Soviet Government be called to the fact that the Vrchlabi plant was wholly American owned and therefore not subject to classification as a "war trophy" (740.00119 EW/12–2745).

NEGOTIATIONS REGARDING THE REESTABLISHMENT OF A CONVENTIONAL BASIS FOR TRADE BETWEEN THE UNITED STATES AND CZECHOSLOVAKIA

611.60F31/3-1445

Memorandum of Conversation, by the Assistant Chief of the Division of Commercial Policy (Phelps)

[WASHINGTON,] March 14, 1945.

Participants: Mr. Emanuel Jan Hajný, Commercial Counselor, Czechoslovak Legation
Messrs. Fowler,[80] Phelps and Hollis,[81] CP

Mr. Hajný called under telegraphic instructions from his Government to discuss the present status of our trade agreement with Czechoslovakia [82] and the possibility of its being again brought into operation. He stated that, in view of the possible early liberation of the territory of Czechoslovakia and of the return home of his Government, his Government felt that consideration should be given to the future of the trade agreement between the two countries.

Mr. Fowler said that we had given some preliminary thought to this matter and that now in the light of his inquiry we would undertake to explore the problem more definitively. Mr. Hollis recited the present technical status of the agreement in so far as this Government is concerned, namely that the operation of the agreement had been suspended by presidential proclamation [83] on April 22, 1939 (see Department's Press Release no. 115 of March 23, 1939). Mr. Hajný seemed familiar with this but said that on the part of the Czechoslovakian Government the agreement was still legally in force. He suggested that his Government might give us a memorandum to this effect which would also raise more formally the question of again bringing the agreement into operation. In reply, it was stated that we would be pleased to receive and consider any memorandum which his Government might care to present on the matter.

Mr. Hajný expressed the hope that the agreement might be brought at least provisionally into force again to provide a contractual basis for trade relations between the two countries, including mutual assurances of most-favored-nation treatment, during the post-liberation

[80] William A. Fowler, Chief, Division of Commercial Policy.

[81] Walter Hollis, of the Division of Commercial Policy.

[82] For text of the reciprocal trade agreement between the United States and Czechoslovakia, protocol, and accompanying notes, signed March 7, 1938, and the protocol of amendment, signed April 15, 1938, see Department of State Executive Agreement Series No. 147. For documentation regarding the negotiation of this agreement, see *Foreign Relations*, 1938, vol. II, pp. 223 ff.

[83] For text of the proclamation issued by the President of the United States, March 23, 1939, terminating as of April 22, 1939, arrangements for the reciprocal trade agreement between the United States and Czechoslovakia, see Department of State Executive Agreement Series No. 147.

transitional period. He added, however, that so far as the schedules of the agreement are concerned, the United States would for some little time be the principal beneficiary because Czechoslovak industries would not be in a position to export.

Mr. Fowler said that in addition to the legal status of the agreement there were certain policy aspects which we would need to consider, including the possibility of public hearings before another presidential proclamation might be issued bringing the agreement into force and giving effect again to the reduced United States duties provided for in the agreement. He also mentioned the fact that the existing trade agreements authority would expire next June and that we might wish not to take any action on the agreement until after the Congress had acted on a possible further extension of the Trade Agreements Act. Mr. Hajný wondered whether it might not be possible to bring the agreement into force again before June 12, 1945, the date on which the present trade agreement authority expires.

In conclusion Mr. Fowler repeated that we would undertake an examination of the problems involved and Mr. Hajný said that he would take up with his Government the question of submitting to us the memorandum referred to above.

611.60F31/5-2945

Memorandum of Conversation, by Mr. Sidney D. Merlin of the Division of Commercial Policy

[WASHINGTON,] May 29, 1945.

Participants: Mr. Emanuel Jan Hajný, Czechoslovak Commercial Counselor
Mr. Bunn, CP [84]
Mr. Hollis, CP
Mr. Merlin, CP

Mr. Hajný called this morning at his request to discuss further the new trade agreements legislation [85] as it affects the trade agreement with Czechoslovakia. In view of the proposed amendment to the Trade Agreements Act preventing the reinstatement of the trade agreement with Czechoslovakia by proclamation, he proposed that an exchange of notes between the Czechoslovak Government and this Government extending most-favored-nation treatment in each case might be arranged. Mr. Hajný observed that prior to the establish-

[84] Charles Bunn, Acting Chief, Division of Commercial Policy.

[85] On May 16, 1945 (79th Cong., 1st sess.), Representative Robert L. Doughton of North Carolina introduced a bill, H. R. 3240, "to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes". It was approved on July 5, 1945, as Public Law 130. For text, see 59 Stat. 410.

ment of the trade agreement with Czechoslovakia, commercial relations between this Government and Czechoslovakia had been governed by the most-favored-nation clause as referred to in Article XVIII of the trade agreement with Czechoslovakia. Mr. Bunn agreed that this procedure seemed appropriate as an interim arrangement for commercial relations between Czechoslovakia and this Government. It was agreed that respective drafts of the most-favored-nation type of statement be drawn up for discussion. Mr. Hajný was given a copy of the provisional commercial agreement of 1938 between the United States and Greece [86] as one of the more recent exchanges of notes of this Government according most-favored-nation treatment.

Mr. Hajný also commented on possible trade between the United States and Czechoslovakia by saying that Czechoslovakia would not be in a position to export in any volume for as much as a year because of the economic disruption suffered under the German occupation. In reconstructing the Czechoslovak economy, it was his feeling that industries almost completely dependent on export trade for continued existence, such as the window glass industry, should not be revived. He indicated that the skilled craft workers in home industries would be encouraged in reviving economic activity in Czechoslovakia and would continue as a permanent part of the Czechoslovak economic system.

611.60F31/6–145

The Acting Secretary of State to the Czechoslovak Ambassador (Hurban)

WASHINGTON, June 14, 1945.

EXCELLENCY: I have the honor to refer to the request for information made orally on June 1, 1945 by Mr. Emanuel Jan Hajný, Commercial Counselor, and Dr. Oldřich Chýle, First Secretary, concerning the legal basis for the termination of the Trade Agreement between the Czechoslovak Republic and the United States of America.

In the Proclamation of the President, dated March 23, 1939, it was stated that the termination of the operation of the Agreement in the United States was necessary because of the impossibility of performance of the obligations of the Agreement on the part of the Czechoslovak Republic. The American Minister to Praha had reported on March 17, 1939, that the Ministry of Foreign Affairs was closed and that there was at that time in Praha no one with whom he could communicate officially on matters affecting the two Governments. It was accordingly not possible, at the time that it was necessary that

[86] For text, see Department of State Executive Agreement Series No. 137, or 53 Stat. (pt. 3) 2046. For documentation regarding the negotiation of this agreement, see *Foreign Relations*, 1938, vol. II, pp. 516 ff.

decisive action be taken, to instruct the American Minister to bring to the notice of the Minister of Foreign Affairs the Proclamation of the President of the United States terminating the operation of the Agreement in the United States. I enclose copies of Executive Agreement Series No. 147, which contains the above-mentioned Proclamation of the President [87] and of the despatch of the American Minister from Praha,[88] to which I have referred.

If the bill (H.R. 3240), now pending in the United States Congress, is enacted, it will be impossible for the President again to proclaim and make effective the reduced rates of duty provided in the Trade Agreement. I attach for your information copies of H.R. 3240 [89] and of the Report of the Ways and Means Committee on this bill.[90]

In these circumstances it would seem to be appropriate, if you agree, for us to exchange notes recognizing that the Trade Agreement is no longer in effect on either side, and establishing as a temporary measure, in its place, a regime of general most-favored-nation treatment in commercial matters, without specific schedules of tariff rates on either side. Such an exchange might furnish a satisfactory temporary basis for the commercial relations of our two countries, until such time as we are able to negotiate either a permanent treaty of Friendship and Commerce or a new Trade Agreement, or both. If this method of dealing with the problem seems appropriate to you, we shall be glad to develop in the near future a specific draft of such an exchange of notes and to discuss it with you at your convenience.

Accept [etc.] JOSEPH C. GREW

611.60F31/6-1645

The Czechoslovak Minister for Foreign Affairs (Masaryk) to the Assistant Secretary of State (Clayton)

[SAN FRANCISCO,] June 16, 1945.

DEAR MR. CLAYTON: I hope you will permit me to draw your attention to a matter which is of deep concern to our country.

The House of Representatives recently passed an Amendment to the Reciprocal Trade Agreement Act Revival Bill which would officially abrogate any reciprocal trade treaties which the United States Government negotiated in the past, and since suspended. It appears that Czechoslovakia would be the only country that would come under this Amendment.

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[87] See footnote 83, p. 537.

[88] Telegram 51, March 17, 1939, 11 p. m. from Prague; for text, see *Foreign Relations*, 1939, vol. I, p. 51.

[89] See footnote 85, p. 538.

[90] House Document No. 594, Foreign Trade Agreements: Report from the House Committee on Ways and Means, 79th Cong., 1st sess., to accompany H.R. 3240 (Washington, Government Printing Office, 1945).

As you will remember, in March 1939 Czechoslovakia was invaded by the Nazis in direct violation of the Munich agreement. At that time the Government of the United States very properly suspended the reciprocal trade agreement then in effect between the United States and Czechoslovakia. It was the only such suspension even though several other countries were equally taken over temporarily by the Nazi invaders.

Now Czechoslovakia, thanks to the victory of the United Nations Armies, has been liberated and our Government has been restored to her people. Yet, under the Amendment referred to above the Reciprocal Trade Treaty would be abrogated so that trade relations between the United States and our country would for a time be on a non-treaty basis. This would be most regrettable, especially in view of the fact that we are very anxious to restore our economy and to renew as speedily as it can be done the advantageous trade relations with the people of the United States. I know that the final fate of our Treaty of 1938 is still in the hands of the Congress and for that reason I venture to appeal to you to see if a way could be found whereby the suspension could be removed and if that is impossible to seek methods whereby normal treaty relations between our countries could be restored.

I need hardly add how much our Government has always appreciated the understanding extended to our country by the Government of the United States during the last trying years, and I hope that a satisfactory solution of this so vital matter for us could be found.

I availed myself of the opportunity of the presence of Mr. Stettinius, the Secretary of State, at the San Francisco Conference [91] and passed on to him a copy of this letter.

Sincerely yours,

JAN MASARYK
Foreign Minister of Czechoslovakia
Chairman of the Czechoslovak
Delegation at UNCIO

611.60F31/6-1645

The Assistant Secretary of State (Clayton) to the Czechoslovak Minister for Foreign Affairs (Masaryk)

WASHINGTON, June 23, 1945.

MY DEAR MR. MASARYK: I have received your letter of June 16, 1945 relative to the bill (H.R. 3240, 79th Congress, 1st Session) to extend the authority of the President under Section 350 of the Tariff Act of 1930 as amended, which makes impossible a reinstatement of

[91] The United Nations Conference on International Organization, held at San Francisco, April 25–June 26, 1945.

the trade agreement concluded between our two countries in 1938. As you doubtless know, the bill has now been approved by Congress and sent to the President for signature and therefore it is not possible for me to take action looking to the deletion from the bill of the provision preventing the President from again proclaiming the trade agreement with Czechoslovakia. It is anticipated that the bill will be signed by President Truman within the next few days.[92]

I wish to assure you, however, of the personal interest which I have in the restoration of normal trade relations between our two countries. In this connection discussions have already been held with representatives of your Government with a view to an exchange of notes recognizing that the trade agreement is no longer in effect on either side, and providing in its place, as a temporary measure, a regime of most-favored-nation treatment in commercial matters without specific schedules of tariff rates on either side. This exchange of notes has been suggested in a note of June 14, 1945 from the Acting Secretary of State, Mr. Grew, to His Excellency Vladimir Hurban, Ambassador of Czechoslovakia. I am enclosing a copy of this note.[93]

You may be assured that this Government is prepared to give sympathetic consideration to any proposal which may be made for the negotiation between our two countries of either a new trade agreement or a treaty of friendship, commerce, and navigation, or both. Until a trade agreement or such a treaty is concluded between our two Governments, I feel that the exchange of notes mentioned in the note to Ambassador Hurban will furnish a satisfactory interim basis for the commercial relations between our two countries.

I realize that your country has suffered considerable destruction as a result of the occupation by the Nazis and is anxious to establish advantageous trade relations with the United States as a means of assisting the speedy restoration of the economy. Because of the destruction suffered by your country and the dislocation of its economy, an extensive revision of the trade agreement, even had it not been terminated, would have been required if our two countries were to derive the maximum mutual benefit from the tariff concessions. Such renegotiation would probably have been so extensive as to be tantamount to the negotiation of a new agreement. For this reason it does not appear that the termination of the trade agreement between our two countries will have harmful effects, especially if notes providing for most-favored-nation treatment should be exchanged between our two Governments. By the time exports from Czechoslovakia again become substantial it may be possible that a new trade agreement providing for mutual tariff concessions will have been concluded between our two countries.

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[92] The bill was approved July 5, 1945.

[93] *Ante*, p. 539.

Permit me to add that direct investments of private American capital may be of some assistance in the restoration of the economy of Czechoslovakia. The negotiation of a commercial treaty, establishing a legal basis for the mutual protection of the interests of the nationals of our two countries in the territories of the other, would facilitate such investments.

I am taking the liberty of sending a copy of this note informally to Ambassador Hurban. If you plan to stop in Washington on your return from San Francisco, I hope that it will be possible for us informally to discuss these problems further.

Sincerely yours, WILLIAM L. CLAYTON

611.60F31/6-2945

The Department of State to the Czechoslovak Embassy

AIDE-MÉMOIRE

Reference is made to informal discussions which have been held relative to the most appropriate means of reestablishing a conventional basis for the trade relations between our two countries, and to the note of June 14, 1945 from the Acting Secretary of State to the Czechoslovak Ambassador proposing that notes be exchanged establishing a regime of general most-favored-nation treatment pending the conclusion of a treaty of Friendship and Commerce or a new Trade Agreement.

Attached is the draft of a note providing for such treatment, which this Government would be prepared to exchange for a note from the Czechoslovak Government agreeing to the general most-favored-nation treatment proposed therein.

Attention is directed to the agreement in respect of exposed motion picture films which was effected by exchange of notes on May 18, 1938.[94] This Government would be pleased to learn the views of the Czechoslovak Government with respect to the relation between that exchange of notes and the proposed most-favored-nation agreement now under consideration.

WASHINGTON, June 29, 1945.

[Enclosure]

Draft of Note From the Secretary of State to the Czechoslovak Ambassador (Hurban)

EXCELLENCY: I have the honor to make the following statement of my Government's understanding of the agreement reached through

[94] For text, see Department of State Executive Agreement Series No. 126, or 52 Stat. 1517. For documentation regarding the negotiation of this agreement, see *Foreign Relations*, 1938, vol. II, pp. 231 ff.

recent conversations held at Washington by representatives of the Government of the United States of America and the Government of the Czechoslovak Republic with reference to the treatment which the United States of America will accord to the commerce of Czechoslovakia and which Czechoslovakia will accord to the commerce of the United States of America. These two Governments, recognizing that the trade agreement of March 7, 1938, including the accompanying protocol, and the protocol of amendment to that trade agreement, dated April 15, 1938, should no longer be considered as remaining in force between the two parties, and desiring to reaffirm their adherence to a program of purposes and policies, open to participation by all other countries of like mind, designed to bring about an expansion of international trade on a broad basis and directed to the elimination of all forms of discriminatory treatment in international commerce, and to maintain the most-favored-nation principle in its unconditional and unlimited form as the basis of their commercial relations, agree to the following provisions:

1. In all matters relating to (*a*) customs duties and subsidiary charges of every kind imposed on imports or exports and the method of levying such duties and charges, (*b*) the rules, formalities, and charges imposed in connection with the clearing of articles through the customs, and (*c*) the taxation, sale, distribution or use within the country of imported articles and of articles intended for exportation, each Party shall accord unconditional and unrestricted most-favored-nation treatment to articles the growth, produce or manufacture of the other Party, from whatever place arriving, or to articles destined for exportation to the territories of such other Party, by whatever route.

2. No prohibition or restriction of any kind shall be imposed by either Party on the importation, sale, distribution or use of any article the growth, produce or manufacture of the other Party, or on the exportation of any article destined for the territories of the other Party, unless the importation, sale, distribution or use of the like article the growth, produce or manufacture of all third countries, or the exportation of the like article to all third countries, respectively, is similarly prohibited or restricted.

3. If the Government of either Party imposes any quantitative regulation on the importation or exportation of any article, or on the sale, distribution or use of any imported article, it shall as a general rule give public notice of the total quantity or value of such article permitted to be imported, exported, sold, distributed or used during a specified period, and of any change in such quantity or value. Furthermore, if either Party allots to any third country a share of such total quantity or value of any article in which the other Party has an important interest, it shall as a general rule allot to such other Party a share of such total quantity or value based upon the proportion of the total quantity or value supplied by, or in the case of exports a share based upon the proportion exported to, the territories of such other Party during a previous representative period, account being

taken in so far as practicable of any special factors which may have affected or may be affecting the trade in that article. The provisions of this paragraph relating to imported articles shall also apply in respect of the quantity or value of any article permitted to be imported free of duty or tax, or at a lower rate of duty or tax than the rate of duty or tax imposed on imports in excess of such quantity or value.

4. Articles the growth, produce or manufacture of either Party, imported into the territories of the other Party, shall be accorded treatment with respect to all matters affecting internal taxation or the sale, distribution or use within such territories, no less favorable than the treatment which is or may hereafter be accorded to like articles of national origin.

5. If the Government of either Party establishes or maintains any form of control of the means of international payment, it shall accord unconditional most-favored-nation treatment to the commerce of the other Party with respect to all aspects of such control. The Government establishing or maintaining such control shall impose no prohibition, restriction or delay on the transfer of payment for any article the growth, produce or manufacture of the other Party which is not imposed on the transfer of payment for the like article the growth, produce or manufacture of any third country. With respect to rates of exchange and with respect to taxes or charges on ex-manufacture of the other Party shall be accorded unconditionally treatment no less favorable than the treatment which is or may hereafter be accorded to like articles the growth, produce or manufacture of any third country. The provisions of this paragraph shall also extend to the application of such control to payments necessary for or incidental to the importation of articles the growth, produce or manufacture of the other Party. In general, any such control shall be administered so as not to influence to the disadvantage of the other Party the competitive relationships between articles the growth, produce or manufacture of such other Party and like articles the growth, produce or manufacture of any third country.

6. If the Government of either Party establishes or maintains a monopoly or other agency for the importation, exportation, purchase, sale, distribution or production of any article, or grants exclusive privileges to any agency to import, export, purchase, sell, distribute or produce any article, such monopoly or agency shall accord to the commerce of the other Party fair and equitable treatment in respect of its purchases of articles the growth, produce or manufacture of foreign countries and its sales of articles destined for foreign countries. To this end the monoply or agency shall, in making such purchases or sales of any article, be influenced solely by considerations, such as price, quality, marketability, transportation and terms of purchase or sale, which would ordinarily be taken into account by a private commercial enterprise interested solely in purchasing or selling such article on the most favorable terms.

7. The Government of each Party, in the awarding of contracts and in the purchasing of supplies, shall accord fair and equitable treatment to the commerce of the other Party as compared with the treatment which is or may hereafter be accorded to the commerce of any third country.

8. There shall be freedom of transit through the territories of each Party by the routes most convenient for international transit for articles directly or indirectly coming from or going to the territories of the other Party. Such articles in transit shall not be subject to any transit duty, to any unnecessary delays or restrictions, or to any discrimination in respect of charges, facilities or any other matter; and all charges and regulations prescribed in respect of such articles shall be reasonable, having regard to the conditions of the traffic. Except as may now or hereafter be agreed by the Parties with respect to non-stop flight by aircraft, the Government of either Party may require that such articles be entered at the proper customhouse and that they be kept in customs custody, whether or not under bond; but such articles shall be exempt from all customs duties or similar charges if such requirements for entry and retention in customs custody are complied with and if they are exported within one year and satisfactory evidence of such exportation is presented to the customs authorities. Such articles shall be accorded treatment with respect to all charges, rules and formalities in connection with transit no less favorable than the treatment which is or may hereafter be accorded to like articles coming from or going to the territories of any third country.

9. The provisions of this Agreement according most-favored-nation treatment shall not apply to (a) advantages which are or may hereafter be accorded to adjacent countries in order to facilitate frontier traffic, or (*b*) advantages accorded by virtue of a customs union of which either Party may become a member so long as such advantages are not extended to any country which is not a member of such customs union. The advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba shall be excepted from the operation of this agreement. The provisions of this paragraph shall continue to apply in respect of any advantages which are or may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another, irrespective of any change which may take place in the political status of any of the territories or possessions of the United States of America.

10. Nothing in this Agreement shall be construed to prevent the adoption or enforcement by either Party of measures (*a*) relating to the importation or exportation of gold or silver, (*b*) relating to the traffic in arms, ammunition, and implements of war, and, in exceptional circumstances, all other military supplies, (*c*) necessary in pursuance of obligations for the maintenance of international peace and security, or necessary for the protection of the essential interests of such Party in time of national emergency, or (*d*) to give effect to Article VII of the International Monetary Fund Agreement [95] drawn up at the United Nations Monetary and Financial Conference at Bretton Woods, July 1 to 22, 1944.[96] Subject to the requirement that, under like circumstances and conditions, there shall be no arbitrary

[95] For text, see Department of State, *Proceedings and Documents of the United Nations Monetary and Financial Conference, Bretton Woods, New Hampshire, July 1–22, 1944* (Washington, Government Printing Office, 1948), vol. I, p. 927.

[96] For documentation regarding the Bretton Woods Conference, see *Foreign Relations*, 1944, vol. II, pp. 106 ff.

discrimination by either Party against the other Party or against the commerce thereof in favor of any third country or the commerce thereof, the provisions of this Agreement shall not extend to prohibitions or restrictions (*a*) imposed on moral or humanitarian grounds, (*b*) designed to protect human, animal, or plant life or health, (*c*) relating to prison-made goods, or (*d*) relating to the enforcement of police or revenue laws.

11. The provisions of this Agreement shall apply to all territory under the sovereignty or authority of either of the Parties, except the Panama Canal Zone.

12. This Agreement shall remain in force until superseded by a trade agreement or by a treaty of friendship, commerce and navigation, or until thirty days from the date on which written notice of termination shall have been given by either Party to the other Party.

If the above provisions are acceptable to the Government of the Czechoslovak Republic, this note and the reply signifying assent thereto shall, if agreeable to that Government, be regarded as constituting an agreement between the two Governments which shall become effective fifteen days after the date of such acceptance.

Please accept [etc.]

611.60F31/8–1345 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, August 28, 1945—6 p. m.

172. 1. Hajný, Czech Commercial Counselor, indicated recently he has received no reply from his Government re draft proposal for a general most-favored-nation arrangement, copy of which was sent you with instruction no. 5 of June 21.[97] He does not understand delay. Reurtel 202, August 13, 1945,[98] last paragraph, you should, unless you perceive objection, emphasize to Czech authorities that proposed exchange of notes constitutes first step in reestablishing formal basis for trade relations between US and Czech and is considered by us as temporary measure pending conclusion of a new trade agreement or general treaty of Friendship and Commerce.

2. For your confidential information Committee on Trade Agreements has approved the reconstitution of a country committee on Czech to prepare recommendations re possiblity of undertaking negotiation of new trade agreement.

BYRNES

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[97] Instruction not printed; for draft proposal, see *supra*.

[98] Not printed; in it the Ambassador in Czechoslovakia reported that Hubert Ripka, Czechoslovak Minister of Trade, in a speech delivered August 9, had expressed the hope that negotiations with the United States would soon be undertaken (611.60F31/8–1345).

611.60F31/9–1445

The Czechoslovak Ministry for Foreign Affairs to the American Embassy in Czechoslovakia[99]

No. 32611/IV–2/45

AIDE-MÉMOIRE

[Translation]

With reference to the last paragraph of the *Aide-Mémoire* of the Department of State of June 29, 1945 which was handed over to the Czechoslovak Embassy at Washington, the Ministry of Foreign Affairs desire to state that the agreement in respect of exposed motion picture films, which was effected by exchange of notes on May 18, 1938, is considered by the Czechoslovak Government as terminated.

The Czechoslovak Government are principally in agreement with the stipulations laid down in the draft of a note from the Department of State which was attached to the *Aide-Mémoire* mentioned and which provides for the establishment of a regime of general most-favoured-nation treatment pending the conclusion of a treaty of Friendship and Commerce or a new Trade Agreement.

However, it is suggested that article 3 of the proposed note be left out, as the interests of the American exporters and importers are fully covered in this regard by the general principals of the most-favoured-nation treatment provided for by the note proposed by the Department of State. On the other side it is proposed that article 10 of the draft be extended by the inclusion of points /1/ and /6/ of Article XV of the terminated Trade Agreement of 7th March 1938. Point 1 relates to prohibitions or restrictions with regard to public security, point 6 to prohibitions or restrictions applied to products which, as regards production or trade, are or may in future be subject within the country to State monopoly or to monopolies exercised under State control.

PRAHA, 13 September, 1945.

611.60F31/9–1545 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, December 5, 1945—7 p. m.

441. ReUrtel 348 Sept 15.[1]

1. In reply to *aide-mémoire* forwarded in Embs despatch no. 100 of Sept 14, you should inform Czech Govt that, although the spirit of

[99] Transmitted to the Department in despatch 100, September 14, 1945, from Prague; received September 27.

[1] Not printed; it transmitted the text of note of September 13 from the Czechoslovak Ministry for Foreign Affairs to the American Embassy in Czechoslovakia, *supra*.

most-favored-nation provisions in paragraphs 1 and 2 of proposed interim arrangement covers the provisions of paragraph 3, this Govt desires that the provisions in paragraph 3 shall be explicitly included. Certain countries in the past have followed courses contrary to provisions of paragraph 3, asserting that general most-favored-nation treatment was not explicitly violated by such action. It may be that Czech Govt objects to the language of the paragraph; if so, please request suggestions for a paragraph which would be agreeable to Czech Govt but which would still incorporate the nondiscriminatory treatment provided in our proposed paragraph 3.

2. Our opinion is that matters which would be covered by point 1 of article XV of old trade agreement are sufficiently covered by point (*c*), paragraph 10 in our proposed interim arrangement.

3. We feel that point 6 of article 15 would seem to nullify the effectiveness of paragraph 6 of the proposed interim arrangement. If the Czech Govt has some more restricted purpose in mind, the Dept would be willing to consider its reasons, although with the present trends developing in that area it is felt that any material impairment of paragraph 6 would be unfortunate.

4. Czech Embassy here will also be informed of our views on Czech *aide-mémoire*.

5. Since Czech Govt considers agreement re exposed motion picture films as terminated, you should propose that present numbered paragraph 12 become paragraph 13, and new numbered 12 be included as in next following telegram.[2]

BYRNES

GRANTING OF COTTON CREDIT TO CZECHOSLOVAKIA BY THE EXPORT-IMPORT BANK AND CONSIDERATION OF OTHER FINANCIAL ASSISTANCE

860F.24/6–2145

Memorandum of Conversation, by the Chief of the Division of Lend-Lease and Surplus Property Affairs (Fetter)

[WASHINGTON,] June 21, 1945.

Participants: Mr. Shvetzoff—Czechoslovakian Desk, FEA [3]
LP [4]—Mr. Fetter

I called Mr. Shvetzoff to ask what recent developments had occurred in this field. He informed me that a meeting had been held on June 12

[2] Telegram 442, December 5 to Prague, transmitted the following for inclusion as paragraph 12 in the proposed interim arrangement:

"12. Pending the entry into force of a new trade agreement between the two Parties the numbered paragraphs I, V, VI, VII and X of the agreement in respect of exposed motion picture films effected by exchange of notes on May 18, 1938 shall be suspended. Upon the entry into force of such a trade agreement the entire agreement of May 18, 1938, if it is not terminated or modified by such trade agreement shall again become operative." (660F.0031/12–545)

[3] Foreign Economic Administration.

[4] Division of Lend-Lease and Surplus Property Affairs.

in Mr. Crowley's[5] office attended by Ambassador Steinhardt[6] and Mr. Underwood (LA)[7] and Mr. Williamson (CE)[8] of the Department. (No representative of LP was at this meeting, nor was LP informed of the meeting in advance). In the meeting Mr. Crowley stated that it would be very difficult to justify lend-lease for Czechoslovakia, and he reported that the Joint Chiefs of Staff in response to an inquiry from FEA had indicated that in their view there was no military basis for lend-lease to Czechoslovakia. Mr. Crowley said that he would back an Export-Import Bank loan, and there was some discussion as to whether Czechoslovakia was eligible for such a loan under existing law. The Office of the General Counsel of FEA thought that it was eligible but was checking with the Export-Import Bank. Ambassador Steinhardt was reported as agreeing with the view that lend-lease to Czechoslovakia should be dropped.[9]

860F.51/9–145

The Czechoslovak Ambassador (Hurban) to the Secretary of State

WASHINGTON, September 1, 1945.

EXCELLENCY: I have the honor to inform Your Excellency that the Czechoslovak Government is preparing an extensive program of purchases in the United States of various raw materials, equipment and other products essential for the reconstruction and development of Czechoslovak industries which have heavily suffered during the period of occupation of the country by enemy armed forces and have also been partly damaged by military action during the war.

Not having sufficient resources at its disposal to finance these purchases, the Czechoslovak Government is seeking the assistance of the United States Government by applying for a loan covering the amount of these purchases in the United States.

The Czechoslovak Ambassador, acting upon instructions of his Government requests, therefore, herewith Your Excellency to inform the

[5] Leo T. Crowley, Foreign Economic Administrator.
[6] Laurence A. Steinhardt, Ambassador-designate to Czechoslovakia.
[7] Pierson Underwood of the War Areas Economic Division (LA).
[8] Francis T. Williamson of the Division of Central European Affairs.
[9] Telegram 148, August 21, to Prague advised that a letter had been sent by the Foreign Economic Administrator to the Czechoslovak Ambassador, informing the Czechoslovak Government that in view of the termination of hostilities the FEA was taking appropriate steps to discontinue lend-lease aid to foreign governments in an expeditious manner and desired to enter into negotiations with the Czechoslovak Government regarding the terms and conditions of payment for existing lend-lease supplies in inventory (103.9169). An agreement between the United States and Czechoslovakia on settlement for lend-lease and certain claims was concluded on September 18, 1948. For text of the agreement, see Department of State, Treaties and Other International Acts Series No. 1818.

Administrator of the Foreign Economic Administration who is acting as Chairman of the Export-Import Bank of Washington that the Czechoslovak Government will submit to the Export-Import Bank a program for purchases, in the United States, amounting up to three hundred million United States dollars /$300,000,000.00/ and that the Czechoslovak Government will appreciate that pending the submittal of such detailed program of requirements, the aforementioned amount of $300,000,000.00 be set aside, by the Export-Import Bank from the capital at its disposal for lending purposes as loan to the Czechoslovak Government for its program of reconstruction purchases.[10]

The detailed program of requirements will be submitted as soon as the necessary investigation concerning the needs of the various branches of Czechoslovak industry will be terminated.

The Czechoslovak Ambassador holds himself at the disposal of the management of the Export-Import Bank of Washington for discussion of the conditions under which this loan may be granted to the Czechoslovak Government.

Accept [etc.] V. S. HURBAN

860F.51/9-545 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, September 5, 1945—5 p. m.
[Received 9:35 p. m.]

314. The Dept may wish to consider desirability of suggesting to Export-Import Bank that while there is no reason negotiations should not be carried on with Czech authorities for loan, a definite commitment by bank might well be deferred until Czech nationalization program[11] has been officially announced, in view of possibility that program may affect American interests in Czechoslovakia.[12]

STEINHARDT

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[10] In his note of September 17 to the Czechoslovak Ambassador, the Acting Secretary of State stated that he was informing the Foreign Economic Administrator of the desire of the Czechoslovak Government for a loan of $300 million from the Export-Import Bank (860F.51/9-145).

[11] For a report of the Ambassador in Czechoslovakia's conversation in July with Czechoslovak Prime Minister Zdenek Fierlinger regarding the nationalization plans of the Czechoslovak Government, see telegram 102, July 23, 10 p. m. from Prague, p. 478.

[12] Telegram 218, September 12, 1 p. m. to Prague, stated that the Department had suggested to Eximbank to defer definite loan commitment pending clarification of Czech nationalization program (860F.51/9-545).

860F.24/10–345 : Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, October 3, 1945—11 a. m.

278. From FEA. Eximbank had made firm offer to Czechs to finance one year's supply American cotton. This quantity estimated as up to 100,000 metric tons (over and above UNRRA supplies) which if all used will amount to about 44 million dollars and produce 700 million yards cloth. Interest 2½ per cent, repayment 15 months after delivery and acceptance of cotton in Zecho.[13] Czechs may requisition cotton as needed up to total amount but will be obligated only for quantity actually received and accepted. Eximbank requires guarantee by Zecho National Bank or other appropriate fiscal agency. Zecho mills will initiate purchase directly with U.S. shippers. After receipt and acceptance of cotton in Zecho, Eximbank will take over entire loan. Similar offer being made simultaneously to other cotton-consuming countries. Bank ready to act within 10 days. Speed in accepting offer therefore urgently desirable.

Dept suggesting that cotton be shipped from west either by Bremen or Hamburg or via Leghorn to Pilsen. It is hoped U.S. Army authorities in Zecho may assist in distribution to mills in western textile area.

Eximbank indicates similar arrangements, possibly on smaller scale, may be worked out for other commodities. Bank also states present offer will have no effect on application for larger long-term loan, for which final negotiations still pending.

This cable for your info only since Zecho Embassy Washington cabling Zecho FonOff in detail.

ACHESON

860F.51/10–445

Memorandum of Conversation, by Mr. Francis T. Williamson of the Division of Central European Affairs

[WASHINGTON,] October 4, 1945.

Dr. Červenka [14] called the attention of this division to a press release issued by the Overseas News Agency on September 26, 1945 which stated that action by the Export-Import Bank on the Czechoslovak application for a loan had been suspended on the advice of Ambassador Steinhardt until the Czechoslovak nationalization program was clarified. Dr. Červenka asked for an official explanation.

[13] Czechoslovakia.

[14] Karel Červenka, Counselor of the Czechoslovak Embassy.

I replied that I had not seen the Overseas News Agency release but told Dr. Červenka that it was my understanding that the negotiations for an Export-Import Bank loan were proceeding. I further added that the Department of State could not censor the items which appeared in the American press.

(It will be noted that the press release of the Overseas News Agency of September 26 gave the substance of the interchange of views contained in Ambassador Steinhardt's telegram 314 September 5 and the Department's reply no. 218 of September 12.[15])

860F.24/10-445 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, October 4, 1945—midnight.
[Received October 5—8 a. m.]

442. Your 278, October 3. The Department may wish to consider the advisability of suggesting to Exim Bank that as a condition of financing one year's supply of American cotton which may amount to as much as $44,000,000 the Czechoslovakian Government obtain a written assurance from the Soviet Government that no part of the cotton or the products derived therefrom will be requisitioned or seized by Soviet military forces in Czechoslovakia.

I am reasonably certain that the Czechoslovakian Government would welcome such a condition as it would hesitate to seek such an assurance from the Soviet Government unless obliged to do so as a condition of the loan although increasingly irritated at the extent of Soviet seizures.

STEINHARDT

860F.24/10-545 : Telegram

The Acting Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, October 5, 1945—8 p. m.

291. From FEA and State. For your info in discussions with Czechs here on Eximbank cotton financing Deptel 278, Oct 3, Dept indicated its concern over treatment of American property in Czechoslovakia and trend of events there and that financial assistance beyond the present credit might not be very extensive unless Czechoslovakia was prepared after reasonable transition period to avoid discrimination in trade and investment and to accord American nationals as

[15] See footnote 12, p. 551.

favorable treatment as that accorded nationals of any other country and that Czechoslovakia should refrain from use of exchange control as an instrument of discriminatory commercial policy. [FEA and State.]

ACHESON

860F.24/10–445 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, October 12, 1945—10 a. m.

300. Urtel 442, October 4. Dept not in favor proposed procedure, namely suggesting that Zecho Government ask Russians to give assurance they will refrain from seizures in any event unlawful. Dept view is as follows:

1. We should not attach conditions at this time to loan already proposed by firm offer of Eximbank.
2. Subject, if discussed with Russians, should be brought up by US Government directly with Soviets rather than through Zecho Government.
3. It is present intention of Dept when and if loan actually granted and accepted by Zecho Government to inform Soviets such loan being made for express purpose reconstruction and rehabilitation of Zecho and that US expects that cotton or resulting textiles provided under loan will not be requisitioned for Soviet army needs. In event loans to Soviets at that time under consideration such actions on their part would naturally have unfavorable effect.

For your info, Dept considering giving immediate publicity to offer of cotton credit.

BYRNES

860F.24/10–3145 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, October 31, 1945—6 p. m.

348. Commercial Counselor of Czechoslovak Embassy called at Dept to inquire, on instructions from his Govt, which countries had been granted credits by US, also which had applied for credits and amounts. He reported Czecho statement of requirements would soon be completed. He asked if Dept would request Embassy to point out to Czech Govt urgency of proposed cotton credit. He was told that this was an internal matter. Urtel 442, Oct 4 and Deptel 300, Oct 12 regarding Czech Govt requesting Russian assurances not to seize cotton or textiles produced therefrom, Dept suggested to him

that Czecho might wish to inform Russians regarding cotton credit and that US was granting credit for benefit of Czecho and expected that cotton would not be seized. When credit is actually granted, Dept intends to inform Russians explaining to them purpose for reconstruction and rehabilitation of Czecho.

BYRNES

860F.00/10-3145 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

[Extract] [16]

PRAHA, October 31, 1945—midnight.
[Received November 2—8:30 p. m.]

509.

. . . . . .

7. On the subject of nationalization, Beneš [17] remarked that the decrees were much more sweeping than he had desired. He said he had done everything within his power to restrict their scope but had been unable to restrain the radicals without precipitating an open break which he was unwilling to risk at this time. He anticipates that there will have to be considerable modification of the program of nationalization as it is put into effect and apparently derives considerable satisfaction from the fact that the radicals are now on the defensive. He said there would undoubtedly be severe criticism in the Assembly [18] and seems to feel that the debates which he anticipates in the Assembly and the press will operate to restrain the radicals from further excesses. I judge from the general nature of his remarks that he feels a major concession had to be made to the radicals to avoid communism and that state socialism with the modifications time will bring is perhaps the best method of meeting the threat of communism. When I pointed out that the cost of acquiring the nationalized foreign interests would be very great at the time he was trying to reorganize the state's finances, he said he recognizes this factor but hoped that between the expropriation of German properties, reparations and the reorganization of state finances in view of the state's small external indebtedness, it would be possible to compensate the foreign interests without incurring too severe a burden.

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[16] For the remaining portions of this telegram, see pp. 503 and 939, and vol. II, p. 1304.

[17] Eduard Beneš, President of Czechoslovakia. In telegram 473, October 25, the Ambassador in Czechoslovakia reported that President Beneš on October 24 signed four decrees dealing with the nationalization of mines and other key industries, food industries, joint stock banks, and private insurance companies (860F.5034/10-2545).

[18] The Czechoslovak Provisional National Assembly opened on October 28.

He added that he had made it clear to the radicals that the nationalized enterprises must be managed by experts, operated according to approved business methods and must yield a profit, failing which they must expect many of the enterprises to revert to private ownership.

. . . . . .

STEINHARDT

860F.51/11-545 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, November 5, 1945—5 p. m.
[Received November 6—7 : 35 a. m.]

529. The Deputy Chief of the Economic Section of the Ministry of Foreign Affairs has informed the Embassy in the strictest confidence that the Zecho authorities intend to avail themselves of not more than 20 million dollars of the proposed Export-Import Bank cotton credit as arrangements have been made with the Soviet Govt to procure the balance of their cotton requirements from the Soviet Union.

STEINHARDT

860F.51/12-1145 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, December 11, 1945—8 p. m.

461. Dept has agreed to support immediate small Eximbank credit to Czechoslovakia, perhaps $25 to $35 million apart from cotton credit. Commercial Counselor of Czechoslovak Embassy has been informed of this. He reports that a delegation headed by Mr. Masaryk [19] will soon visit Washington to negotiate loan. Dept would appreciate any comments you may have.

BYRNES

860F.51/12-1445 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, December 14, 1945—12 p. m.
[Received December 16—5 : 52 p. m.]

735. I regard it as desirable that a small credit, not to exceed $35,000,000, apart from the cotton credit, be extended to Czecho as

[19] Jan Masaryk, Czechoslovak Minister for Foreign Affairs.

soon as possible particularly as the Czecho Govt has not been able to collect approximately $6,000,000 for purchases and requisitions by US Army in Czecho and for coal delivered by Czecho to the US Forces of Occupation in Germany. There are minor financial operations the Czecho Govt desires to undertake immediately which require modest dollar balances and which are in the interest of a return to normal conditions of trade and finance such as the refunding of the less than 2,000,000 principal amount Czecho state 8 percent bonds held in US. There is also the element that the US Army in Germany has recently declined barter transactions and now requires payment in dollars for raw materials originating in Germany essential to the resumption of important Czecho industries, the products of which, such as window glass, repairs to locomotives and freight car, building material, etc., are important to European recovery.

Insofar as I have been able to ascertain Masaryk has been anxious to proceed to US to negotiate a loan. I assume therefore that it would be entirely agreeable to him to proceed to Washington from London as soon as his duties at the UNO [20] meeting permit and I accordingly suggest that the Dept may wish to communicate with him through our Embassy in London.

STEINHARDT

AGREEMENT BETWEEN THE UNITED STATES AND CZECHOSLOVAKIA REGARDING AIR TRANSPORT COMMAND FACILITIES IN CZECHOSLOVAKIA

[An agreement regarding the operations of the United States Air Transport Command in Czechoslovakia was entered into by an exchange of notes between the American Embassy in Prague and the Czechoslovak Ministry for Foreign Affairs, dated October 25 and December 6 and 11, 1945 (811.248/1-546). Prior to this agreement, operations had been carried on by informal agreement.]

[20] United Nations Organization.

DENMARK

PROPOSED TRIPARTITE STATEMENT BY THE UNITED STATES, THE UNITED KINGDOM, AND THE SOVIET UNION RECOGNIZING DENMARK AS AN ALLY; RECOGNITION BY THE UNITED STATES OF THE DANISH GOVERNMENT; CONCLUSION OF A CIVIL AFFAIRS AGREEMENT WITH DENMARK

859.01/1-1545

The Danish Minister (Kauffmann) to the Secretary of State

WASHINGTON, January 15, 1945.

SIR: Through confidential channels I have received yesterday the following secret message from Copenhagen with the request to transmit it to the Government of the United States of America:

"The Danish Freedom Council [1] and leaders of the country's four largest political parties herewith request the Governments of Great Britain, United States and Soviet Union to recognise Denmark as an ally of the fighting nations. We base this appeal, which is made in association with statement previously set forth by His Majesty King Christian X, on the clear desire of the entire Danish Nation, on the contribution which Denmark has already rendered in the form of sabotage and on resistance which is planned and will be put into effect the moment the Allies consider it appropriate. To the Danish people recognition as an ally will come as an encouragement and a further strengthening for decisive struggle. We stress the fact that this appeal is put forward in unity and that we likewise unite in our will to maintain solidarity of the Danish people after the war by formation of the country's first free Government and formulation of its fundamental programme in mutual agreement."

Signed: [2]
Danish Council of Freedom,
Social Democratic Party,
Conservative Peoples Party,
"Radical Left" Party (Liberal Party)
"Left" Party (Farmers Party).

Please accept [etc.] HENRIK KAUFFMANN

[1] Organized in August 1943 and containing representatives of all groups actively opposing German rule, the Danish Freedom Council formulated a unified policy and methodical program of resistance against the Germans.

[2] A cover sheet for the Danish Minister's note reads as follows: "The original document is signed by Denmark's Freedom Council and the Political Parties, the leaders of which have signed as follows:
For Social Democratic Party, Vilhelm Buhl;
For Conservative Peoples Party, Ole Bjoern Kraft;
For 'Radical Left' (Liberal) Party, Joergen Joergensen;
For 'Left' (Farmers) Party, Knud Christensen.
These names must be kept *absolutely confidential.*"

859.01/1-1545

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, January 17, 1945—11 p. m.

397. The Danish Minister has just transmitted to the Department the following secret message from Copenhagen regarding the desire of the Freedom Council and leaders of the Social Democratic, Conservative, Liberal and Farmers parties that the American, British and Soviet Governments recognize Denmark as an ally:

[Here follows text of the message from the Danish Freedom Council and the Political Parties contained in the Danish Minister's note of January 17, *supra*.]

While the Department considers that, by virtue of their actions since the invasion of Denmark,[3] the Danes are deserving of some form of recognition and further that such recognition would have a salutary effect on Danish morale and will to resist, it feels that at this time a public statement by the American, British and Soviet Governments acknowledging Denmark as an ally might lead to retaliation by the Germans affecting the personal safety of King Christian and of other members of the Royal Family. In view of his position as the symbol of Danish resistance, and the need for his presence as a unifying influence in the liberation period, the Department feels that no action should be taken by us which might endanger the well being of the King. Accordingly, the Department suggests that instead of a public statement of recognition, the American and British Foreign Ministers[4] transmit through secret channels to the Freedom Council and the political party leaders a message informing them of the receipt of their communication and explaining why it is not considered to be desirable to issue a statement recognizing Denmark as an ally. The message might also assure the Freedom Council of our appreciation of the contribution to the common cause being made by the Danish resistance movement. In this connection reference might be made to recent statements by American and British officials acknowledging this aid, such as Mr. Hull's statement on July 12[5] and Mr. Churchill's message of January 1.[6]

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[3] For documentation regarding the invasion of Denmark by Germany in April 1940, see *Foreign Relations*, 1940, vol. I, pp. 136 ff.

[4] The British Secretary of State for Foreign Affairs, Anthony Eden.

[5] For statement by the Secretary of State on July 12, 1944, regarding the opposition in Denmark to German rule, see Department of State *Bulletin*, July 16, 1944, p. 60. For documentation regarding the discussions concerning a proposed joint statement by the United States, United Kingdom, and the Soviet Union as to the support of the United Nations by the Danish people, see *Foreign Relations*, 1944, vol. III, pp. 524 ff.

[6] For text of British Prime Minister Winston Churchill's New Year's Day Message to the Danish Resistance Groups, January 1, 1945, see *The War Speeches of The Rt Hon Winston S. Churchill*, compiled by Charles Eade (Cassell & Company, London, 1952), vol. III, p. 338.

It might, of course, be helpful if the Soviet Foreign Minister[7] could also subscribe to the proposed message. However, in the light of recent indications of the Soviet attitude toward Denmark, they might not be willing to participate. We would welcome the views of the Foreign Office on this point as well as on our general reaction to the message from the Freedom Council and the political party leaders.

Repeated to Moscow for its information only as Department's 112.

STETTINIUS

859.01/1–2545 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, February 1, 1945—1 p. m.

201. Under instruction the British Embassy here has delivered an *aide-mémoire*[8] regarding the proposed Tripartite statement on Denmark (Department's 112, January 17[9]). A copy of the communication has been transmitted to our Embassy at London. After summarizing the Department's views on the proposal as conveyed by the London Embassy to the Foreign Office, the *aide-mémoire* points out:

1. The statement would not necessarily lead to German retaliation against King Christian, and suggests that the King may have been consulted prior to the transmission of the message by the Freedom Council and the political party leaders.
2. Failure of the three Governments to reply to the message would have a discouraging effect on Danish resistance movement and would tend to disrupt cooperation between political party leaders and the Freedom Council.
3. Recognition of the Danes as Allies would further cooperation between the Danes and SHAEF in the liberation period.
4. No legal objection exists to recognition of the Danes as Allies.

The *aide-mémoire* then gives the text of a proposed British note to the Soviet Government urging it to join the British and American Governments in recognizing the Danes.

Assuming that the Danish message has been or is about to be delivered to Madame Kollontay[10] by Doessing,[11] who is presently in Stockholm, the Department is still of the opinion that it would be inadvisable to issue a Tripartite statement at this time not only because of possible German retaliation but also for the reasons mentioned in

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[7] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

[8] Not printed.

[9] Same as telegram 397, January 17, to London, *supra*.

[10] Madame Alexandra Mikhailovna Kollontay, Soviet Minister in Sweden.

[11] Thomas Doessing, observer in Moscow for the Danish Freedom Council.

London's 731, January 20,[12] repeated to you as Department's 150, January 24. Furthermore, to press for Soviet adherence to such a statement as is proposed by the British might prejudice future Soviet-Danish relations since the Soviet authorities would probably decline in view of their apparent ignorance of the cooperation between the Freedom Council and the political party leaders whom they view as reactionaries and collaborationists (see *War and Working Class* article, November 15 issue). In this connection you will recall that the Soviet Government thrice rejected last spring a previous British proposal for a Tripartite statement on Denmark (Department's 1448, June 8, 2 p. m.[12]).

As an early reply to the Danish request is considered to be highly desirable, the Department intends to transmit through its own channels a secret message to the Freedom Council and the political party leaders acknowledging their communication and expressing the admiration of the American people for the contributions being made by the Danes in the common cause. Before doing so, the text will be sent to you and to London for transmission to the Soviet and British authorities for their information.

By following this procedure we would avoid the risk of forcing the Soviets to take a probable negative stand on the Danish message and at the same time leave the door open for further negotiation on this subject at a time when the atmosphere appears to be more propitious for Soviet participation in a Tripartite statement. In this connection it is understood that Erling Foss, one of the Danish activist leaders, will probably proceed to Moscow in the near future in an endeavor to convey to the Soviet authorities a true picture of the Danish resistance movement.

GREW

859.01/1–2545 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, February 1, 1945—1 p. m.

774. For your confidential information the Department is not particularly impressed by the arguments put forth by the Foreign Office in favor of a Tripartite statement on Denmark and remains of the opinion that the reasons given against such action at the present time, which it is pleased to note are shared by you (your 768, January 22, 7 p. m.[12]), outweigh possible favorable results. Nevertheless, at a later date we might be willing to join in a statement, particularly should it appear likely that the Soviets would also subscribe to it.

[12] Not printed.

Such, however, may probably not be the case as has been indicated by their thrice rejecting a previous British proposal for Tripartite declaration on Denmark (your 4725, June 13, 7 p. m.[14]), the *War and Working Class* article summarized in your 10742, December 5,[15] and recent statements made by Doessing, the Danish observer at Moscow.

The Department accordingly feels that it would be unwise for the British to press for an early Soviet reply to the message from the Freedom Council and political party leaders as proposed in a recent *aide-mémoire* to the Department (your 954, January 27, 4 p. m.[16]). Such action might conceivably result in the Soviet authorities taking a stand on the Freedom Council-political party leaders' issue which would prejudice future Danish-Soviet relations and possibly lead to a split in the present united front of the Danish resistance movement. In our opinion, it would be preferable to allow the Soviets to take their time in determining what action, if any, they will take on the request of the Freedom Council and the political party leaders for a Tripartite statement on Denmark. In this connection the Department understands that Erling Foss, the Danish resistance leader, is planning to visit Moscow in the near future in an endeavor to convey to the Soviet authorities a true picture of the Danish resistance movement.

Since an early reply to the Danish message is considered highly desirable, the Department intends to forward through our own channels a reply to the communication. This will be forwarded to you shortly, and before delivery, for transmission to the Foreign Office. At the same time the Embassy at Moscow will be requested to deliver a copy to the Soviet Foreign Office. By following this procedure we would avoid the risk of forcing the Soviets to take a probable negative stand on the Danish message and, at the same time, leave the door open for further negotiation on the subject at a time when the atmosphere appears to be more propitious for Soviet participation in a Tripartite statement.

GREW

859.01/2-245 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, February 2, 1945—10 p. m.

216. Department's 201, February 1, 1 p. m. You are requested to inform the Foreign Office that we understand that it has received a

[14] *Foreign Relations*, 1944, vol. III, p. 545.

[15] Not printed.

[16] Not printed (859.01/1-2745); the Ambassador reported having received from the British Foreign Office copies of the telegram to the British Embassy in Washington and the proposed communication to the Soviet Government which were attached to the British Embassy's *aide-mémoire* of January 25 to the Department; see telegram 201, p. 560.

copy of a message addressed to the Soviet, British and American Governments by the Danish Freedom Council and the leaders of the four principal political parties requesting them to make a public statement recognizing the Danes as Allies. You should then furnish the Foreign Office, for its information, with a copy of the following secret message which this Government proposes to send to the Freedom Council and the political party leaders within the next several days. You should add that a copy of our proposed message is also being transmitted to the British Foreign Office.[17]

"As is indicated in Mr. Hull's statement of July 12, 1944,[18] the American people have long considered the people of Denmark as Allies in the struggle against the forces of aggression. The events of August 29, 1943 and the occurrences which have taken place since that date have further strengthened them in this belief. The unity of the Danes, both at home and abroad in their opposition to the Nazis and the contributions being made by them in the common cause through sabotage and other forms of resistance evoke the admiration of the people of the United States.

In order to spare the Danish people and their leaders from possible retaliation at the hands of the Germans, it might not be advisable to issue at this time a public statement recognizing Denmark as an Ally in fact as well as in spirit as is suggested in the message received from the Freedom Council and leaders of the four principal political parties. This matter is being carefully considered by the American Government. Irrespective of the decision reached, it is desired by this Government that the Freedom Council and the leaders of the political parties should be aware of the esteem and admiration in which the Danish people are held by the people of the United States."

Should your British colleague [19] already have delivered to the Soviet authorities a message urging them to join in a declaration on Denmark, you should observe that this represents an independent action on the part of the British authorities.

GREW

859.01/1-2745 : Telegram

The Acting Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, February 5, 1945—11 p. m.

212. It is desired by the Department that the following secret message be delivered to Erling Foss and Ebbe Munck [20] with the request that they transmit it through their own channels to the Freedom

[17] Sent in telegram 824, February 2, 11 p. m., to London, not printed.

[18] Department of State *Bulletin*, July 16, 1944, p. 60.

[19] Sir Archibald Clark Kerr, British Ambassador in the Soviet Union.

[20] Hans Ebbe Munck, Danish newspaper correspondent who served as a representative of the Danish Freedom Council and a liaison between the Danish resistance movement and the Allied Governments.

Council and political party leaders (Department's 202 February 5, 1 p. m.[21]). Delivery should be delayed until February 15 in order to give the British and Soviet Governments time to furnish us with such comments, if any, they may care to make. No comment should, of course, be made to Foss and Munck on our views concerning probable Soviet reaction at this time to the request for a tripartite statement.

[Here follows text of the proposed secret message to the Danish Freedom Council and party leaders as contained in telegram 216, February 2, 1945, 10 p. m. to the Ambassador in the Soviet Union, *supra.*]

Since the Department understands that the second paragraph of Mr. Hull's statement of July 12 beginning "There is no Danish Government" was not published in *Frit Danmark*[22] and therefore may not be available to either Foss or Munck, you are requested to furnish them with the full text of this statement as contained in radio bulletin no. 167, dated July 12, 1944.

GREW

740.0011E.W./2-1245 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, February 12, 1945—2 p. m.
[Received February 12—noon.]

1493. We have received a letter from Warner, head of the Northern Department of the Foreign Office, reporting a talk he had had with Cumming[23] in which he explained the British position regarding the Danish appeal to be recognized as Allies and which, according to Warner, Cumming agreed should be telegraphed to the Department.

In response to Cumming's explanation that the Department was nervous of the German reaction in Denmark to a public declaration and felt uncertain as to whether or not an approach to the Soviet Government on the subject might do harm in some way, Warner explained that the Foreign Office did not think it necessary or good tactics vis-à-vis either the Russians or the Danes to show more anxiety about possible retaliation on the Danes than the Danish authors of the appeal to the Allies appeared to feel. It was also explained that the British regarded as the most important point in the matter the possible opportunity offered by the appeal of securing recognition by Russia of the fact that the combination of political leaders and the Freedom Council, by whom the appeal was addressed to the Allies, represented

[21] Not printed.
[22] Newspaper of the Danish underground resistance.
[23] Hugh S. Cumming, Jr., Chief of the Division of Northern European Affairs.

authoritative opinion in Denmark. The Foreign Office thinks that the Russians may not find it altogether convenient to be unresponsive to such an appeal sponsored by the Freedom Council and on the other hand the British think that such a response would be a most useful corrective of the present unfortunate tendency of the Russians to regard only the Freedom Council as worthy of support and to view the King and the political leaders as something approaching collaborationists. The Foreign Office feels that a Russian response to this present appeal would be a useful step towards the resumption of Soviet-Danish relations. For the above reasons the Foreign Office still thinks it would be useful for the British and American Governments to approach the Soviet Government and urge it to join in some form of tripartite joint, or parallel, reply to the appeal of the Danish leaders.

Warner states that he and Cumming discussed the American reply to the Danes (as given in the Department's 824, February 2, 11 p. m.[24]) and that he pointed out that since the text of this reply had been communicated to the Soviet Government the American Government would no doubt wish to send such a reply but that the British had better not do so unless it was finally decided not to make an approach to the Russians. The British feel that otherwise the Soviet Government would certainly take it amiss that the American and British Governments had replied to the Danes before communicating to it their views. According to Warner, Cumming and he considered, however, that the American message could be looked on as being in the nature of an interim acknowledgment.

The Foreign Office realizes that it would be difficult for the American Government now to urge upon the Soviet Government that it should join in a public declaration inasmuch as the Soviet Government will have noted from the American reply to the Danes that the American Government is nervous as to the effects of a public statement.

Warner states that he therefore asked Cumming whether or not it would be possible for the American Government, if it was convinced by the British reasoning, to join the British in urging the Russians to take part in a responsive message of some kind to the Danes which should not be published.

According to Warner, Cumming thought it would be worthwhile for the Embassy to put this question to the Department.

Warner concludes by stating that the British realize that the chances of persuading the Russians are not very good but that for the reasons explained above it would be a great pity not to try to persuade the Russians to show a certain measure of approval of the political leaders

[24] Not printed.

in Denmark by joining United States in a favorable response to this message.

Repeated to Stockholm for Cumming as Embassy's 918.

WINANT

859.01/2–1945 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, February 19, 1945—7 p. m.
[Received 7:51 p. m.]

623. From Cumming.[25] Department's 268, February 14.[26] I regret that due to time consumed in connection with ATC[27] matters I have not been able until today to discuss the Danish question with the Legation. For this reason proposed acknowledgment has not yet been delivered to Foss. I entirely agree, unless Department is in possession of fresh information not available to me, Warner has not furnished any reasons sufficiently compelling to warrant change in our view that present is inopportune time to join in a public tripartite statement.

I suggest that unless Soviet comment has already been received our Embassy at Moscow might be urgently instructed to ask Soviet Foreign Office whether it cares to make any comments on our proposed secret acknowledgment to Freedom Council and to say that the United States Government feels that its acknowledgment should be delivered very promptly. Should it appear to Department and Ambassador Harriman not to be unwise, Moscow Embassy might also intimate (rather than press as suggested by Warner) that Soviet Government might wish to send parallel acknowledgment to Danish Freedom Council leaving question of public tripartite statement open for further consideration at more opportune time.

JOHNSON

859.01/2–2145 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, February 21, 1945—8 p. m.
[Received 8:49 p. m.]

658. [To London:] Without knowing what instructions Department may send you[28] relative to Legation's 623, February 19, 7 p. m.

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[25] Mr. Cumming was in Stockholm taking part in the negotiations which led to the conclusion of a military air transport agreement between the United States and Sweden on March 12, 1945. For documentation regarding these negotiations, see vol. v, pp. 747 ff.

[26] Not printed.

[27] Air Transport Command.

[28] The Ambassador in the United Kingdom (Winant).

to Washington (sent to London as 328, February 21, 8 p. m. and to Moscow as 11, February 21, 8 p. m.), Legation sends following information at request of Erling Foss of Danish Freedom Council:

Doessing advises against your making further suggestions at this time that Soviets make comments on American acknowledgment of message from Danish Freedom Council and resisting politicians or make a parallel Russian acknowledgment. Doessing's Stockholm trip was as Russians know for purpose of bringing back to Moscow fresh information regarding Danish internal situation. Doessing will soon return to Moscow and he expects his comments on Danish political developments will serve to influence Russians toward taking favorable views of Danish message. Foss believes Russians will not care to take a stand until Doessing has returned. Danes here would deplore Russian action now which might well be less favorable than that which Doessing hopes to obtain.

My 658, February 21, 8 p. m. to Department and 329, February 21, 8 p. m. to London repeat this.

JOHNSON

859.01/2–2145 : Telegram

The Acting Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, February 23, 1945—8 p. m.

341. In view of the information contained in your 658, February 21, 8 p. m., Ambassador Harriman is not being requested to approach the Soviet authorities at this time regarding the message from the Freedom Council and political party leaders. Department feels that this decision should not, however, occasion a further delay in the delivery of our acknowledgment to the Council and the party leaders. You are therefore requested to transmit it to Foss and Munck at your earliest convenience.

GREW

850.01/2–2645 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, February 26, 1945—10 p. m.
[Received 10:32 p. m.]

739. Reference Department's 341 February 23, 8 p. m. Delivery of secret acknowledgment contained in Department's 212 February 5, 11 p. m. was made to Erling Foss and Ebbe Munck on February 24.

Legation assumed Department will inform British and Soviet authorities of such action deemed desirable.

Foss appeared pleased with the acknowledgment and stated that it would be possible to forward it to the Freedom Council and political party leaders very soon.

In conversation just prior to the delivery of the acknowledgment Christmas Moeller [29] showed that he felt rather strongly that it should be shown Kruse [30] (who he said had seen the appeal from Denmark) and gave the impression that he hoped that it might be transmitted through Kruse. It was explained to him that in the view of officers of the Legation if the American Government had intended to transmit the acknowledgment through a Danish Minister abroad, it would have been done through Minister Kauffmann in Washington; however, it seemed preferable to send it through secret channels similar to those through [which] the original appeal was sent to the American Government. It was added that once the message had been placed in Danish hands its use would be determined by them but that he must understand that the American Government could accept no responsibility for the consequences of wide dissemination which might result in publicity.

It was suggested to Moeller that he leave it up to same circles who had informed Kruse of message to inform him—or not—of acknowledgment. In Legation's opinion this channel may well have been Moeller himself. As Department is aware, Kruse is not taken very much into confidence of Foss and Munck.

When the message was delivered to Foss it was suggested to him that as a matter of courtesy he might wish to show it to Moeller, to which Foss agreed. We have it as his opinion that the message would be very carefully handled in Denmark to avoid undue publicity.

JOHNSON

859.01/3-2445

Mr. Samuel Reber, on the Staff of the Political Adviser, Supreme Headquarters, Allied Expeditionary Force, to the Assistant Secretary of State (Dunn) [31]

24 MARCH, 1945.[32]

DEAR JIMMY: General Dewing, Head of the SHAEF Mission to Denmark, now in London, addressed a communication on February 20

[29] Chairman of the Free Danish Movement in London; subsequently Danish Foreign Minister.

[30] J. C. W. Kruse, Danish Minister to Sweden.

[31] Mr. Reber was political officer for France and other liberated countries.

[32] It is not indicated from where this letter was written. SHAEF Rear at this time was in London and SHAEF Main at Versailles.

to Mr. Buhl, leader of the Danish Freedom Council, sending him a memorandum [33] relating to lessons learned in the reorganization of French and Belgian resistance, and informing him that the Supreme Commander's [34] policy in general is to facilitate the early disbandment of resistance personnel after completion of their operational duties, and that the responsibility for the policy governing reorganization and for its execution rests entirely in the hands of the Royal Danish Government. The communication also states further certain requirements concerning frontier guards, etc.

This communication was sent by General Dewing to Mr. Buhl through secret channels without prior consultation here at SHAEF, which, in fact, learned of it only after the letter had been sent, a copy of which was made available a few days ago for comment. I pointed out that while in general there would seem to be no objection to informing members of the Danish Resistance Movement of the requirements of the Supreme Commander, I was nevertheless of the opinion that an official communication of this nature addressed to an individual raised an important political issue since it was open to the interpretation that the individual in question had received some form of recognition from the Supreme Commander as head of the future Danish Government. I further pointed out that insofar as I was aware, no directive which would indicate that this was the policy of the United States and British Governments had been received from the Combined Chiefs of Staff or the Governments. It was my understanding that both governments had recognized as the appropriate channels for dealing with Danish matters the two ministers in Washington and London.

I have now received a further memorandum on the subject which raises certain political questions on which your guidance is requested as soon as possible. I enclose a copy of this memorandum [35] and would be grateful for an early expression of your views, as I am without any information in regard to the Danish problem. It may shortly become an urgent matter with the developing campaign.

All best wishes

Yours sincerely SAM REBER

[33] Not found in Department files.

[34] Gen. Dwight D. Eisenhower, Supreme Commander, Allied Expeditionary Force.

[35] Not printed; this memorandum of March 22 by Brig. Gen. Arthur S. Nevins, Chief of the Operations Section, G-3 (Operations) Division, SHAEF, proposed that the next SHAEF-approved communication to Mr. Buhl contain a statement to the effect that such communications pertain to military resistance only and imply no approval of his political position (859.01/3-2445).

734-362—68——37

859.01/5-545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 5, 1945—midnight.
[Received 10:42 p. m.]

2407. From Murphy.[36] SHAEF is anxious to initiate through the SHAEF mission to Denmark negotiations with the government set up by Buhl [37] regarding a civil affairs agreement. Understand the British Government intends to accord the Buhl government early recognition. Would appreciate urgently an indication of the Department's attitude toward the Buhl government. [Murphy.]

CAFFERY

859.01/5-545 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 7, 1945—7 p. m.

1916. For Murphy. Your 2407, May 5, midnight. The Department approves the proposal of SHAEF to initiate negotiations for Danish Civil Affairs agreement with the Buhl Government. Official confirmation of the composition of the Buhl Government as contained in press reports has not yet been received. Assuming them to be correct, however, you may inform SHAEF that we intend shortly to recognize the Danish Government by means of a request for Davis' [38] *agrément*.[39]

GREW

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123 Thomas, Sheldon : Telegram

The Acting Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, May 12, 1945—1 p. m.

872. Following instruction for Thomas at Copenhagen was sent to Murphy on May 9 for onward transmission through SHAEF.

"You are directed to seek an early interview with the Danish Minister for Foreign Affairs and deliver him a note requesting the *agrément* for The Honorable Monnett Bain Davis as Envoy Extraordinary and Minister Plenipotentiary near the Danish Government. The note should also mention the desire of this Government that you be recognized as Chargé d'Affaires ad interim pending the arrival of

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[36] Robert D. Murphy was United States Political Adviser for German Affairs at the Supreme Headquarters, Allied Expeditionary Force, at this time located at Versailles. Communication with the Department of State was handled through the American Embassy in Paris.

[37] A cabinet headed by Vilhelm Buhl took office on May 5.

[38] Monnett Bain Davis, Director of the Foreign Service of the United States.

[39] As Minister.

Mr. Davis. Department should be informed by telegraph as soon as *agrément* has been given." [40]

As your 1758 May 11 [41] indicates that Thomas has not yet received this instruction, please relay it on to him.

GREW

740.00119 Control (Denmark)/5–2145

The Chargé in Denmark (Thomas) to the Secretary of State

COPENHAGEN, May 21, 1945.
[Received May 30.]

SIR: I have the honor to transmit herewith a copy of the agreement regarding civil administration and jurisdiction in Danish territory negotiated between SHAEF Mission (Denmark) and the Danish Government. The agreement has been signed by General Dewing, head of SHAEF Mission and was approved on May 17 by the competent Danish ministries. The Foreign Minister is expected to sign the agreement on May 22.

It will be noted that the agreement differs somewhat from the draft which was drawn up many months ago, a copy of which is in the Department's files.[42] The differences in the original draft and the one now approved are principally those resulting from the circumstances under which Denmark was liberated. It will be recalled that the first draft contemplated the entrance of a task force to liberate Denmark and not a capitulation of the German forces with a peaceful entrance of a small contingent of British troops.

I have been informed by the Legal Department of the SHAEF Mission (Denmark) that several other agreements between SHAEF and the Danish Government are being drawn up to deal with such problems as censorship and communications. As the Department is aware, a number of other agreements are contemplated that are beyond the jurisdiction of the SHAEF Mission. I understand that these are to be negotiated on a governmental level. The latter category of agreements include a monetary agreement and a reciprocal aid agreement.

Respectfully yours, SHELDON THOMAS

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[40] *Agrément* for Mr. Davis was given on May 16, 1945.

[41] Not printed.

[42] A draft "Memorandum of Agreement Regarding Civil Administration and Jurisdiction in Danish Territory Liberated as a Result of Allied Military Operations", dated January 30, 1945, and approved by the SHAEF Mission to Denmark on February 5, 1945, was transmitted to the Department by Mr. Samuel Reber in his letter of April 6 to the Director of the Office of European Affairs, neither printed (859.00/4–645). Telegram 1517, April 17, 1945, to Paris for Reber briefly reviewed the work by the Combined Chiefs of Staff on a Danish Civil Affairs Agreement which had been laid aside in June 1944 (859.01/4–1745).

[Enclosure]

MEMORANDUM OF AGREEMENT REGARDING CIVIL ADMINISTRATION AND JURISDICTION IN DANISH TERRITORY LIBERATED AS A RESULT OF ALLIED MILITARY OPERATIONS [43]

Discussions which have taken place between the Danish and Allied representatives concerning arrangements to be made for civil administration and jurisdiction in Danish territory liberated as a result of Allied military operations under an Allied Commander-in-Chief have led to agreement upon the following broad conclusions.

The agreed arrangements set out below are intended to be essentially temporary and practical and are designed to facilitate as far as possible, the task of the Commander-in-Chief, and to further our common purpose, namely, the speedy return of normal orderly conditions in Denmark and the final victory of the Allies.

1. The Danish Government will be responsible for civil administration in all Danish Territory, subject to such special arrangements as may be required in areas of vital importance to the Allied Forces, such as ports, lines of communication, and airfields, and without prejudice to the enjoyment by the Allied Forces of such other facilities as may be necessary for the prosecution of the Supreme Commander's mission to its final conclusion.

2. Members of the Danish Armed Forces serving in the Danish units with the Allied Expeditionary Force in Danish territory shall come under the exclusive jurisdiction of Danish Courts. Other Danes, who, at the time of entering Denmark as members of the Allied Expeditionary Force, are serving in conditions which render them subject to Allied naval, military, or air force law, will not be regarded as members of the Danish armed forces for this purpose.

3. Without prejudice to the provisions of paragraph 10, Allied Service Courts and authorities will have exclusive jurisdiction over all members of the Allied Forces respectively, and over all persons of non-Danish nationality not belonging to such Forces, who are

[43] A memorandum by Harry H. Mitchell, Head of the Legal Section of the SHAEF Mission to Denmark, dated May 28, 1945, describes this agreement as follows:

"On 21 May 45 an agreement regarding Civil Administration and Jurisdiction with respect to Allied Forces in Denmark was signed by Maj. Gen. R. H. Dewing CB DSO MC, representing the Supreme Commander, and ratified for and on behalf of the Danish Government by Mr. Christmas Møller, the Danish Foreign Minister. This agreement has been called the 'Overall Agreement'. It has sometimes been referred to by Supreme Headquarters, Allied Expeditionary Force and by the British Foreign Office as the 'Civil Affairs Agreement'. It is expected that this agreement will remain in effect until Supreme Headquarters, Allied Expeditionary Force is inactivated." (740.00119 Control (Denmark)/5-3145).

SHAEF was inactivated July 14, 1945.

employed by, or who accompany these Forces, and are subject to Allied naval, military, or air force law.

4. Persons, thus subject to the exclusive jurisdiction of Allied Service Courts and authorities, may, however be arrested by the Danish police for offenses against Danish law and detained until they can be handed over for disposal to the appropriate Allied service authority. A certificate signed by an Allied Officer of field rank or its equivalent, that the person to whom it refers belongs to one of the classes mentioned in Paragraph 3, shall be conclusive. The procedure for handing over such persons is a matter for local arrangement.

5. The Supreme Commander, Allied Expeditionary Forces and the Danish authorities will take the necessary steps to provide machinery for such mutual assistance as may be required in making investigations, collecting evidence, and securing the attendance of witnesses in relation to cases triable, under Allied or Danish jurisdiction.

6. There shall be established by the respective Allies, claim commissions, to examine and dispose of claims for compensation for damage or injury preferred by Danish civilians against the Allied Forces exclusive of claims for damage or injury resulting from military operations, if any.

7. Members of the Allied Forces and organizations, and persons employed by or accompanying these forces, and all property belonging to them or the Allied Governments, shall be exempt from all Danish taxation (including customs), except as may be subsequently agreed between the Allied and Danish Governments. The Allied authorities will take the necessary steps to ensure that such property is not sold to the public of Denmark, except in agreement with the Danish Government.

8. The Supreme Commander, Allied Expeditionary Force shall have power to requisition billets and supplies, and make use of lands, buildings, transportation, and other services for the military needs of the forces under his command. Requisitions will be effected, where possible, through Danish authorities and in accordance with Danish law, and in accordance, with any Agreement between the Supreme Commander, Allied Expeditionary Force and the Danish Government.

9. The immunity from Danish jurisdiction and taxation resulting from paragraphs 3 and 7 will extend to such selected civilian officials and employees of the Allied Governments present in Denmark on duty in furtherance of the purposes of the Allied Expeditionary Force, as may from time to time be notified by the Supreme Commander to the Danish Government.

10. Should circumstances in future be such as to require provisions to be made for the exercise of jurisdiction in civil matters over non-

Danish members of the Allied Forces present in Denmark, the Allied Governments concerned and the Danish Government will consult together as to the measures to be adopted.

11. Other questions arising as a result of the liberation of Danish territory by an Allied Expeditionary Force (in particular questions relating to finance and currency) which are not dealt with in this agreement shall be regarded as remaining open and shall form the subject of further negotiation as circumstances may require.

For the Supreme Commander Allied Expeditionary Force

For the Royal Danish Government

Signed in duplicate at . . . . .

CONCURRENCE BY THE GOVERNMENT OF DENMARK IN THE AGREEMENT FOR THE DEFENSE OF GREENLAND OF APRIL 9, 1941;[44] NOTIFICATION TO DENMARK OF DEFENSE AREAS IN GREENLAND

859B.20/5-2545

The Danish Minister (Kauffmann) to the Acting Secretary of State

WASHINGTON, May 25, 1945.

SIR: I have the honor to refer to the note of May 10th[45] in which Mr. Carl Brun, Danish Charge d'Affaires a.i. notified you of a statement contained in the Royal message to the Danish Rigsdag to the effect that the Government in liberated Denmark concurred in the Agreement for the defense of Greenland concluded between Denmark and the United States on the 9th of April, 1941, and immediately would submit the necessary motion for this purpose to the Rigsdag.

The motion was brought before the Rigsdag at its first ordinary meeting on the 16th of May, and on the same day both Chambers unanimously gave their consent to the Agreement. This vote voiced the satisfaction of the Danish people that while the mother country was subjugated and under enemy control Greenland was able to play her part in the fight of the Atlantic on the side of the freedom-loving nations.

In virtue of the consent thus given by the Rigsdag, His Majesty the King of Denmark[46] in a Council of State held on the 23rd of May has formally approved the Greenland Agreement of April 9th, 1941.

I avail myself [etc.] HENRIK KAUFFMANN

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[44] For text of the agreement for the defense of Greenland concluded between Denmark and the United States April 9, 1941, see Department of State Executive Agreement Series No. 204, or 55 Stat. (pt. 2) 1245. For documentation regarding the agreement, see *Foreign Relations*, 1941, vol. II, pp. 35 ff.

[45] Not printed.

[46] Christian X.

859B.20/7-2045

The Acting Secretary of State to the Danish Minister (Kauffmann)[47]

WASHINGTON, July 25, 1945.

SIR: I have the honor to request that the areas in Greenland appearing on the attached list shall be considered as defense areas in accordance with the provisions of Article V of the Agreement between Denmark and the United States for the defense of Greenland which was signed on April 9, 1941.

Accept [etc.] [File copy not signed.]

[Enclosure]

GREENLAND DEFENSE AREAS

1. The following areas are proposed defense areas that have never been established as such:

Atterbury Dome

An area bounded by a circle of a two mile radius with the center at 65° 03′ 30″ North and 40° 13′ 30″ West.

(65° 03′ 30″ North
40° 13′ 30″ West)

This area covers normal operations of a weather station and a base camp for Ice Cap operations.

Camp Adelaer

An area bounded by a circle of a two mile radius with the center at 61° 16′ 30″ North and 42° 16′ West.

(61° 16′ 30″ North
42° 16′ West)

This area covers normal operations of a weather station and a base camp for Ice Cap operations.

Cape Dan

An area bounded by a circle of a two mile radius with the center at 65° 32′ North and 37° 10′ West.

(65° 32′ North
37° 10′ West)

This area consists of installations for a weather station.

Narsak Point

An area bounded by a circle of a half-mile radius with the center 60° 54′ North and 46° 00′ West.

(60° 54′ North
46° 00′ West)

This area consists of installations for a weather station.

[47] In his note dated July 31, 1945, the Danish Minister acknowledged receipt of the Acting Secretary's note and stated that he had immediately taken steps to bring the contents of the note to the knowledge of the Danish Government (859B.20/7-3145).

Skjoldungen

An area bounded by a circle of a two mile radius with the center at 63° 11′ North and 41° 20′ West.

(63° 11′ North
(41° 20′ West)

This area consists of installations for a weather station.

Walrus Bay

An area bounded by a circle of a half-mile radius with the center at 70° 29′ 30″ North and 21° 57′ 36″ West.

(70° 29′ 30″ North
21° 57′ 36″ West)

This area consists of installations for a weather station.

2. The following are changes to present established defense areas as of 17 May 1943:

Narsarssuak

Change to:

(61° 02′ — 61° 16′ North
45° 15′ — 45° 32′ West)

Prince Christian Sound

Change to: An area bounded by a circle of a two mile radius with the center at 60° 03′ North and 43° 12′ West.

(60° 03′ North
43° 12′ West)

Ivigtut

Change to:

(61° 12′ — 61° 15′ North
48° 05′ — 48° 11′ West)
and
(61° 13′ — 61° 14′ North
48° 15′ — 48° 18′ West)

Narrak

Change to:

(63° 24′ — 63° 27′ North
51° 04 — 51° 16′ West)

Ikateq

Change to:

(65° 54′ — 66° 00′ North
36° 30′ — 36° 49′ West)

Sondrestromfjord

Change to:

(66° 47′ — 67° 10′ North
50° 15′ — 51° 15′ West)

Simiutak (Sondrestromfjord)

Change to:

(66° 00′ — 66° 07′ North
53° 25′ — 53° 48′ West)

Simiutak (Skov Fjord)

Change to: The entire island of Simiutak situated at the mouth of Skov Fjord at approximately 60° 41′ North and 46° 34′ West and the adjacent waters for a distance of one (1) mile from the shore line.

(60° 41′ North
46° 34′ West)

Gamatron

Change to: All of the unnamed island (Gamatron) lying south of Hollaender Island at approximately 60° 40′ North and 46° 26° West and the islands and waters adjacent thereto for a distance of one (1) mile from the shore line.

(60° 40′ North
46° 26′ West)

Angmagssalik

Delete entire area.

859B.20/7–1145

The Acting Secretary of State to the Danish Minister (Kauffmann)

The Acting Secretary of State presents his compliments to the Honorable the Minister of Denmark and, with reference to Mr. Kauffmann's note dated July 11, 1945,[48] has the honor to transmit the following information with regard to defense measures taken by the United States Army in Greenland during the period of German occupation in Denmark:

The United States Forces in Greenland were assigned the mission to protect airbases and the cryolite mine at Ivigtut, and to deny Greenland to the enemy. Adaptability of areas for installation of airfields was the first consideration governing location of forces. Since these areas were of the same value to Germany as to the United States, these, in addition to the cryolite mine, were the localities actively defended.

The United States Army Forces in Greenland consisted of sea-coast artillery units, anti-motor torpedo boat batteries, antiaircraft batteries, infantry troops, a specially trained air search and rescue squadron for arctic operations and the necessary service troops to supply and maintain the forces.

[48] Not printed; it requested on behalf of the Danish Minister for Defense information about the defense measures taken by the United States military authorities during the years of German occupation of Denmark (859B.20/7–1145).

The size of the forces and their disposition to protect United States installations were altered consistent with the capabilities of the enemy to interfere with the assigned mission.

Germany attempted to maintain weather reporting stations on the east coast of Greenland, but with excellent cooperation and assistance of the Greenland Administration these stations were successfully eliminated.

WASHINGTON, July 27, 1945.

859B.20/10-1145

The Danish Minister (Kauffmann) to the Secretary of State

WASHINGTON, October 11, 1945.

SIR: Article V of the Agreement between Denmark and the United States of America for the Defense of Greenland, signed April 9, 1941, provides "that since the paramount objective sought is the early attainment of an adequate defense establishment in Greenland, the utilization of any area deemed by the Government of the United States of America to be needed for this purpose shall not be delayed pending the reaching of an agreement upon the precise terms of a formal lease. A description of such areas, by metes and bounds, and a statement of the purpose for which they are needed shall in each case be communicated to the Danish authorities in Greenland as soon as practicable, and the negotiation of a formal lease shall be undertaken within a reasonable period of time thereafter."

On September 19th and 22nd, 1944, an exchange of notes [49] took place between Mr. Cordell Hull [50] and myself by which it was agreed that, without prejudice to the Danish rights set forth in Article V of the Agreement, the existing procedure should be continued and the question of the negotiation of formal leases to the defense areas should be postponed for future negotiation between the Government of the United States and a free Danish Government, when such a government had been established.

Immediately following the liberation of Denmark from German occupation, the Agreement of April 9, 1941 was ratified by the Danish Government. The question of negotiating formal leases to the defense areas in Greenland has thereafter been considered by the Government in Copenhagen and I am now instructed to convey the following communication to the American Government:

It has been a source of great satisfaction to the Danish people that Denmark has had an opportunity to make a contribution to the war

[49] Neither printed.
[50] Former Secretary of State who resigned November 21, 1944.

effort through the placing of Danish territory at the disposal of the United States in the fight against the common enemy.

The Danish Government feel that they are in complete harmony with the spirit of the people of Denmark when they express the wish not to receive any payment for the use made during the war by the American armed forces of defense areas in Greenland.

The Danish Government therefore hereby waive their rights in regard to any remuneration due to Denmark in virtue of Article V of the Agreement of April 9, 1941, for the use made during the war of the defense areas in question.

I avail myself [etc.] HENRIK KAUFFMANN

859A.20/10-2045

Memorandum of Conversation, by the Chief of the Division of Northern European Affairs (Cumming)

[WASHINGTON,] October 22, 1945.

Mr. de Kauffmann called on me this afternoon by appointment made at his request. It was the first time I had seen him (except briefly at a social gathering at the Icelandic Legation) since he returned from Denmark two or three weeks ago.

After giving me a brief outline of his views on the domestic political situation in Denmark, Mr. de Kauffmann asked me whether there was anything I could tell him about probable plans of the United States with respect to post-war bases in Greenland. In this connection he remarked that he had heard that the United States had asked Iceland for post-war bases in that country.

I told Mr. de Kauffmann that our Minister in Copenhagen had telegraphed [51] that he was today delivering to the Danish Foreign Office a note apprizing the Danish Government of the United States' approach to Iceland with respect to bases. I handed Mr. de Kauffmann, for his information, a copy of the note which Minister Davis proposed to deliver to the Foreign Office.[52]

Mr. de Kauffmann read the note very carefully and then remarked that he was especially glad to note the formula which the United States had worked out by which American bases in Iceland could be placed at the disposal of the Security Council in certain contingencies. He said that while he, of course, hoped that the Soviet Government would withdraw its troops from Bornholm,[53] he could not help but

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[51] Telegram 512, October 20, 1945, 11 a. m., from Copenhagen, not printed.

[52] Not printed.

[53] For a brief description of the events related to the Soviet occupation of the Danish island of Bornholm, see Forrest C. Pogue, *The Supreme Command*, in the official Army history *United States Army in World War II: The European Theater of Operations* (Washington, Government Printing Office, 1954), p. 509.

consider the possibility that the Soviet Union might seek bases in Bornholm, and if such should be the case, it would be most important to Denmark to be able to point to a precedent by which such Soviet bases might be tied into the United Nations Organization.

Mr. de Kauffmann then repeated his question as to whether we proposed to seek bases in Greenland. He said that he had always assumed that we would do so. I replied that while I was not in a position to give him a categorical statement on the subject, I thought that I could say that he should not be surprised if his Government did at some time receive from us a proposal to negotiate on the future of the bases which we now had in Greenland.

Mr. de Kauffmann then asked me whether I could give him any indication as to when such proposals might be made. I said that without committing myself formally as to whether or when such proposals might be made, we had in mind certain differences between the situation with respect to Iceland and the situation with respect to Greenland. For one thing Greenland was definitely within the scope of the Monroe Doctrine and this had been a matter of public knowledge since the publication of the notes which in 1919 [*1920?*] the United States Government sent to the British Government and to the Danish Government.[54] I also said that we had given thought to the fact of the presence of Soviet troops on the island of Bornholm and to the approaching Danish elections. Mr. de Kauffmann said that he thoroughly understood why I could not make a definite reply to his question but that he was glad to note that the approaching Danish elections and the presence of Soviet troops in Bornholm had not been overlooked by the Department in its consideration of Greenland bases.

HUGH S. CUMMING, JR.

811.24559B/10-2645

Memorandum of Conversation, by the Chief of the Division of Northern European Affairs (Cumming)

[WASHINGTON,] October 26, 1945.

Participants: Mr. A. C. Brun, Counselor, Danish Legation
Mr. Hugh S. Cumming, Jr., Chief, Division of Northern European Affairs
Mr. William C. Trimble, Assistant Chief, Division of Northern European Affairs.

Mr. Brun called on me this afternoon by appointment made at his request. He said that Minister de Kauffmann, who is now in Quebec

[54] See telegram 590, June 5, 1920, 7 p. m. to London and despatch 491, June 8, 1920, from Copenhagen, *Foreign Relations*, 1922, vol. II, pp. 1 and 2, respectively. For further documentation regarding the refusal by the United States to recognize in a third government the right of preemption of Danish interests in Greenland, see *ibid.*, pp. 1 ff.

at the Food and Agriculture Organization Conference,[55] had asked him to communicate the following to me:

After my conversation with Mr. de Kauffmann on October 22, during which he had asked me whether the United States intended to seek post-war bases in Greenland, he had informed his Government of the possibility that it might receive a request for such bases. According to Mr. Brun, the Danish Foreign Office has now telegraphed that it was "horrified" at the prospect of receiving a request from the United States for bases in Greenland. In the first place, the Danes had hoped that with the end of the war, steps would be taken to terminate the Defense Agreement of 1941 and to withdraw our troops, thereby restoring full Danish sovereignty over Greenland. Of more importance, however, was the fact that any *démarche* made by us at this time relative to post-war bases in Greenland would immediately be followed by Soviet demand for bases on Bornholm. In view of these circumstances, if a request were received from us at this time, it would have to be rejected. Mr. Brun said something to the effect that, of course, if the Security Council should decide that bases had to be established in Greenland that would be another matter. He went on to say that the Danes had raised no question about the termination of the existing Greenland Defense Agreement under which our troops continued to be in Greenland and that at some time the Danes hoped themselves to take over the operation and defense of air bases in Greenland.

I told Mr. Brun that I had not told Mr. de Kauffmann that the United States intended to seek post-war bases in Greenland, but had very carefully chosen my words that Mr. de Kauffmann would not be surprised if his Government did at some time receive from the United States a proposal to negotiate on the future of the bases which we now had in Greenland.

I said that while taking note of the statement of the Danish Government's attitude towards post-war United States bases in Greenland which he had just made to me, I felt that I could say that the question of "whether" the United States required bases in Greenland for its own defensive purposes, it would take the situation in Denmark into account in determining "when" to seek such bases.

HUGH S. CUMMING, Jr.

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[55] The first session of the Conference of the Food and Agriculture Organization of the United Nations was held at Quebec, October 16–November 1, 1945. See bracketed note regarding this Conference, vol. II, p. 1117.

SETTLEMENT OF COMPENSATION CLAIMS FOR DANISH SHIPS REQUISITIONED BY THE UNITED STATES IN 1941[56]

859.85/5-445

The Danish Minister (Kauffmann) to the Assistant Secretary of State (Clayton)

WASHINGTON, May 4, 1945.

DEAR MR. CLAYTON: Since our meeting on April 25th,[57] events in Europe have moved rapidly. If a settlement of the Danish ship matter is to be reached in time, we have perhaps only a few days left.

I came away from our talk encouraged to believe you appreciate the higher issues involved in this matter. It is unfortunate only that you do not know first hand the full background. The enclosed *Aide-Mémoire* should help to give this as well as to point out the extreme urgency of a solution.

Most sincerely, HENRICK

[Enclosure]

The Danish Legation to the Department of State

AIDE-MÉMOIRE

It will soon be four years since the United States requisitioned forty Danish vessels, the property of nationals of Denmark.[58] It is over four years since Secretary of State Hull assured the Congress that the United States would not take the vessels "without making just compensation"[59] and Assistant Secretary Long added that it would "pay for them full value".[60] It is two years since Secretary Hull wrote the War Shipping Administration that "the Department had in mind, of course, the payment of 'just compensation' as heretofore determined

[56] For previous documentation on the seizure and requisition of Danish ships lying in American ports, see *Foreign Relations*, 1941, vol. II, pp. 73 ff.

[57] According to a memorandum by Jesse E. Saugstad, April 29, 1945, Mr. Kauffmann met with Assistant Secretary Clayton on April 24, 1945, at which time the Danish Minister repeated his plea for a quick settlement of the ship compensation case and stated that no satisfactory figure could be derived from the War Shipping Administration (859.85/5-2045).

[58] Public Law 101, 77th Cong.: An act to authorize the acquisition by the United States of the title to or use of domestic or foreign merchant vessels for urgent needs of commerce and national defense, and for other purposes, approved June 6, 1941; 55 Stat. 242.

[59] Statement made in a letter from the Secretary of State to Senator Josiah W. Bailey, Chairman of the Senate Committee on Commerce, May 1, 1941, quoted in *Just Compensation for Requisitioned Vessels:* Hearings before the House Committee on Merchant Marine and Fisheries, 78th Cong., 1st sess., on H.R. 2731 (Washington, Government Printing Office, 1943), p. 144.

[60] Quotation from the testimony of Assistant Secretary of State Long on April 22, 1941, before the House Committee on Merchant Marine and Fisheries, *Purchase and Charter of Foreign-Owned Vessels:* Hearings before the House Committee on Merchant Marine and Fisheries, 77th Cong., 1st sess., on H.R. 4088 and H.J. Res. 167 (Washington, Government Printing Office, 1941), p. 54.

by both municipal and international tribunals",[61] and stated further to the Congress that "the Department is particularly interested in providing for the fulfillment of both the legal and moral obligations assumed by the United States when it requisitioned forty Danish vessels." [62] It is also two years since leading Congressmen of both major parties have called for the "validation of our promise to the Danish Minister",[63] "that we must put the owners of the ships and the Danish Government in position to go ahead with business the moment the war is over and the seas are clear", and "that the Government of the United States in its dealing under necessity may exercise arbitrary power, but that we shall not fail to make just and generous amends".[64]

From the day that President Roosevelt first mentioned to the Danish Minister [65] the desirability of taking over the Danish vessels, the Minister has endeavored to cooperate in every way possible to assure their prompt and advantageous use in the defense of the countries that upheld the principles of democracy and of justice. Mr. de Kauffmann's policy of cooperation in making available to the United States defense bases in Greenland led to his dismissal and recall to Nazi occupied Denmark for trial.[66] The Danish Minister, however, remained at his post and he persevered in his efforts to avoid delay in making available the Danish vessels and their crews. In his note of May 22, 1941 to the Secretary of State,[67] he said:

"When the Danish ships in United States ports were taken into custody on March 30th last, and when news of the proposed American legislation authorizing requisitioning of foreign ships became known, I received instructions from the Foreign Office in Copenhagen to lodge, on behalf of the Danish Government, an emphatic protest against any measures to be taken by the American Government aiming, contrary to the rules of international law, to requisition Danish ships either for title or for use.

"Although aware of the fact that it could be made a matter of discussion whether the planned requisitioning was in conformity with international law, and that such requisitioning in previous cases had

[61] Quotation from a Department of State memorandum dated April 12, 1943, sent as an enclosure to a letter from the Secretary of State to the War Shipping Administrator (Vice Adm. Emory S. Land) dated April 16, 1943, *Just Compensation for Requisitioned Vessels.*

[62] Quotation from a letter from the Secretary of State to Congressman Schuyler Otis Bland, Chairman of the House Committee on Merchant Marine and Fisheries, dated June 9, 1943, *Just Compensation for Requisitioned Vessels*, p. 142.

[63] Quotation from remarks made by Senator Arthur Vandenberg on the Senate floor on March 2, 1943, *Congressional Record*, vol. 89, pt. 2, p. 1467.

[64] Two quotations from remarks made by Senator Josiah W. Bailey, Chairman of the Senate Committee on Commerce, on the Senate floor on March 2, 1943, *Congressional Record*, vol. 89, pt. 2, p. 1468.

[65] Henrik de Kauffmann.

[66] For documentation regarding the agreement for the defense of Greenland signed with the Danish Minister, and refusal of the United States to recognize actions of Danish Government deemed to be under German duress, see *Foreign Relations*, 1941, vol. II, pp. 35 ff.

[67] *Ibid.*, p. 78.

been challenged, both diplomatically and by some of the most highly recognized legal authorities, I was of the opinion that a protest of the kind intended by Copenhagen would not serve its purpose under present circumstances. . . .[68]

"My views in this respect, which I made known to Copenhagen, and which made it impossible for me to associate myself with the protest formulated by the Government in Denmark, were greatly strengthened by the repeated assurances given me by various officers of the American Government, that any Danish shipowner whose ship might be requisitioned would receive just and adequate compensation."

It was the opinion of the Danish Minister that the vessels should be requisitioned for use only, should fly, if not the Danish, then the American flag and he stipulated "adequate insurance cover to be given to enable owners to replace any tonnage lost". However, the United States requisitioned the title to these vessels and transferred them to foreign registry. To sail under a flag foreign both to Denmark and the United States was disturbing to the Danish masters and crews. Nevertheless, with the help of the representatives of the Danish ship owners and the Danish Consulates, Mr. de Kauffmann succeeded in inducing nearly all of the Danish officers and seamen on the vessels to continue to man them. The vessels were sent into danger zones from which American ships were excluded by Proclamation of the President under the Neutrality Act. They sailed without protection and several were promptly destroyed with heavy loss of life. According to the information most recently available, at least fifteen have been destroyed by German submarines and at least eight more have been lost from causes that still remain to be definitely established.

In order to determine the stipulated insurance coverage to enable the owners to replace any tonnage lost they sought the advice of two appraisers [69] reputed to be among the best, if not the very best, in the United States. These experts submitted their reports on June 9 and June 11, 1941.[70] Copies of their reports have been given to the appropriate officials of the American Government. It has been the view of the Danish Minister and that of the representatives of the ship owners, that the values found by these appraisers reflect the very minimum that the United States should offer for the title it requisitioned.

The Chairman of the Senate Committee on Merchant Marine and Fisheries has stated to the Congress: [71]

". . . We did not have time to enter into negotiations [, nor was it possible to enter into negotiations] with the Kingdom of Denmark,

[68] Omissions here and in remainder of document indicated in the original *aide-mémoire.*

[69] Robert S. Haight and William R. Bagger.

[70] Not printed.

[71] Senator Josiah W. Bailey, Chairman of the Senate Commerce Committee, made the statement that follows on the Senate floor on March 2, 1943 (*Congressional Record,* vol. 89, pt. 2, p. 1467).

which was occupied by the German ruler and his party. So we took the ships.

"At the time we undertook to say that we had taken them by right of angary, and I said on the floor of the Senate, notwithstanding one representative of the State Department had taken a different view, that the right of angary could not arise except under the conditions of actual war; and we were not at war. I think the State Department is now inclined not to insist that the right of angary existed.

"However that may be, the ships were in our harbors and we took them. Denmark was not at arm's length with us, she was not negotiating. We took the ships by right of our power to do it and by reason of the necessity which existed.

. . . . . .

"I said here, at the time the requisition act in this case was passed, that under the circumstances I have narrated we were under obligation to treat the Kingdom of Denmark not only with justice, but with the utmost generosity. I think a court of equity would impose such generosity upon us. As I stated a moment ago, the man who undertakes to administer upon an estate without right, who, when someone dies steps in and takes charge of the affairs of the decedent, is held to a far higher degree of care and to a far greater degree of liability than the executor who qualifies under a will or an administrator who is appointed by the court, because he is acting of his own power, he is acting arbitrarily, he is acting without authority of the law; and the rule of strict conduct and the highest degree of care is applied to that type of executors.

"Here was Denmark, stricken down and helpless. Her ships were in our possession. We took them. It is very important to me that the United States of America shall always present to all the other nations of the world the spirit and the example of justice, of fairness, and of generosity."

The State Department on November 26, 1943 [72] summarized statements previously made by Secretary Hull and other officers of the Department as to the measure of the liability of the United States for taking title to the Danish vessels:

". . . the conclusion was reached that the international legal liability of this Government with respect to requisitioned foreign vessels can be fully discharged only by the payment of amounts which will represent 'just compensation' in conformity with the decisions of the Supreme Court of the United States and of international tribunals, that is, an amount determined on the basis of the actual value at the time of the taking."

[72] In a memorandum from the Department of State to the Advisory Board on Just Compensation dated November 26, 1943, a portion of which is quoted below, the Department of State briefly reaffirmed its previous views as to the payments that should be made on requisitioned foreign ships from an international law viewpoint (859.85/9–545); a copy of the memorandum of November 26 was, at the same time, sent to Mr. Frank J. Foley of the firm of Haight, Griffin, Deming and Gardner which was representing the Danish ship owners (859.85/2–243); the summary of statements previously made by officers of the Department of State regarding the liability of the United States for the requisitioned Danish vessels was made in the memorandum dated April 12, 1943; see footnote 61, p. 583.

On the basis of a memorandum [73] submitted by the Secretary of State the Controller General [74] reached this conclusion: [75]

"It would seem that in view of the numerous authorities contained in the above-quoted memorandum, there may be accepted for present purposes the thesis that it is a well-established principle of customary international law that when a sovereign power takes private property under circumstances similar to those here involved, just compensation should be paid the owner of such property, and that just compensation constitutes the fair market value of the property at the time of the taking."

The decisions of the Supreme Court of the United States likewise fix the market value at the time of the taking as the appropriate measure of just compensation. The owner whose property has been requisitioned by the United States is entitled to be offered "the sum that would in all probability result from fair negotiations between an owner who is willing to sell and a purchaser who desires to buy".

It is entirely clear that the sum that would have resulted from fair and voluntary negotiations would have been no less, and in all probability would have been considerably more, than the sum arrived at by the independent appraisers. Numerous sales occurred after the appraisals were made in which the very same owners were in fact able to negotiate the price for the sale of comparable Danish ships. The Brazilian *Reefer* for example was sold by her Danish owners to the Argentine for an aggregate amount coming to $375,000, or one third more than the value fixed by the appraisers for a sister ship, the African Reefer. This latter vessel was taken by the United States after the owners brought her from Madeira to the United States for the purpose of letting the United States use her. The State Department has been furnished with many other examples, in each of which the sum arrived at by negotiation exceeded the amount fixed in the appraisals for comparable vessels taken by the United States.

An offer of compensation based upon actual sales of Danish and other foreign ships, would exceed, by a wide margin, the total valuation placed upon the vessels by the two American appraisers. The United States was still neutral when it took the Danish vessels. If "the spirit and the example of justice, of fairness, and of generosity" is to characterize the "fulfillment of both the legal and moral obligations assumed by the United States when it requisitioned forty Danish ves-

[73] The Department of State memorandum of April 12, 1943, together with the letter from the Secretary of State to Admiral Land dated April 16, 1943, to which it was an enclosure, were transmitted by the War Shipping Administration to the Comptroller General (Warren) on April 20, 1943; see *Just Compensation for Requisitioned Vessels*, p. 143.

[74] Lindsay C. Warren.

[75] In a letter dated May 11, 1943, from the Comptroller General to the War Shipping Administrator, a portion of which is quoted below, the Comptroller General responded to the Department of State's memorandum of April 12, 1943; see *Just Compensation for Requisitioned Vessels*, pp. 143, 148.

sels", surely it is reasonable to expect that the United States will be interested in providing compensation that is not less than that paid by other neutrals for Danish and other foreign vessels of comparable age, tonnage and type.

The good will repeatedly expressed in favor of a generous settlement has always been greatly appreciated by the Danish Minister and will be appreciated by the people of Denmark. However, Mr. de Kauffmann and the representatives of the owners have agreed from the beginning that they should ask only for what is just. The appraisals were made to determine a just valuation. The appraisers have testified that their valuations are conservative. Subsequent sales have demonstrated that the valuations were very conservative. Less than the amount arrived at by the appraisers cannot be considered as just or in conformity with the assurances made when the Minister took the responsibility of cooperating to make available to the United States the services of the Danish vessels and their crews.

It is nearly four years since the vessels were taken and during all this period Mr. de Kauffmann has done all in his power to secure an offer in fulfillment of the obligations assumed on behalf of the United States. With each successive discouragement, he has been reassured that the matter would be worked out satisfactorily in the very near future and in all events before the liberation of Denmark.

Relying on these assurances, the Danish Minister has continued without interruption to maintain the payment of the full amount of interest on the $125,000,000 principal amount of dollar bonds of Denmark issued in the United States. In order to continue such payments, Mr. de Kauffmann had to reduce the already sadly inadequate Danish gold reserve in the United States. He has had occasion by a note of March 12, 1945 [76] to the Secretary of State to set forth the gravity of the foreign exchange problem of Denmark. The seriousness of that situation is increased by the periodic reductions of the Danish gold reserve, and the wisdom of the policy that has been followed might well be questioned if there were further delays in making the dollar payments for the requisitioned ships.

When the Danish Minister's note of May 22, 1941 was written, it was understood that his policy of cooperation would be met in like spirit and that satisfactory compensation would be paid without difficulty or delay. The loss of the use of the sums that became due as soon as the Danish vessels were taken has cost the Danish owners and the Danish economy much more than the 6 percent interest normally allowed on delayed settlement of international claims. The need for foreign exchange upon the liberation of Denmark will be so immediate and severe that the damage through further delay will be incalculable.

[76] Not printed.

The Danish merchant marine is of the greatest importance to the Danish economy. It is a principal source of foreign exchange with which Denmark makes essential purchases in countries, such as the United States, which buy from it much less than they sell. Prompt settlement of the claims for the taking of the vessels will not by itself solve the foreign exchange problem, but failure to make the full payments that are owing would greatly aggravate it. The time is short if the United States is to "put the owners of the ships and the Danish Government in position to go ahead with business the moment the war is over and the seas are clear".

The immediate settlement of the claims for the Danish vessels is so vital to Denmark that the Danish Minister has repeatedly asked the State Department to take up the matter and, in the spirit of cooperation that prevailed when the ships were taken, provide for a prompt settlement of a global sum that will conform to the standards prescribed for principal and interest under international law.

There is agreement as to the appropriate standards to be applied to determine what compensation is just. There is agreement as to the importance of restoring faith in international justice by observance of its principles. There is agreement that a prompt and friendly settlement will be most conducive to the maintenance of the great good will between the people of Denmark and the United States; and that resort to international arbitration would be as unnecessary as it would be unfortunate. With such agreement on basic principles and purposes, it should be possible promptly to reach a settlement that will satisfy the sense of fairness of the peoples of Denmark and of the United States.

WASHINGTON, May 4, 1945.

859.85/5–2245

The Danish Minister (Kauffmann) to the Assistant Secretary of State (Clayton)

WASHINGTON, May 22, 1945.

DEAR MR. CLAYTON: Thank you for your letter of May 8th.[77] In the meantime you have received Mr. Burling's letter of May 19th [78] and detailed material concerning international sales.

During my week in Denmark I conferred with the owners of the requisitioned Danish vessels as well as the members of my Government.

[77] Not printed; it acknowledged receipt of the Danish Minister's letter of May 4, 1945, and promised sympathetic study of the Danish position (859.85/5–445).

[78] Not printed. Edward B. Burling was a member of the firm of Covington, Burling, Rublee, Acheson and Shorb of Washington, D. C., and was serving as legal counsel for the Danish Minister.

It was helpful to be able to report that at last it is recognized that the compensation for the ships should be based upon the international sales in 1941.

The owners had prepared their estimate of the value of the vessels, which is set out in the enclosed "Voucher A".[79]

The decision to seek a lump sum settlement through the State Department was confirmed as well as my authority to reach an agreement with you along the lines that we have discussed.

I therefore very much hope that I may hear from you before long.

Most sincerely yours, HENRICK KAUFFMANN

859.85/5-2245

The Assistant Secretary of State (Clayton) to the Danish Minister (Kauffmann)

WASHINGTON, June 8, 1945.

MY DEAR MR. MINISTER: I have discussed with my associates in the Department, as well as the representatives of the War Shipping Administration, your letter of May 22, 1945, Mr. Burling's letter of May 19, 1945, and the various papers that were enclosed with Mr. Burling's letter.[80]

I have been informed that the discussions which had been taking place between the representatives of the owners of the Danish vessels and the War Shipping Administration had been substantially completed and that the War Shipping Administration had requested the submission of a comprehensive brief which would summarize all of the owners' factual and legal contentions with regard to the value of the vessels. I understand that upon the receipt and consideration of such brief, and the disposal of certain other questions, the War Shipping Administration was prepared to set a definite value on the vessels in a manner consistent with both international and domestic law, and to make a firm tender consistent with applicable provisions of such law.

In as much as Congress at the time it enacted the Act of June 6, 1941,[81] as amended,[82] had in mind these precise vessels and in as much as the Act provided a method for the determination of their value, which in the first instance vested such determination in the War Shipping Administration with the right of appeal to the courts, it is not seen how this Department can properly disregard the procedure as prescribed by the statutes and make recommendations to the Congress until recourse under such procedure has been fully exhausted.

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[79] Not printed.

[80] Mr. Burling's letter and enclosures not printed.

[81] See footnote 58, p. 582.

[82] Public Law 17, 78th Congress, March 24, 1943, An act to amend and clarify certain provisions of law relating to functions of the War Shipping Administration, and for other purposes, approved March 24, 1943; 57 Stat. 45.

Therefore, until such procedure has been completed, the Department considers it inappropriate to intervene for the purpose of ascertaining whether the results of such procedure are in conformity with our international obligations.

Sincerely yours, WILLIAM L. CLAYTON

859.85/10-345 : Telegram

The Minister in Denmark (Davis) to the Secretary of State

COPENHAGEN, October 3, 1945—6 p. m.
[Received 8:23 p. m.]

461. Kauffmann seemed optimistic regarding prospect for early settlement Danish claim for ship turned over the US Government since he had succeeded in getting Prime Minister,[83] other officials and representatives shipping lines with single exception of A. P. Moller,[84] in agreement as to Danish position. He hopes that Moller will not be too difficult and satisfactory settlement can be effected soon after his return US. I refrained from discussing details with Kauffmann but gained impression that he is more objective about matter than he was when he discussed it with me first in Washington and later in London during May. He feels the importance of prompt settlement for both political and economic reasons. It is hoped Department will keep Legation informed of progress of negotiations.

DAVIS

859.85/10-345 : Telegram

The Secretary of State to the Minister in Denmark (Davis)

WASHINGTON, October 9, 1945—noon.

279. Your 461 October 3, 6 p. m. War Shipping Administration is concerned due to an intimation that certain attorneys interested in Danish shipowners' claims for compensation for vessels requisitioned by US Maritime Commission may propose to Danish Government that it requisition such claims for the purpose of converting them to national claims in order to circumvent provisions of Article II paragraph (*a*) of Arbitration Treaty of 1928[85] and thereby attempt to establish a basis for securing arbitration of these private claims as national claims, despite fact that Article II actually endorses general principle of international law requiring exhaustion of local remedies in all such cases. If this Government were to concur in such pro-

[83] Vilhelm Buhl.

[84] Arnold Peter Moller, managing owner of the Svendborg Steamship Company and the 1912 Steamship Company.

[85] Treaty signed June 14, 1928, *Foreign Relations*, 1928, vol. II, p. 720.

cedure, it would thereby establish a precedent opening door for circumvention of local remedy rule by other governments in similar future cases. Such a course of action by Danish Government might give rise to impression it desired in that manner to evade its own treaty commitments. While Department is not disposed to believe Danish Government could be persuaded to contemplate such a procedure, it is felt that such possibility should be avoided if it exists. Therefore, in your discretion, indicate to Foreign Minister [86] in discrete manner nature of rumors reaching this Government and intimate to him our feeling that the international embarrassment which would result from such a course of action should be avoided; also that Ministry should not be misled by any suggestions that this Government has not seriously endeavored to reach satisfactory settlement of the claims without the necessity of court proceedings. Negotiations with owners and their attorneys have been under way more than 2 years and fact that settlement has not already been reached derives largely, it is believed, from same psychology in certain quarters as that which would prompt suggestion of requisition of claims by Danish Government for purpose of evading the treaty obligations. Further efforts to find proper and expeditious solution of claims are now being made by President's appointment of an Advisory Board consisting of three prominent jurists to advise on some of the most troublesome questions involved. Board will hear contentions of all parties concerned.

If in your opinion the Foreign Minister should not be approached at this time with reference to this matter, please advise the Department by telegraph of your estimate of the likelihood of the Danish Government entertaining serious thought to such proposals.

BYRNES

859.85/10-1245

The Danish Minister (Kauffmann) to the Secretary of State

WASHINGTON, October 12, 1945.

SIR: Under instructions from my Government, I have the honor to transmit the following communication to you:

The Danish Government has reviewed with its Minister at Washington the decisions taken by him during the period when Denmark was occupied by the armed forces of Germany. This Government has noted with satisfaction that the Government of the United States recognized the authority of the Danish Minister to act for Denmark during this period thus making more effective his policy of cooperating with the United States in measures designed to bring about victory over the aggressor nations. In the same manner in which this Government has approved the actions of M. de Kauffmann in granting

[86] J. Christmas Möller.

to the United States the use of defense bases in Greenland, in applying Danish public funds to the payment of full interest to American bondholders on Denmark's public dollar debt and in placing the Danish Government's training ship *Danmark* without remuneration at the disposal of the United States Coast Guard, it fully approves the policy adopted by the Danish Minister in lending his support, together with the Danish officers and crews, in making available to the American Government the use of thirty-nine privately owned Danish vessels in American and Philippine harbors and a fortieth brought from the Madeira Island for this purpose.

This Government has taken note of the friendly spirit demonstrated in the assurances given to the Danish Minister before and after the requisition of the Danish ships by the late President of the United States and high American officials that the question of compensation for these ships would be dealt with in a fair and liberal manner and that any ships available for return at the end of the war would be returned at the owners' request. This friendly spirit was later reaffirmed in a communication of June 9, 1943 [87] in which the Secretary of State [88] informed a Committee of the Congress that

> "The Department is particularly interested in providing for the fulfillment of both the legal and moral obligations assumed by the United States when it requisitioned forty Danish vessels."

The Danish Government realizes that the matter of the settlement for these vessels is a comparatively small one from an American point of view. To the Danish nation, however, it is vital that fair compensation for the requisition of the forty ships be determined and paid without delay. The uncertainty is causing the Danish shipowners and thereby the economy of the Danish nation great harm, the more so as Denmark's foreign exchange situation is largely dependent on Danish shipping and is in a very precarious state.

Denmark has always desired to fulfill her international obligations to the utmost. It was, therefore, in complete harmony with Danish tradition when, during the occupation of Denmark, the Danish Minister continued to pay full interest to American bondholders on Denmark's outstanding public dollar debt. These payments, however, have by now exhausted Denmark's dollar resources. The Danish Government does not for this reason expect that the compensation for the Danish vessels should exceed their value measured in accordance with the rules of international law, but Denmark does owe it to her creditors to see to it that the Danish economy receives for the vessels no less than is provided under such law.

It has been of serious concern to the Danish Government that the American authorities, more than four years after the requisition of the ships, have not made any offer to settle the question of compensation, although the rules of international law as to the standards of compensation seem comparatively simple and clear. The Danish Government is in full accord with the view expressed by the Department of State in its memorandum of April 12, 1943 [89] to the War Shipping Administration where it is stated:

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[87] See footnote 62, p. 583.
[88] Cordell Hull.
[89] See footnote 61, p. 583.

"In the light of the foregoing precedents it seems clear that under principles of international law the pecuniary liability of this Government with respect to the Danish vessels in question can be fully discharged only by the payment of an amount which will represent 'just compensation' in conformity with the decisions of the Supreme Court and international tribunals, that is, an amount determined on the basis of the actual value at the time of taking. If such compensation is not paid and the matter is submitted to an international tribunal for adjudication, it is expected that this Government will be found liable in an amount representing such actual value, plus interest."

From the beginning the Danish shipowners have been desirous of seeing the question of compensation for the requisitioned Danish ships solved in an amicable way, and it is still the hope of the shipowners as well as of the Danish Government that the question of just compensation, whether for title or for use, will be satisfactorily settled without resort to international arbitration. The Danish Government, nevertheless, is prepared, should the occasion arise, to refer the matter to adjudication by an international tribunal.

The Danish Government, on the other hand, must reserve all rights in regard to the proceedings and the rulings of the board of three American jurists which has recently been appointed by the American authorities, the more so as the proceedings are not to be of an adversary nature and are directed to the formulation of rules of law, although the real question left for determination is the application of admitted principles of international law to the facts peculiar to the taking of the Danish vessels. Not only are a number of the questions submitted to this board by the War Shipping Administration of little, if any, practical relevance, but some are based upon an assumption that the Danish vessels had a lesser value by reason of the occupation of Denmark—an assumption which, apart from the fact that this Government believes it to be unwarranted, ignores entirely the assurances repeatedly given to the Danish Minister, before and after the requisition of the Danish vessels, that the United States would never seek to gain a pecuniary advantage by reason of Denmark's misfortune.

This Government would regret further postponement of decision upon what it considers to be the only real question requiring determination; that is, the amount which represents the actual market value of the Danish vessels at the time of taking or, as to vessels which the owners request to have regarded as taken for use, the value of the use of such vessels during the period between their taking and their return.

Further delay in the determination and payment of the compensation will have serious repercussions for the Danish economy. Considering the urgency and the vital importance of this question to Denmark, the Danish Government expresses the earnest hope that the Government of the United States will endeavor as promptly as possible to settle the question of just compensation with interest at the rate customarily allowed under international law.

I avail myself [etc.] HENRIK KAUFFMANN

859.85/10-1245

Memorandum of Conversation, by the Assistant Chief of the Division of Northern European Affairs (Trimble)

[WASHINGTON,] October 15, 1945.

In delivering the attached note [90] regarding the desire of the Danish Government that this Government settle the question of just compensation for the Danish vessels requisitioned by us as rapidly as possible, Mr. Bang-Jensen [91] remarked that he did not feel that the recent reestablishment of the Just Compensation Board [92] would tend to expedite settlement of the case. He said that the matter is an extremely involved one which would require intensive study by the Board if the mere announcement of "legal platitudes" was to be avoided and that he was afraid that the Board would not be able to devote the necessary time to the matter. Mr. Bang-Jensen added that he was disturbed at the reopening of the burden question since it was his understanding that the late President,[93] Mr. Hull, Mr. Welles [94] and Mr. Berle had all assured the Danish Minister that this point would not be raised.

In conclusion, Mr. Bang-Jensen said that it was extremely important to Denmark that the claims case be settled as quickly as possible, mentioning in this connection that Denmark would probably be unable to meet the interest payment due in January 1946 on outstanding dollar loans because of the practical exhaustion of its dollar balances.

859.85/10-1245

The Secretary of State to the Danish Minister (Kauffmann)

WASHINGTON, October 19, 1945.

SIR: I have the honor to acknowledge the receipt of your note of October 12, 1945 and I am gratified to note that your Government has approved policies adopted by you in your relations with this Government during the period that your country was under military occupation by Germany.

I have also noted your statement regarding the desirability that fair compensation for the Danish vessels requisitioned by this Government in 1941 be determined and paid without delay.

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[90] Note dated October 12, *supra*.

[91] Povl Bang-Jensen, Counselor of the Danish Legation.

[92] Advisory Board on Just Compensation, reestablished within the War Shipping Administration by Executive Order 9611 of September 10, 1945, 10 *Federal Register* 11637.

[93] Franklin D. Roosevelt.

[94] Sumner Welles, former Under Secretary of State.

This Government is likewise desirous, and has been all along, that a satisfactory understanding with respect to the amount of compensation to be paid the Danish shipowners be reached as promptly as possible. It has no disposition to question your statement that such compensation should be measured in accordance with the rules of international law or your statement concerning the importance of this matter from the point of view of Danish economy and dollar exchange.

There are, as you well know, a number of factors that have given rise to difficulties in arriving at an understanding on the question of compensation. It was with a view to solving some of these problems that the President recently reconvoked an Advisory Board on Just Compensation, to which you have referred.

You state that from the beginning the Danish shipowners have been desirous of seeing the question of compensation for the requisitioned Danish ships solved in an amiable way and that it is still the hope of the owners as well as of the Danish Government that this question will be satisfactorily settled without resort to international arbitration, but that your Government is prepared, should the occasion arise, to refer the matter to adjudication by an international tribunal. In order that there may be no misunderstanding, I think that I should call attention to the fact that, under the acts of Congress pursuant to which the vessels were requisitioned, the owners have the right, if the amount found by the American authorities to be due is unsatisfactory, to have the matter judicially determined in courts of the United States, and that arbitration would scarcely be in order while such remedy is available. I may assure you, however, that this Department is hopeful that a settlement both fair and satisfactory to all interests will not be unreasonably further delayed.

Accept [etc.] JAMES F. BYRNES

859.85/12-345

The Danish Legation to the Department of State

The Danish Minister has received a cablegraphic inquiry from certain of the Danish ship owners as to whether it is not now opportune that they send special representatives to the United States empowered to discuss and to reach a final settlement with the American authorities on the amount of just compensation. It would appear that, with the report of the Advisory Board on Just Compensation handed to Admiral Land [95] on October 26th, the War Shipping Administration is authorized to make a proposal which can be accepted by the Danish owners.

[95] Vice Adm. Emory S. Land, Administrator of the War Shipping Administration and Chairman of the Maritime Commission.

M. de Kauffmann will appreciate it if an indication can be given as to when the War Shipping Administration thinks that its studies will be sufficiently advanced to enable it to formulate its proposed offer and discuss it with representatives of the ship owners.[96]

WASHINGTON, December 3, 1945.

859.85/1–1046 : Telegram

The Acting Secretary of State to the Minister in Denmark (Davis)

WASHINGTON, January 15, 1946—8 p. m.

20. Approximately 85% of the Danish shipowners interest in just compensation negotiations for settlement of owners claims has today been settled on the basis of US valuation as if the requisitioned properties were American vessels.[97] The remaining interests are offered a similar basis of settlement on a take it or leave it basis provided decision is made within a reasonable time. It is understood that the latter interest is not fully represented here and final settlement must await decision at least partially by principals in Denmark. Urtel 22, January 10, 1946.[98] The settlement involves both compensation for title and compensation for use with return of existing vessels to owners who desire them. Financial and contractual conditions will be made available to you for your information as soon as contracts of settlement are signed.

During negotiations concerning Danish vessels now carried on since April 1940, the Dept has at all times taken the position that the Dept and the Danish Minister should cooperate in offering their good offices towards a just settlement of these claims. The Danish Minister at times has pressed for a diplomatic settlement. The Dept has taken a position based upon the Ship Requisition Act of 1941 that a diplomatic settlement would not be undertaken until local remedies had been exhausted as provided by law. The Danish shipowners of the properties and the legally constituted authority, the WSA,[99] now appear to have reached settlement satisfactory to both parties.

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[96] Appended note in long hand by the Chief of the Shipping Division, Jesse E. Saugstad, reads: "Handed to Mr. Saugstad by Mr. Bang-Jensen December 4, 1945. After discussion with Mr. Radner, Mr. Bang-Jensen was informed no useful purpose could be served by special representations at this time. J.E.S.". William Radner was General Counsel for the War Shipping Administration.

[97] On December 17, 1945, the War Shipping Administrator (Land) made a determination as to the valuation of the requisitioned Danish vessels, but largely as a result of a letter from Acting Secretary of State Clayton to Admiral Land dated January 9, 1946, urging that a higher valuation be made, Admiral Land made a new determination on January 14, 1946 (859.85/2–2746).

[98] Not printed; it reported that the Counselor of the Danish Legation in the United States, Bang-Jensen, had arrived in Copenhagen and "seems disturbed by turn negotiations have taken in Washington and feels that question might more easily be settled if taken up on a high policy level by our govt." (859.85/1–1046)

[99] War Shipping Administration.

The Dept has been fully aware of the confusion and delay encountered in the settlement of this case. It has been and has at all times fully protected the rights of Danish citizens. The Dept has from time to time expressed sympathy for the Danish owners and appreciation of the splendid cooperation and services given to these and other ships by Danish officers and crews who took an active part in sea services during the war period. Appropriate statements of Danish cooperation both on the part of the Danish Government and Danish nationals will be made to the Danish Minister here and relayed to the Legation as the case is finally closed.

ACHESON

[The Danish shipowners, through negotiated settlement contracts made in 1946 and 1947, received $28,018,294 and by two series of suits before the Court of Claims, ending in 1952 and 1956, received $4,112,395 and $3,301,661 respectively. The remaining claims for compensation were settled by payment of $5,296,302 under an agreement between the United States and Denmark effected by an exchange of notes on August 28, 1958, making total payments of $40,728,652. See Department of State *Bulletin*, June 24, 1957, page 1020, and *ibid.*, September 22, 1958, page 474.]

FINLAND

INTEREST OF THE UNITED STATES IN THE INTERNAL AFFAIRS OF FINLAND AND IN THE OPERATIONS OF THE ALLIED CONTROL COMMISSION FOR FINLAND

860D.00/1-2545 : Telegram

The Secretary of Mission in Finland (Higgs)[1] *to the Secretary of State*

HELSINKI, January 25, 1945—3 p. m.
[Received 9:36 p. m.]

16. Chief of Protocol[2] of Foreign Office having indicated to me that Prime Minister[3] would be pleased to receive me, I called by appointment on Mr. Paasikivi yesterday. He asked what my impressions of Finland were at this time. I replied I did not feel that I had yet been here long enough to form any conclusions and that I accordingly should appreciate his describing the situation for me from his point of view.

He said that at the present time there were two principal questions for Finland, namely: (1), the "internal" question of treatment of war criminals and related persons and (2), the "international" question of importation of raw materials necessary for Finnish production to carry out reparation stipulations of the armistice agreement.[4] He said that the first question in fact had two subdivisions: (1), war criminals proper and (2), war culprits, that is, politicians who had been advocates of the Finnish war policy since 1941. He said Finnish Government had arrested some 100 odd Finns whose names had been furnished it by the Control Commission and who would be tried as war criminals but that there seemed to be no particular difficulty about this category of persons.

Regarding war culprits he said Finland was a democratic country with a democratic constitution and laws which during coming election would provide all sections of the population equal opportunity

[1] L. Randolph Higgs was appointed Secretary of Mission in Finland on December 6, 1944, and he arrived in Helsinki on January 16, 1945. For documentation respecting the reestablishment of the United States mission in Finland, see pp. 624 ff.

[2] Johannes A. Nyyssönen.

[3] Juho K. Paasikivi.

[4] For text of the armistice agreement between the United Kingdom, the Soviet Union, and Finland of September 19, 1944, see *British and Foreign State Papers*, vol. CXLV, p. 513.

to choose their representatives for democratic government and hence at same time to disavow actions of those responsible for Finnish war policies by refusing to reelect them. He said that any other method of removing these politicians from the Finnish political scene would not be in accordance with democratic processes, as there was no "paragraph" under which they could be tried, and no government of which he was head would proceed against them in the absence thereof. He emphasized in this connection that he himself had never agreed with those war policies but that he had no intention of deviating from what he considered legal and democratic means of dealing with "war politicians".[5] I asked him if he had read recent article in *Svenska Dagbladet*[6] to the effect that it would be a great political mistake on Finland's part to leave "war politicians" in power regardless of legal obstacles to taking any action against them. He said he had and that he agreed in principle but that in any event he felt that influence of these persons was greatly exaggerated as their number did not exceed five or six and they themselves now admitted their policies had been wrong and that they were presently working wholeheartedly for fulfillment of armistice agreement and better relations with the USSR. He said that the Control Commission had made it clear that it did not intend to interfere in "internal" Finnish affairs and that he considered this an "internal" matter. Answering my inquiry he said agitation for prosecution of "war culprits" came from extreme left wing Finnish politicians but he evaded my question whether he thought they had had any outside inspiration.

Regarding point 2 the Prime Minister pointed out that under present circumstances Finland had communications only with Sweden and was thus completely dependent upon that country for raw materials essential for fulfillment of reparations provisions of armistice. He indicated that supplies from Sweden could be obtained in generally satisfactory amounts during next 6 months or so but thereafter Finland would have to look to the United States. Like the Foreign Minister[7] he did not at any time mention an American loan. My remarks to him as to imports from the United States, particularly since he also stressed need of ships plates, were almost identical to those I made to Foreign Minister (see my 11 to Department January 20, 11 p. m.[8]). I inquired if his Government had surveyed possibility of importing ships plates and other products from Britain after V-day, remarking it had occurred to me that perhaps they had

[5] In telegram 134, March 27, 10 a. m., the U.S. Representative in Finland (Hamilton) stated that Paasikivi in a press statement reaffirmed his intention "to abide strictly by Finnish constitutional procedures in any prosecution of war criminals and others." (860d.00/3-2745)

[6] A Swedish newspaper published in Stockholm.

[7] Carl J. A. Enckell.

[8] *Post*, p. 626.

done so in connection with discussions recently begun here with timber delegation from the United Kingdom. He replied negatively and with such surprise it was evident such an idea had never occurred to his Government.

My impression of the Prime Minister was of a quite elderly and somewhat feeble gentleman with strong moral and legal conceptions but basically with a rather clear though perhaps unspoken idea of the realistic factors for Finland involved in the present situation. I felt he seemed generally less disheartened and beaten in attitude than the Foreign Minister.

Sent to Department as my 16 and repeated to Stockholm as my 7, January 25, 3 p. m.

HIGGS

860D.00/1-2845 : Telegram

The Secretary of Mission in Finland (Higgs) to the Secretary of State

HELSINKI, January 28, 1945—11 p. m.
[Received January 29—11:10 a. m.]

23. Former Foreign Minister Erkko came to see me yesterday afternoon. He said he was greatly worried over the present situation with respect to candidacy for election by war politicians. I told him I had read with interest the editorial in his paper *Helsingin-Sanomat* of that morning taking a position against the candidates [*candidacy*] of these politicians. He said he felt it to be his duty to do even though it was unpopular at least at present in Finland.

Erkko said he would tell me frankly that he had had a talk that morning with Paasikivi at latter's request. The Prime Minister had inquired if Erkko had any confidential contacts with this or British political mission and on getting an affirmative reply had asked Erkko to approach us with a view to have us exert our influence to effect the withdrawal of the war politicians from the election campaign. The Prime Minister was seeing the President [9] at 4:00 that afternoon to try to obtain latter's consent and support to the Government's exerting all its influence and legal powers to block participation of the war politicians in the elections. Erkko said the Prime Minister was looking upon the matter "realistically" but that the President still adhered to the "legalistic" viewpoint. He, Paasikivi, apparently was not too optimistic as to the outcome of his approach to Mannerheim hence his feelers to United States through Erkko.

Answering my inquiry Erkko said he thought it impossible to defeat the war politicians if in fact they did seek election and hence I was essential to block their candidacy. Erkko informed me in confidence that the *Svenska Dagbladet* article mentioned in my 18, January 26,

[9] Field Marshal Carl Gustav, Baron Mannerheim.

10 p. m.[10] to Department, 9 to Stockholm, had in fact been directed by the Prime Minister as a move to that end.

I asked Erkko what action he and the Prime Minister had in mind for us to take. He replied that the Soviet position had been made fairly clear to the Government but not to the Finnish public, that the Swedish position was becoming clearer but as usual tended to be discounted by the Finnish public. All in all, however, the issue had not yet been so clarified to the Finns that the war politicians would be candidates and reelected.

He said our and British influence especially now with the Finnish public was such that if we should make clear what interpretation would be placed in the western countries on their election of politicians who had followed the pro-German and anti-danc [*sic*] United Nations line during past few years he feels confident the names of these candidates would be withdrawn from the election lists and thereby the present tension with the ACC [11] dissipated. Erkko said former Prime Minister Linkomies' name was being withdrawn from coalition party list not because he was a compromised war politician but more surprisingly because his party deemed his present stand against the USSR too weak. Incidentally the press this morning reports Procopé [12] as a coalition party candidate.

Sent to Department as my 23, January 28, 11 p. m., repeat to Moscow as my 12.

HIGGS

860D.00/1–3045 : Telegram

The Secretary of Mission in Finland (Higgs) to the Secretary of State

HELSINKI, January 30, 1945—3 p. m.
[Received 8:06 p. m.]

25. 1. Situation as to Finnish war culprits is in a number of respects similar to that which existed in connection with the Finnish peace moves during which certain elements in Finland, perceiving that more than purely Finnish views and opinions had to be considered, advocated Finnish withdrawal from the war.[13] These elements today are grouped around the Paasikivi Government. They were opposed in their peace efforts by Tanner,[14] Ryti [15] and others

[10] Not printed, but see *supra*.
[11] Allied Control Commission.
[12] Hjalmar J. Procopé, former Finnish Minister in the United States, expelled in 1944. See telegram 117, June 16, 1944, 4 p. m., to Helsinki, *Foreign Relations*, 1944, vol. III, p. 600.
[13] For documentation on this subject, see *ibid.*, pp. 556 ff.
[14] Väinö A. Tanner, leader of the Social Democratic Party in Finland, former Foreign Minister and Prime Minister, and in 1945 Chairman of the Bank of Finland.
[15] Risto H. Ryti, former President of Finland.

who now are seeking to continue to control as large a measure as possible of the Finnish economy and political life. The Paasikivi group feels that continuation of such control would jeopardize if not defeat their efforts to reorient Finnish policy toward trustful friendship and collaboration with the USSR, but they feel they need support from the outside if Finnish people are to be prevented from making such serious mistakes as they made in supporting Tanner group during the war.

2. I have carefully weighed the possible motives of those Finns who have indicated to me a desire for an exercise of our influence in this situation. I feel their motives lie neither in a desire to involve us in Finnish-Soviet affairs nor in any personal political ambitions.

3. Considering, therefore, the wide influence of the US with Finnish public, particularly during this period when they are so anxious to reestablish themselves with us, the possibility thereby of demonstrating our solidarity with the USSR on a major Finnish issue, and the likely contribution such a move would make to future good relations between Finland and the USSR, I feel we would be justified upon the basis of the facts in the situation as known to me, in exerting our influence to effect withdrawal of the war politicians from the Finnish scene, provided, of course, such action is not construed as a deviation from our policy of noninterference in the internal affairs of other countries.

4. If Department decides to take action in this situation we could do so by stating our views privately to members of the Government and others, or by a public statement either here or in Washington. I feel there is little to be expected from the former method as generally such persons already are in favor of the course of action we would be advocating, and it would not seem to provide the public pressure on war politicians necessary for success. A pronouncement along following lines would perhaps offer more hope of success for the objective in question:

[Here follows a suggestion for a public statement and discussion of the method for issuing it.]

Sent to Department as my 25. Please repeat to Moscow as my 14, January 30, 3 p. m.

HIGGS

860D.00/1–2845 : Telegram

The Secretary of State to the Secretary of Mission in Finland (Higgs)

WASHINGTON, February 3, 1945—9 p. m.

11. Your 23, January 28; 24, January 29;[16] and 25, January 30. The suggestion that the United States mission in Finland should

[16] Telegram 24 not printed.

strengthen the hand of Prime Minister Paasikivi by indicating that the American Government feels that the candidacies of the so-called "war politicians" in the March elections should be withdrawn in the interest of better Soviet-Finnish relations is not regarded as within the limited purview of our mission.

During the years Finland was at war, this Government repeatedly warned Finland of the consequences of its continued collaboration with Germany and we feel that it would be most unfortunate for the Finns again to place their confidence in the men who were primarily responsible for Finland's disastrous war policy. It is believed that at this time, however, any intervention in this matter is properly the concern of the British and Soviet Governments as cosignatories of the Armistice Agreement, to which the United States is not a party.[17]

Repeated to Moscow as Department's 232, and to Stockholm as Department's 198.

GREW

860D.00/2–545 : Telegram

The Secretary of Mission in Finland (Higgs) to the Secretary of State

HELSINKI, February 5, 1945—3 p. m.
[Received 10:12 p. m.]

30. Stockholm press telegrams have presumably informed Department of yesterday's announcement of withdrawal of candidatures of Tanner and other prominent war politicians, 11 in all. I was told on previous day that the Government had just received from Control Commission a list of 12 names which should not be in the election lists. Former Foreign Minister Ramsay's name is not among those announced yesterday and his is probably the 12th.

Last sentence of Department's 11 February 3 might imply that intervention in matter of these candidatures can be related to armistice terms. My 12, January 22, 1 p. m.,[18] indicate Soviet Government does not consider this to be the case, and remarks of Paasikivi, reported

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[17] In a memorandum of February 1, 1945, to Assistant Secretary of State James C. Dunn, the Assistant Chief of the Division of Northern European Affairs, John H. Morgan, observed: "While this telegram directs our mission at Helsinki not to intervene in the matter, it is believed that Mr. Higgs, in whose intelligence NOE [the Division of Northern European Affairs] has great confidence, will probably find the opportunity in such informal conversations as he may have with Finnish officials to indicate our general views concerning the 'war politicians' without directly involving the Mission." (860d.00/1–2345)

[18] Not printed: in this telegram Mr. Higgs reported that Pavel Dmitriyevich Orlov, the Soviet Political Adviser to the Allied Control Commission, complained that the Finns were doing nothing about their war criminals, but "He admitted no obligation to do so existed under armistice terms and that any action would have to be solely on basis of Finnish law and constitutional procedure." (740.00119 Control (Finland)/1–2245).

in my 16, January 25 repeated to Stockholm as my 7 and of Shepherd,[19] reported in my 24, January 28, 8 p. m.,[20] suggest Finnish and British views on matter may accord with Soviet view.

I stress this point because in his statement to the press yesterday Tanner claimed present pressure did not accord with democratic processes as it denied voters free choice of their representatives, thereby providing colour for possible later charges by his faction that coming election was not "democratic". Extreme left wing factions incidentally seem already to be laying basis for similar charges on their part by alleging that in holding elections so early they were denied opportunity to present their case on an equal basis to the people and that in being denied use of meeting halls of now disbanded Civic Guards (meeting halls are in fact a very important asset in Finnish elections) they were at tremendous disadvantage with established and "reactionary" parties who have such halls.

In any event it now seems, however, that ice has been broken for widespread removal of "war culprits" from position and influence. I have received reports that some corporation boards have already notified such persons they will not be reelected to their corporation positions and the chairman of Helsinki Golf Club, Ilves,[21] who is on our black list, has just voluntarily resigned. Aside from precedent now established, it should not be a politically difficult matter for the Diet, once freed from Tanner and similar influences, to oust for instance Ryti from Bank of Finland.

HIGGS

860D.00/3-145 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, March 1, 1945—7 p. m.
[Received 10:15 p. m.]

601. Please repeat this message to Helsinki. I have read with interest the suggestion contained in Helsinki's 25, January 30, 3 p. m., for Hamilton [22] to make a public statement. I believe such a statement made in the manner proposed would be helpful from the standpoint of our relations with the Soviet Government. We are criticizing the Soviets for their activities in directions that we do not approve and

[19] Francis M. Shepherd, British Political Representative on the Allied Control Commission for Finland.

[20] Not printed; in this telegram Mr. Higgs reported that Mr. Shepherd had not yet considered the possibility of developing some positive course of action on the part of his Government, but he agreed to consider it (860D.00/1-2945).

[21] Eero Ilves, Bank Director and Treasurer of the Finnish Red Cross.

[22] Maxwell M. Hamilton took up his duties as United States Representative in Finland on February 24, 1945.

it would seem appropriate for us to take a position publicly which would support them in this case where we think they are right.[23]

HARRIMAN

740.00119 Control (Finland)/3-345 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, March 3, 1945—noon.
[Received 1:30 p. m.]

73. In informal conversations with Foreign Minister Enckell and Associate Foreign Minister Svento on February 27 and March 1 they volunteered information that Finnish Government's relations with Control Commission were good, that Control Commission acted in a correct way and that Finnish Government had no complaints to make. They thought peak of difficulties in connection with armistice agreement had passed and that difficulties in relations with Russia would gradually become less. I commented that the U.S. was allied with the Soviet Union and Great Britain, and was committed to collaboration in the war and in building a durable peace. While some Americans thought some years ago that cooperation with Soviet Union was not possible, the American people and Government now stood wholeheartedly for enduring cooperation with the Soviet Union. As a neighbor to the Soviet Union I thought it especially important that Finland develop good neighborly relations with the Soviet Union. Mr. Svento, to whom I made this remark, expressed agreement and said it was important to Finland and the whole world to have the United States, Great Britain and the Soviet Union work together in an association which would form a nucleus for peace in the world.

When I mentioned that there seemed to be very few Soviet troops in Finland, Mr. Svento said that there were some in points in the north. I referred to the situations in other countries, like Rumania and Bulgaria, and said I understood there were considerable numbers of Soviet troops there. Mr. Svento said this was so, that the Rumanian Minister[24] had mentioned to him recently that a million Soviet troops had passed through Rumania, that the troops had been correct in their behavior, but their presence naturally placed a heavy

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[23] In telegram 490, to Moscow, March 3, 1945, midnight, Acting Secretary of State Joseph C. Grew replied that "the situation in Finland giving rise to Higgs' suggestion apparently has been clarified by the withdrawal of the leading war politicians, and the occasion for a statement of the type suggested by Higgs seems to have passed." (860d.00/3-145)

[24] Reference is to the Rumanian Chargé, Jean Vardala.

burden on the country. Mr. Svento indicated that he appreciated that Finland did not have that kind of burden.

Repeated to Moscow as my 23.

HAMILTON

740.00119 Control (Finland)/3-545: Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, March 5, 1945—6 p. m.
[Received March 6—10:45 a. m.]

76. In a talk with Captain Howie, Senior British representative on Control Commission, he told me there were no Soviet troops in Finland, except about 100 in Helsinki connected with the Control Commission and, of course, Soviet forces in Porkala.[25] (Associate Foreign Minister Svento said there were some Soviet forces in far north.) Captain Howie thought that on the whole the Finns were genuinely trying to carry out armistice provisions. They had been slow in some respects, especially at the beginning, and had had to be prodded by Control Commission.

He said Control Commission did not have formal meetings. When British or Russians wished to discuss something, each got in touch with the other. The British got along well with Soviet members of Commission. He thought Finns did not realize how well off they are, considering that they have fought two losing wars. The British economic expert [26] here thought that Finns could carry out reparation provisions. Some assistance from abroad might be required. Shepherd, British political representative, stayed 4 hours when he called on Zhdanov.[27] Part of the time they looked at moving pictures which Shepherd had brought and presented to Zhdanov.

When I mentioned Orlov's comment (see my telegram 65, February 27, noon) [28] that the Finns had not been fighting energetically in the north against the Germans, Captain Howie remarked that he understood the terrain in that area was exceptionally difficult. He thought the Control Commission had probably made a mistake in not having sent someone up there.

Department please repeat to Moscow as my no. 24.

HAMILTON

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[25] The Porkkala peninsula, which under the terms of the armistice agreement of 1945 was to be leased by the Soviet Union for 50 years.

[26] Possibly Herbert A. N. Bluett, British Commercial Counselor in Helsinki.

[27] Andrey Andreyevich Zhdanov, Chairman of the Allied Control Commission in Finland, who held the military rank of Colonel General, was also Secretary, and member of the Politburo, of the Central Committee of the All Union Communist Party.

[28] Not printed.

740.00119 Control (Finland)/3-1545 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, March 15, 1945—3 p. m.
[Received 8:09 p. m.]

103. I called on March 13 on Zhdanov; he had been away most of the time since my arrival. I mentioned my visit to Leningrad last May and the fortitude of the Leningrad people in withstanding the siege.[29] Zhdanov said they had been encouraged by the attitude of freedom-loving democratic peoples throughout the world and also by the tangible assistance extended by American Lend Lease. He said that tactically Leningrad's defence was more important than that of Stalingrad[30] and was principally responsible for the Red Army's ability to push into East Prussia. Zhdanov extended congratulations on forcing of the Rhine at Remagen.[31]

I referred to a statement made last May when I was in Moscow by the Soviet scientist Peter Kapitsa[32] on the presentation to him of the Franklin Institute Medal. Kapitsa said that in science when a theorem is correct it can be demonstrated in a number of ways; and that in life, also, if our ideals are the same then even if we use different methods, we need not find ourselves involved in important contradictions. I remarked that the United States and the Soviet Union had the same ideals of democracy and freedom for peoples each of us followed different social and economic systems in attainment of those ideals, the Soviet Union a Communistic system and the United States of America [a] system of private capital. Each could recognize that the other has a different system and yet cooperate in the common ideal. I mentioned with pleasure the ever developing collaboration between our countries not only in war but in building for peace. Zhdanov expressed agreement and said that notwithstanding difference in systems, points of collaboration were increasing all the time.

At my request Zhdanov commented about the work of the Control Commission. The work had been much more difficult during October and November. Thereafter, with the replacement of Castren[33] by Paasikivi it became more satisfactory and was on the whole proceeding well. The economic provisions of the armistice had been carried out

[29] The siege of Leningrad was raised on January 18, 1943.
[30] The siege of Stalingrad was raised on February 2, 1943.
[31] March 7, 1945.
[32] Peter Leonidovich Kapitsa, Russian physicist.
[33] Urho J. Castren, Finnish jurist and former Prime Minister.

more readily than the military and political. Special difficulty was encountered in connection with dissolution of pro-Fascist organizations. They had finally been dissolved. Their activities might still be carried on underground and appearance of performance might be better than actuality. The Finns tried to insist that their war against Russia was an independent one and not involved with German Fascism. The Russians had proof there was complete cooperation between the Finnish and German General Staffs. Zhdanov said the elections were coming on.[34] They would be a test between reactionary and democratic forces and an indication whether Finland could be accepted again in the family of peaceful democratic nations. He was more favorably impressed by the Finn people than he had anticipated. He had thought they would be taciturn. From the way they had received Soviet singers and artists they expressed their feelings as spontaneously as the Russians.

As I started to leave Zhdanov said he would like to ask for my impression of Finland. I said I had been here only a little over two weeks and had no adequate basis for comment. I said the shops appeared pretty empty. There seemed to be a good deal of excitement and rumor. This was no surprise to an American at election time, for we were familiar with manifestations of that type in our elections. Zhdanov laughed and wanted to know whether there was more of a rumor and excitement here than in America at such times. I said it seemed about the same to me. As to whether the elections here would show any real change, I was not at all sure. I understood that the Finns were obdurate in their views and slow to change. There were a good many new elements and perhaps there had not been sufficient time for substantial changes. Zhdanov laughed. I said again that I had been here for only a very short time. Referring to Zhdanov's earlier statement that the Finns seemed to be moving in the right direction, I said that seemed to be the important thing.

I told Zhdanov of my recent impressions of the United States. Our country was geared to all-out prosecution of war in Europe and also in Pacific. He showed familiarity with our military operations both in Europe and in Pacific.

Zhdanov was cordial and genial throughout the call which lasted an hour and a half and as I left he hoped we would keep in close touch.

Repeated to Moscow as my 32.

HAMILTON

[34] General elections for the Finnish Diet were held March 17 and 18, 1945. These were the first post-war elections in Finland.

740.00119 Control (Finland)/3–1745 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

[Extract]

HELSINKI, March 17, 1945—6 p. m.
[Received 9:54 p. m.]

110. Re Department's 38, March 13.[35] Orlov has on a number of occasions stated that the function[s] of the Control Commission are solely to insure execution of the Armistice terms. There is some reason to believe, however, that members of the Commission do occasionally perform functions for their governments not within those terms as for instance Orlov's statement to the Anglo-American correspondents (see our 12, January 22) [36] upon the effect on Finn Soviet relations of a Finnish failure to eliminate the candidatures of the war culprits. There is also the apparent tendency (reported in my 97, February [*March*] 14) [37] of the Commission to become the vehicle for exchanges between the Finn and Soviet Governments on matters outside the Armistice. Nonetheless there is no evidence that the ACC as such has taken any action vis-à-vis the Finnish Government or internal situation which cannot be more or less clearly justified under the Armistice terms, and as previously reported it is our feeling that we should not seek other forms of Commission controls and intervention in Finland than clearly provided for under the Armistice.

. . . . . .

Repeated to London as 7, Stockholm 36, Moscow 34.

HAMILTON

860D.00/3–2345 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, March 23, 1945—4 p. m.
[Received 8:45 p. m.]

127. Shepherd saw Orlov yesterday to discuss the election results. He told Orlov that in his opinion points A, B, C and D of the Yalta

[35] Not printed.

[36] Not printed. Orlov told the correspondents that he was not pleased with the progress the Finns had made in eliminating war culprits from political life and he added that good relations between Finland and the Soviet Union were dependent upon the speed with which this was done (740.00119 Control (Finland)/1–2245).

[37] Not printed. In this telegram the United States Representative reported that Orlov had recently indicated to the Finnish Foreign Office, in connection with a number of commercial and other matters unrelated to the armistice, and hence not within the purview of the Allied Control Commission that discussions and negotiations could take place directly between him and the Finnish Government. The United States Representative added: "Foregoing developments apparently signify a trend toward resumption of direct relations between Finland and the U.S.S.R." (740.00119 Control (Finland)/3–1445)

Declaration on Liberated Europe [38] had been met in Finland. He said further that the results in his view were a cause for sober satisfaction. Orlov concurred. (Whether in both statements or just the last was not clear). He commented that the elections seemed to have been carried out in a "normal" manner and generally reflected the will at this time of the Finnish people. He said the desire for friendly relations with USSR manifested on all sides.

Shepherd commented that there still remained, however, the destruction of the last vestiges of Naziism and Fascism. Orlov agreed but deprecated the immediate importance of the issue saying that this would take time. Shepherd interpreted his comments as an encouraging sign of lack of intention by the Soviets to take precipitate or drastic action. He also felt that Orlov's comments were generally encouraging.

Shepherd is considering the advisability of some sort of public statement on the part of the British to place the stamp of their approval on Finnish developments as manifested by the elections. He feels that timing is important but is somewhat uncertain whether such statement should be issued now or after Cabinet and Diet reorganization takes place following the convening of the new Diet on April 6.

Orlov told Shepherd he had not yet discussed election with Zhdanov.

Other indications of Soviet attitude toward elections are more reserved than that which Shepherd obtained from Orlov. *Vapaa Sana*, press organ of Democratic Union, and an article from yesterday's *Izvestia* reported inconspicuously in Finnish press today are to the effect that although Democratic Union won 25 percent of Diet seats this figure does not represent real feelings of the people as equal opportunity had not been afforded for them to express their views. These articles state that Finnish reactionary elements are still strong and indicate that further action is necessary against war responsibles. Orlov's attitude and that expressed in press items may not represent inconsistencies in Soviet policy toward Finland.

Without knowing whether a public statement by the Department regarding elections would fit into overall policy and situations in other countries such as Poland and Rumania, and speaking only from our viewpoint here, we suggest that a statement in reply to a question at regular press conference might be useful. Such statement could be to the effect that while all details on Finnish elections are not yet known results seem to be along a constructive line; that it is gratifying that elections were carried out in a quiet and orderly manner and especially

[38] For the Declaration on Liberated Europe made at the Yalta Conference on February 11, 1945, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 971–973.

that largest number of citizens on record exercised their democratic right and privilege to vote.

HAMILTON

860D.00/3–2345 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, March 23, 1945—5 p. m.
[Received March 24—10 : 55 a. m.]

128. While all details of the elections may not be definite for some time, the main lines seem clear. The elections were carried out in quiet and orderly manner,[39] and the largest number of citizens on record (80 percent of the electorate) voted. There has been a shift from the more conservative groups and individuals and a movement away from support of Finland's wartime policy and toward orientation to new conditions and in the direction of more friendly relations with the Soviet Union. The Communist Party has registered a substantial increase in strength. The left Parties will have about half of the voting strength. About one-half of the Diet membership will be new.

On the whole I regard the results as being along a constructive line.

As to the reasons for the shift to the left, these include the facts that Finland has been defeated in war and that there was plenty of basis for dissatisfaction over past policy and present economic and social difficulties. There was a serious split in the large Social Democratic Party. The Government, principally through Paasikivi, exercised leadership and pressure for new leaders and new policies based on friendship with the Soviet Union. Clearcut statement of objectives and an aggressive campaign on the part of the Communists and later the Democratic Union [40] were important factors.

The new Diet is scheduled to meet on April 6. Current opinion is that Paasikivi will continue as Prime Minister with some changes in the Cabinet particularly to meet reported demand of the Communists for representation therein corresponding to their strength in the Diet. Opinion is divided whether Mannerheim will retire as President. I am inclined to think he will. Paasikivi seems his most likely successor. How alignment will take place between different parties is

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[39] In telegram 112, March 18, 10 p. m., from Helsinki, the United States Representative observed: "The absence of uniformed Russians on Helsinki streets has been noticeable." (860D.00/3–1845.)

[40] A leftist political grouping formed prior to the elections. It was composed of "sixlings", Communists, a small farmers' party, and various dissident elements from the Social Democratic Party. The "sixlings" (or "group of six") contained six Social Democratic Party leaders who had been jailed because of their opposition to the war against the Soviet Union. Released at the time of the armistice in 1944, they were at this time actively opposing the old Social Democratic leaders.

not yet clear. The Communist Party will be the most close knit and have the most positive program. The Diet will face extremely difficult economic and financial problems. It will also face the thorny problem of treatment of war responsibles. Payment of reparations to the USSR, and other aspects of relations with the USSR will dominate the internal and external scene.

The new Diet will undoubtedly reflect in policy a leftish trend. The fields of government ownership and management and of government control will be expanded. In Finland's present situation movement along these lines seems inevitable. It is also in the present circumstances probably sound unless the movement be too fast or too extreme.

Repeated to Moscow as my 35.

HAMILTON

860D.00/4–2545 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, April 25, 1945—7 p. m.
[Received April 26—11:09 p. m.]

183. The program presented to the Diet by Prime Minister Paasikivi [41] on April 19 reported in Stockholm's 1471 of April 20,[42] is a succinct and skillful statement conducive to enlisting general support, of principal problems confronting Finland. Close contact and understanding with the Diet is first emphasized. The new Diet composition is affirmed to reflect clear democratic trend and desire for divorcement from wartime politics.

In foreign policy, the program strikes a popular note by starting from the sovereign independence of Finland. The Government pledges itself to follow what the United Nations have outlined at the Yalta and other conferences. Among forefront of Government objectives is promotion of relations with Soviet Union on basis of mutual confidence and respect. There is healthy realism in emphasis given to fulfillment of armistice terms. The Government uses quite general terms to state that logical conclusions must be drawn from investigation of war responsibility and that decision as to appropriate measures must be taken "in accordance with existing law". The quoted statement appeals to traditional Finnish concepts of jurisprudence and accords with Paasikivi's previously-expressed attitude. It may constitute a bone of contention with Leftist elements clamoring for people's courts.

The program contains statement conforming to tradition on desirability of friendly relations with other Scandinavian countries.

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[41] A new Cabinet was formed on April 17 with Paasikivi again at the head of the Government.

[42] Not printed.

A new note is sounded in expression of hope for reestablishment of normal relations with the various United Nations.

Passing to domestic policy, the program contains significant statements calling for elimination of all vestiges of wartime politics and for purging from cultural life of chauvinistic and undemocratic trends. This statement, and those referring to war responsibility investigation, the Yalta conference and reflection of clear democratic trend, fit in with statements in Soviet press and in local Leftist press that all Fascist elements need to be eliminated.

[Here follow details of the Government's proposed domestic policy.]

The Government's program is clear-cut, with the important exception of statements bearing on question of war responsibilities and further democratization of Finland. On these points the program is couched in sufficiently broad terms to command general support. There will continue the struggle between the more and the less extreme groups to bring about interpretation which each desires to place on these general terms.

HAMILTON

740.00119 Control (Finland)/4–2845 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, April 28, 1945—4 p. m.
[Received April 30—4:45 p. m.]

191. Since arrival here 2 months ago I have noted that the situation in Finland differs in a number of respects from the picture of other former German satellite countries which I formed in the Department from official reports. The most important difference is undoubtedly that no large number [of troops] is stationed on Finnish territory. In Rumania and Bulgaria Soviet forces, by reason of numbers alone, inevitably cause serious impact upon many aspects of life. That type of impact is absent here.

The Bulgarian, Rumanian and Hungarian armistice agreements [43] contain a provision giving the Allied (Soviet) command a control over publication, importation and distribution of literature, theatrical performances and films and communication by wireless, post, telegraph and telephone. There is no such provision in the Finnish agreement.

[43] Text of the armistice agreement of October 28, 1944, with Bulgaria is printed in Department of State *Bulletin*, October 29, 1944, p. 492; text of the armistice agreement of September 12, 1944, with Rumania is printed *ibid.*, September 17, 1944, p. 289; and text of the armistice agreement of January 20, 1945, with Hungary is printed *ibid.*, January 21, 1945, p. 83. Concerning the negotiation of these agreements, see bracketed note, *Foreign Relations*, 1944, vol. I, pp. 39–40.

In Finland the Control Commission does not exercise control over rail, telephone, cable postal or radio communication within the country. The Finnish Government itself exercises censorship control within Finland and to and from Finland. During the elections press stories to be sent abroad which related to the ACC were referred to it. All communication between Finland and Germany is, of course, stopped.[44] There is a prohibition, waived in the case of the American Government, on the use of diplomatic communication by diplomatic missions in Finland until German troops are completely withdrawn from Finland. The Soviet Government may not agree that except for the foregoing restrictions control over external communications lies with the Finnish Government. This is the view of the Finnish Government and of the British. Airplane and ship controls give the ACC power to restrict and stop communication by air or sea.

As to the movement of individuals within Finland and between Finland and foreign countries, this seems to fall within the province of the Finnish Government and not of the Control Commission. Except for frontier areas where restrictions have been recently modified and for certain relatively small military areas, there are no restrictions on movement of Finnish nationals within Finland. The Finnish Government restricts movement of Finnish nationals to Sweden because Finland does not wish to lose foreign exchange. The Soviet members of the ACC at one time raised but did not press the question of passing on the visit of a British press representative. This has not been raised again.

I do not know whether American, British and Soviet publications are received and sold in other former satellite countries. Here several American, British and Soviet publications as well as Swedish are for sale in the news stands to the general public.

The Finnish Government probably exercises wider authority and more responsibility than other governments in the former satellite countries. Erroneous conclusions should not be drawn from this. Broad controls are established under the Finnish armistice agreement and the Soviet Government and the ACC follow developments in Finland with great care and bring influence to bear to accomplish desired objectives. Finland exists as do other former satellite countries in the shadow of Soviet power and Soviet attitude is an important and ever present factor.[45] However, the technique and procedures here

[44] The Finnish Government had declared war on Germany on March 1, 1945, legalizing the hostilities which had been carried on since September 15, 1944.

[45] In airgram 8, June 16, 1945, from Helsinki, the United States Representative informed the Department that in December 1944, 21 sub-commissions of the Allied Control Commission were scattered throughout Finland. In June 1945, only 9 sub-commissions remained and these "consist of only a few people, usually a Soviet Naval Officer and one or two assistants. They control the movement of ships to Sweden, to Russia and from one Finnish port to another." There was no British representation at any of these points. (740.00119 Control(Finland)/-6-1645)

seem to differ in a number of respects from those found in other former German satellite countries.

Sent to Department as my 191 and to Moscow as my 53.

HAMILTON

860D.00/7–1345 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, July 13, 1945—10 a. m.
[Received July 14—6:44 a. m.]

368. Diet interpellation of June 29 [46] was motivated by desire to prod Government to action to punish war criminals and to remove from public and private offices persons prominently identified with Finland's wartime collaboration with Germany. In telegram 128, March 23, I pointed out that one difficult task of new Cabinet and Diet was action against war responsibles. In 3-month period since convening on April 6 of new Diet neither Government nor Diet had taken any substantial steps against war responsibles. Paasikivi program presented to Diet April 19 (see my 183, April 25) called for some action but only in general terms. Illustrating lack of action, Ryti and Rangell [47] continued to hold most responsible positions Bank of Finland though retirement predicted and urged publicly many months. With typical Finnish fixity of idea they did not budge and Government apparently found no means of forcing retirement. Government was waiting for report of Hornborg Committee [48] investigating question war responsibles. Demands in press for Government action were not vehement but were steady. *Vapaa Sana* took occasion on June 23, fourth anniversary of Soviet-German war, to publish strong attack on Finnish war politicians. This continued several days.

During May and June arms caches were discovered in various parts of Finland. This caused Russians to send two notes to Finnish Government, the last in latter part of June being quite sharp. During past 6 weeks Russians made new and to Finns surprising economic demand regarding prompt return to Soviet Union of property from Karelia and giving over as war booty wood from forests purchased by Germans in northern Finland. Whether these economic demands

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[46] On this date the opposition asked the government what steps it had taken, or intended to take, to bring persons compromised by their role in the past war "to legal account." It asked the government further if it was willing to bring "its whole influence and authority" to bear in forcing the removal from key positions in both public and private life of persons with Fascist and German sympathies.

[47] Johann W. Rangell, who had been Prime Minister of Finland from January 4, 1941, to March 5, 1943.

[48] A committee under the chairmanship of the historian Dr. Erik Hornborg, established to investigate the causes of the war with the Soviet Union. After 7 months of deliberation, a report was finally drawn up in August 1945.

are related to question of Finnish action on war responsibles I do not know. They would create unsettled psychological situation likely to influence Finnish Government to action such as that reflected in interpellation.

Against this background movement developed toward end June for Diet interpellation to Government. First public knowledge of movement was given in press of June 27. That movement was unexpected to Diet and Government is clear from fact that Diet planned to adjourn just 2 days later on June 29. Liberal Diet members of Swedish Party are commonly reported to have started movement. Since meeting early in June Swedish Party had moved to Left.

When Finn Cabinet first heard of interpellation Prime Minister was not certain it constituted proper procedure. Interpellations normally carry implication of criticism of Cabinet. When Paasikivi perceived interpellation was strongly backed he decided best course was for Government to go along. Generally believed members Cabinet participated in drafting text of interpellation as it finally appeared. Several public meetings took place in which Government was asked to take action against war politicians. One such meeting attended by about 1000 occurred in Helsinki. Information meagre as to how numerous, widespread or spontaneous these meetings were.

Following presentation of interpellation in [*on*] July [*June*] 29, Government replied through Paasikivi and Leino [49] on July 4 and Diet accepted Government's position.[50] Rightist speeches during debate and Rightist editorials indicated some clinging to defense of war politicians though majority speeches and editorials supported Government position.

According Stockholm report published in Finnish press July 7, Moscow radio in discussing interpellation stated that a crop cannot be expected until weeds have been pulled out; that Finnish Fascist elements have not yet been liquidated; and that one either makes a radical cleansing or takes the consequences.

Interpellation has already had some significant results. The President accepted resignation of Ryti and Rangell from Bank of Finland on June 29. It seems clear that known imminence of interpellation finally produced action. Rangell has also resigned as chairman Finnish Sports Federation. His selection to this position in June occasioned much criticism. Following police of army abolished. Resignation General Heinricha as Commander in Chief Finnish Army

[49] Yrjö Leino, Minister of the Interior.

[50] In his reply the Prime Minister said that the Government agreed that the question of responsibility for the past war must be clarified quickly. The Government, he said, could not punish mistakes of policy, but it was prepared to punish clearly unconstitutional acts. The Government also agreed that compromised persons should be removed from public life, but it hoped that these persons would withdraw voluntarily.

accepted. Lieutenant General Airo resigned as Army Quartermaster General. Press predicted resignation Poijarvi Director General of Finnish School Administration. During last days of Diet there was rushed through law permitting election of some new personnel to Finnish high court which under article 59 of constitution is for trial [of] Cabinet members and certain other high officials. *Vapaa Sana* called new law only half measure because remaining personnel of court was not changed. It also did not like new selections made by Diet. It stated all will watch what high court does and it enjoined it not to betray the people.

Diet interpellation and Government's reply represent another skillful step by Leftist elements toward action against war politicians. Trial of some high officials for illegal acts is now clearly envisaged. What number will be cannot be predicted though Paasikivi referred to only the comparatively few. In addition to those against whom legal charges are envisaged, number of prominent persons identified with Finland's war policies have already retired or resigned from key positions. How many more will be expected to resign cannot be predicted. Measuring yard stick for this category is difficult to define. Preamble of interpellation mentioned expressly Bank of Finland, state university, army educational institutions and administrative fields in general including business interprises constituting key positions in Finnish economy. Communist Interior Minister Leino's public disclosure in Diet story of arms caches startled Finnish people. I learn from good sources secreting of arms has been widespread. Such action has been most ill advised. By it Finnish Government and especially army made themselves vulnerable to legitimate criticism and agitation for cleansing steps gets strong additional argument. At same time anti-Russian elements will be weakened and collaboration with Soviet Union probably made easier.

Repeated to Moscow as my 88.

HAMILTON

740.00119 Control (Finland)/7–1645 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, July 16, 1945—1 p. m.
[Received 5 : 44 p. m.]

376. British element ACC was told by Acting Chairman [51] a few days ago of new arrangement whereunder British element would participate more than heretofore in ACC. Henceforth there would be consultation with British element and it would be informed in ad-

[51] Pavel Dmitriyevich Orlov.

vance of what Russians on ACC proposed to do. Shepherd tells me that according to some decision arrived at he thinks in Moscow, British element previously has had right only to be informed of what ACC did.[52]

Repeated to Moscow as my 91.

HAMILTON

740.00119 Control (Finland)/7–2945 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, July 29, 1945—1 p. m.
[Received 6:40 p. m.]

404. Shepherd, British representative, has left for London for consultation. Has not been there since arrival about 9 months ago.

Shepherd will presumably discuss with his Govt problems arising out of new procedure in ACC under which British have enlarged participation. Under present procedure Russian proposals are put into effect, though British may make observations. Presumably British element would have to take definite stand in opposition and affirm necessity of reference British Govt to halt carrying out by Russians of their proposals. Before he left Shepherd and I discussed modification in armistice terms which Russians recently proposed to Finnish Govt and Finnish Cabinet accepted (see my 402, July 28).[53] Effecting alterations in armistice terms by procedure followed presents difficult questions. Shepherd feels article 14 of armistice obligating Finland to return to Soviet Union materials removed from Soviet territory is presenting special difficulty. Even discounting Finnish versions apparently Finns being confronted with considerable and unexpected Soviet claims. Shepherd feels there should not [*now?*] be definitive peace treaty with Finland. Hopes this would regularize and make definite situation.[54] I agree, provided treaty could sup-

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[52] In despatch 76, June 28, 1945, from Helsinki, the United States Representative reported a conversation with Capt. F. D. Howie, head of the British element of the Control Commission, who expressed the view that "In his opinion the Control Commission had become essentially a post office . . . everything seemed to require reference to Moscow." (740.00119 Control (Finland)/6–2845).

[53] Not printed; in this telegram, the United States Representative informed the Department that at the July 25 meeting of the Allied Control Commission, the Russians proposed modifications of the armistice agreement, such as the return of certain airfields to the Finns, and the granting of permission for clear telegraphic communications by the diplomatic representatives of other countries in Finland. (740.00119 Control (Finland)/7–2845)

[54] The United States Representative informed the Department in telegram 412, August 2, 1945, from Helsinki, that "the British element (Allied Control Commission) has received instructions to take stiffer attitude in Allied Control Commission meetings when questions arise involving application armistice provisions." (740.00119 Control (Finland)/8–245)

plant provisions of armistice agreement and make definite such few of the armistice provisions (such as reparations provisions) as would necessarily continue in effect.

Repeated to Moscow as my 97, to London as my 37 and to Stockholm as my 91.

HAMILTON

740.00119 Control (Finland)/8-645: Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, August 6, 1945.
[Received August 6—11:20 p. m.]

425. All papers 5th. Allied Control Commission in Finland announces that because of changed situation arising from termination hostilities against Germany it has found it possible to moderate Finnish armistice terms. "At end of July Control Commission deemed it possible to revoke restrictions relating to right of Finnish merchant and warships to move about." Restrictions relating to flights of Finnish airplanes within Finland also removed "thus Finnish war and merchant vessels have secured the right to move about freely and Finnish airplanes have secured right to fly without hindrance within the borders of the territory of Finland". Kota and Abo airfields heretofore administered by Supreme Allied (Soviet Union) Command turned over to Finnish Military Command. "Allied Control Commission has granted representatives in Finland of the United Nations and of neutral countries open cable, mail and telephone connections".

HAMILTON

860D.01/8-645

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] August 6, 1945.

The Soviet Chargé d'Affaires, Mr. Novikov, called on me this afternoon and said that following the understanding at the Potsdam Conference,[55] his Government had decided to resume diplomatic relations with Rumania [56] and Finland [57] and had informed those Governments

[55] For documentation on the decisions taken at the Potsdam Conference respecting the recognition of former German satellites, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, pp. 686 ff.

[56] The announcement by the Soviet Union of the resumption of diplomatic relations with Rumania was made on August 6, 1945.

[57] In telegram 2994, August 21, 1945, from Moscow, Ambassador Harriman informed the Department that Pavel Dmitriyevich Orlov, the Political Adviser to the Allied Control Commission, had been named the Minister of the Soviet Union to Finland on August 18 (701.6160d/8-2145).

to that effect yesterday. I thanked Mr. Novikov for giving us this information.

JOSEPH C. GREW

740.00116 E.W./9-1345 : Telegram

The Chargé in Finland (Hulley) [58] *to the Secretary of State*

HELSINKI, September 13, 1945—3 a. m.
[Received 10:35 p. m.]

531. Passage of war responsibles bill by Diet September 12 important milestone in Finland's execution of armistice agreement practically one year after armistice signed. Finns clearly reluctant to take action repugnant to national sense of justice and tradition but have finally been forced to it. Question discussed since early this year but Cabinet unable formulate law until interpellation in Diet end June followed by left wing mass meetings throughout country evidently inspired from Moscow through Soviet-Finn Society and Communists. Debates in Diet were bitter and Cabinet made question matter of confidence. Finns would have taken no action unless pressure possibly justifiable had been brought to bear by Soviets to have article XIII of armistice agreement implemented. Only published evidence of pressure by Control Commission was statement in press September 11 before final vote was taken refuting arguments of supreme court and constitution committee. Finns acted with eye to possibility of early peace treaty in London Council Foreign Ministers.[59]

Law is relatively mild. A special war guilt court will try persons who contributed decisively to Finns entrance in 1941 war or prevented its termination. Maximum penalty is life sentence and President has amnesty powers. Prosecutions must be instituted this year. Number accused expected be small.

HULLEY

760D.6115/10-2745 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, October 27, 1945.
[Received October 28—3:50 a. m.]

641. Press 27th. New Petsamo border which exactly same as between Russian Empire and Grand Duchy of Finland has been delineated and documents reestablishing it signed Helsinki 26th.

HULLEY

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[58] Benjamin M. Hulley became Secretary of Mission in Charge of the United States Mission in Finland on August 22, 1945.

[59] For documentation on the meeting of the Council of Foreign Ministers in London, September 11–October 2, 1945, see vol. II, pp. 99 ff.

740.00116 E.W./11–745 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, November 7, 1945.
[Received November 8—12: 16 a. m.]

665. All papers 7th publish Government decision to indict eight war responsibles. Ryti, Linkomies, Tanner, Kukkonen,[60] Reinikka,[61] and Kivimaki [62] arrested evening November 6, accused of misusing official positions by causing Finnish embroilment in war and delaying conclusion of peace. Rangell and Henrik Ramsay also ordered arrested.

According Government communiqué, all above persons responsible for some or all of following acts:

(1) Failed make even attempts to regulate German transit traffic in 1941, thus permitting Germans ensconce themselves in Finland.

(2) Issued proclamation tantamount to war declaration against Soviet Union without Soviet military operations warranting it.

(3) Failed avail themselves American and British mediation offers autumn 1941.[63]

(4) Decisively influenced Finnish embroilment in war with Great Britain by failing bring British ultimatum before Diet.

(5) In 1943, when necessity for peace should have been plain, rendered America's mediation offer of March 20 [64] negatory by bringing it to Germany's knowledge, thus decisively preventing conclusion of peace then.

(6) Contributed towards breaking off peace negotiations early 1944 by failing give Finnish delegation sufficient powers.

(7) With concurrence some of these persons Ryti in summer 1944 signed undertaking Finland would not make separate peace, thus continuing decisively to prevent peace.

(8) Kivimaki signed faulty transit agreement 1940 approving German transit through Finland,[65] though it had disastrous consequences. As late as 1943 when he must have understood situation continued give misleading information concerning German resources, thus contributing toward delaying conclusion of peace.

HULLEY

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[60] Antti Kukkonen, Minister of Education, March 27, 1940, to March 5, 1943.

[61] Tyko Reinikka, Minister of Finance, March 5, 1943, to August 8, 1944.

[62] Toivo M. Kivimaki, Finnish Minister to Germany, May 25, 1940, to September 19, 1944.

[63] For information on the efforts of the United States and Great Britain to arrange peace negotiations between Finland and the Soviet Union in 1941, see *Foreign Relations*, 1941, vol. I, pp. 1–116.

[64] See *ibid.*, 1943, vol. III, pp. 250–269.

[65] For information concerning the German-Finnish agreement of September 22, 1940, for the transit of German troops through Finland to Norway, see *ibid.*, 1940, vol. I, pp. 347–352. See also *Documents on German Foreign Policy, 1918–1945*, series D, vol. XI, pp. 148–149.

740.00116 E. W./11–2645 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, November 26, 1945—4 p. m.
[Received 6 p. m.]

724. My 706, Nov 19.[66] Several sources, including Foreign Office, reports Soviets very angry at release of four war responsibles, especially Tanner. Report circulating is that Zhdanov called in Paasikivi and Kukkonen and said release amounted to spitting in face of Soviet Union. This reaction doubtless is closely connected with protest meetings at Exhibition Hall and in many workers' organization[s] last week. This Soviet attempt to influence Finnish action stems from interpretation of article 13 of armistice (Soviets undoubtedly regard release as indicating lenient attitude of court which they feel will govern its eventual decisions).

Ryti and Kivimaki reported to have expressed belief that reaction to release of four accused would result in more severe final sentence than would otherwise have been case.

HULLEY

860D.00/11–2945 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, November 29, 1945—4 p. m.
[Received 9 p. m.]

734. Opinion in Govt circles is hardening that it will be impossible for Mannerheim to return as President,[67] according to information at Foreign Office. However Mannerheim still takes position that he will return about January 1. Date is significant as under law for trial war responsibles new indictment cannot be filed after end this year. Whether he will return to duty may hinge on how well he recovers health.

Vuori[68] still leading prospect for Prime Minister. Many think Kukkonen abler but his speeches and writings during war are obstacle.

To Dept as 734 repeated to London as 70.

HULLEY

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[66] Not printed; in this telegram the Chargé in Finland reported that the War Responsibility Court adjourned on November 17, 1945, and issued an interim injunction setting four of the accused war responsibles free until the court resumed session. Four others of the accused remained imprisoned (740.00116 E. W./11–1945).

[67] In telegram 662, November 6, 1945, 4 p. m., the Chargé in Finland reported that President Mannerheim had left Finland for Portugal, his departure being due to health and political reasons (860D.001/11–645).

[68] Eero A. Wuori (Vuori), Minister of Labor.

740.00116 E.W./12–1445 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, December 14, 1945—4 p. m.
[Received 10:07 p. m.]

769. Soviets are taking increasingly serious view of war responsibles trial I learned at FonOff. A new Colonel General sent by Moscow specially to attend trial arrived yesterday.

Paasikivi spoke nearly 2 hours yesterday to conference of chief editors stressing seriousness of situation. He stated Govt is committed to carry out trial and if nation desires different action it must have new Govt. He asked press to abstain from obstructing program if it could not support it.

Ryti's defense speech was withheld by censor from press at instance of ACC. It contained nothing new or startling but was largely a review of events from 1939 onwards.[69] Foreign Office official regards censorship as unfortunate since it had effect of arousing support for accused.

I attended trial for brief period today during dull session with long prepared speech by defense attorney but tense atmosphere was noticeable. Court only half full but conspicuous were Soviet officers in distinguished visitors' seats and Soviet press men.

Last night I talked with progressive member of Diet who expressed probably majority Finnish opinion. He spoke of "so-called war responsibles" and his whole attitude revealed inability to see any grounds for trial or that accused are more responsible than anyone else in Finland. He said Diet members were discussing what sentences should be imposed on accused. Evidently they favor acquittal but are discussing what minimum penalty would satisfy Soviets.

HULLEY

740.00116 E. W./12–2245 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

[Extract]

HELSINKI, December 22, 1945.
[Received December 23—10:11 a. m.]

795. Press 22d. After lengthy deliberation, war trial court[70] ordered seven accused imprisoned; Kukkonen alone remaining at

[69] In telegram 791, December 22, 1945, from Helsinki, the Chargé summarized the Ryti speech at length and concluded: "On balance publication of many parts of this speech full of insincerity, half truths, malice and material irrelevant to accusations, would not be calculated to do Finland anything but harm in present tense relations it could only be offensive to USSR and it could not contribute to building up confidence between USSR and Western Powers." (860D.00/12–2245)

[70] The special war trial court was composed of 15 justices. Three of these were judges from other Finnish courts, and the remaining 12 were members of the Finnish Diet who were chosen by the Diet on the basis of proportional representation.

liberty. Eight justices voted for imprisoning Reinikka and Kivimaki as compared with four [on] previous occasions. Ten voted for rearresting Tanner as compared with six previously. Four voted for rearresting Kukkonen both times. Eleven voted for keeping Ryti, Rangell, Ramsay and Linkomies in custody as compared with eight previously.

Helsingen Sanomat[71] comments "Court decision yesterday calculated to soft-pedal Soviet criticism sent from here in reports on trial and ease tension that surrounded question politically since end first phase of trial. Easing of tension will be regarded as relief by responsible Finnish authorities."

. . . . . .

HULLEY

760D.61/12–2745 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, December 27, 1945—4 p. m.
[Received 5:21 p. m.]

799. Shepherd tells me Orlov expressed to him few days ago his genuine distress and disappointment at extent of anti-Soviet feeling in Finland which trial of war responsibles has revealed. Evidently, Orlov set his hopes too high on effectiveness of his efforts to win friends in Finland, which from my observations have succeeded only in Left circles.

HULLEY

REESTABLISHMENT OF DIPLOMATIC RELATIONS BETWEEN THE UNITED STATES AND FINLAND[72]

123 Higgs, L. Randolph/1–1345 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

STOCKHOLM, January 13, 1945—7 p. m.
[Received 9:50 p. m.]

160. Soviet Legation Counselor[73] informed Higgs[74] at noon today that all arrangements had just been completed with Control Commis-

[71] A Helsinki daily newspaper affiliated with the National Progressive Party.

[72] For previous documentation regarding the preparations for the reestablishment of an American Mission in Finland, see *Foreign Relations*, 1944, vol. III, pp. 624 ff.

[73] Vladimir Semenovich Semenov, Counselor of the Soviet Legation in Stockholm.

[74] L. Randolph Higgs was appointed Secretary of Mission in Finland on December 6, 1944. For documentation respecting his appointment, see *Foreign Relations*, 1944, vol. III, pp. 626–633.

sion in Helsinki for Higgs' arrival in Finland. He explained that when he had phoned Helsinki on January 10 (my 117, January 10, 6 p. m.;[75] repeated to Moscow as my 5), Zhdanov [76] and Orlov [77] had been out of town and it had been impossible to arrange matter with others on Commission (my 6 repeats this to Moscow). The latter had returned from Moscow only this a. m., and had immediately been able to approve the project.

Zhdanov continues to be absent. (See my 72 January 6, 2 p. m.;[75] repeated to Moscow as 2).

Counselor informed Higgs, flight could take place at our convenience, Soviet authorities desiring only to be informed in good time of time of departure, plane identifications, et cetera. Weather conditions permitting, Higgs, therefore, plans to leave here January 15.

Earlier departure does not seem feasible as AATS [78] plane reserved for this flight has developed motor trouble and it is therefore necessary to await arrival of another plane from the United Kingdom which is anticipated to take place possibly tonight which would make it impossible to furnish plane identification, et cetera, to Soviet authorities before tomorrow probably too late for flight to take place that day.[79]

JOHNSON

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123 Higgs, L. Randolph/1–2045 : Telegram

The Secretary of Mission in Finland (Higgs) to the Secretary of State

HELSINKI, January 20, 1945—6 p. m.
[Received 10:50 p. m.]

10. Zhdanov received me with full ceremony at noon today at the Latvian Legation where he is now in residence. Political representative Orlov was also present but did not take part in conversation.

After usual amenities I said our Ambassador in Moscow [80] had informed Soviet Government several weeks ago of nature and purposes of United States Mission in Finland but, on possibility that this information had not been transmitted to him, I should like to apprise him directly in that regard. Zhdanov responded at once that he would like to have me do so. I then informed him in accordance with second and seventh paragraphs of Department's 2434, December 5,

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[75] Not printed.

[76] Andrey Andreyevich Zhdanov, Chairman of the Allied Control Commission in Finland, who held the military rank of Colonel General as well as political posts in the Soviet Union, including those of Secretary, and member of the Politburo of the Central Committee of the All-Union Communist Party.

[77] Pavel Dmitriyevich Orlov, Political Adviser to the Allied Control Commission in Finland.

[78] Apparent garble. Reference is probably to the Air Transport Command (ATC), United States Army Air Force.

[79] Mr. Higgs arrived in Helsinki on January 16, 1945.

[80] W. Averell Harriman.

3 p. m., to Stockholm.[81] He did not comment and I was unable to judge his reaction.

In following general conversation Zhdanov said he hoped for fullest cooperation between Allied Control Commission and our mission to which I replied I wanted to assure him of our desire to cooperate at all times.

Zhdanov showed knowledge of my previous experience in Finland and in Department on Finnish desk, and remarked he sometimes had difficulty in judging developments in Finland correctly.

Conversation was cordial throughout and was terminated on my initiative after about 20 minutes.

Please repeat to Moscow as my 7 to Moscow.

HIGGS

711.60D/1–2045 : Telegram

The Secretary of Mission in Finland (Higgs) to the Secretary of State

HELSINKI, January 20, 1945—4 p. m.
[Received January 21—3:20 p. m.]

11. Following my call on Zhdanov today I proceeded to a lunch given by the Finnish Foreign Minister[82] for the visiting Anglo-American correspondents upon conclusion of which I paid call on Mr. Enckell as previously arranged with Chief of Protocol.[83]

In accordance with instructions informed the Minister of nature and purpose of our mission and of character of relations which we expected to have with his Government. He showed complete understanding and no disposition to ask for more than we proposed, and offered every facility.

I told him that I had been instructed to bear in mind that Procopé,[84] Vaher Vjori[85] and Solanko[86] had been expelled from United States[87] for "activities inimical to interests of the United States" and that accordingly I should be unable to deal with them. He indicated that Procopé was completely out of the picture now and said the other two would be kept out of my way.

Minister then dwelt upon Finland's great need to import certain products in order produce goods required by reparations agreement. He chose as example ships plates (at no time did he mention loans

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[81] *Foreign Relations*, 1944, vol. III, p. 628.
[82] Carl J. A. Enckell.
[83] Johannes A. Nyyssönen.
[84] Hjalmar J. Procopé, former Minister of Finland to the United States.
[85] Torsten O. Vahervuori, former Counselor of the Finnish Legation in the United States.
[86] Risto Solanko, former Counselor of the Finnish Legation in the United States.
[87] For documentation on the expulsion of these Finnish diplomats from the United States, see *Foreign Relations*, 1944, vol. III, pp. 600–602.

and I had the impression he had in mind paying for such imports with Finnish exports). He said then that when armistice [88] was signed Sweden had promised Finland certain supplies obviously on expectation of early ending of war in Europe, but that Swedes had recently indicated they would be unable to fulfill completely their undertakings in view of war lasting longer than expected. I dampened his hopes of obtaining ships plates from United States by referring to vast extent of Pacific war and our great need for ships in that connection. I told him that nevertheless I should always be ready to discuss such matters with him in light of realities of situation existing and anticipated at that time. He was entirely clear in his mind that subject must remain academic at least until Germany's defeat concerning which he evinced no doubts.

Foreign Minister gave me strong impression of being quite tired and very worried indeed though he tried to put up a cheerful front. There can be no doubt, however, of the genuineness of his welcome to me, though he punctiliously gave Orlov most of his attention in which effort I attempted to be as cooperative as possible.

HIGGS

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123 Hamilton, Maxwell M./1–3045

The Acting Secretary of State to the United States Representative to Finland (Hamilton), Temporarily in Washington

[Extracts] [89]

WASHINGTON, January 30, 1945.

SIR: The following is for your information and guidance in connection with the assumption of your duties at Helsinki:

The President has appointed you [90] as "Representative of the United States of America in Finland, with the personal rank of Minister". You should proceed to Helsinki immediately upon the termination of your period of consultation in the Department and upon your arrival should take charge of the "United States Mission in Finland". While in Helsinki you will have the title of and sign yourself as "Representative of the United States of America in Finland".

The basic purpose of your mission is to protect American interests in Finland until normal diplomatic relations are reestablished between the United States and Finland. You should therefore make clear to the Finnish, Soviet and British authorities in Finland and to other

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[88] For documentation on the signature of the armistice on September 19, 1944, between Finland and the Allied Powers, see *Foreign Relations*, 1944, vol. III, pp. 608 ff.

[89] The omitted portions of this letter deal with administrative matters.

[90] Maxwell M. Hamilton was appointed United States Representative in Finland with the personal rank of Minister on December 8, 1944; see *Foreign Relations*, 1944, vol. III, pp. 626–633, *passim*.

interested persons that the presence of your Mission does not constitute a resumption of diplomatic or consular relations between the United States and Finland.

Immediately upon your arrival in Helsinki you should call upon the principal Soviet and British members of the Allied Control Commission. Subsequently you should call informally on the Finnish Minister for Foreign Affairs. You may also call on the Chiefs of Mission in Helsinki of friendly and neutral countries. During each of these calls you should explain the nature of your mission.

You should arrange with the Swiss representative in Finland gradually to take over the protection of American interests to the extent that Mr. Higgs has not already done so.

. . . . . .

You should at all times bear in mind that, although the United States and Finland have not been at war with one another, diplomatic relations between the two countries remain severed and Finland is still in a technical state of war with our Soviet and British Allies. You should conduct yourself accordingly in your relations with Finnish officials. Should Mr. Procopé, former Finnish Minister to the United States, Mr. Vahervuori or Mr. Solanko, former Counselors of the Finnish Legation in Washington, endeavor to communicate with you, you should bear in mind that they were expelled from the United States for "activities inimical to the interests of the United States".

In the light of the foregoing, you will appreciate that your functions will be the representation and protection of American interests in Finland and you will be guided accordingly in your relations with the Allied Control Commission and in your informal relations with the Finnish authorities.

Very truly yours, JOSEPH C. GREW

740.00119 Control (Finland)/4-345 : Telegram

The United States Representative in Finland (Hamilton)[91] *to the Secretary of State*

HELSINKI, April 3, 1945—3 p. m.
[Received 3:25 p. m.]

142. Your 46, March 30, 7 p. m.[92] Believe assignment at this time of army officer to carry on military intelligence in Finland not ad-

[91] Mr. Hamilton arrived in Helsinki on February 24, 1945.

[92] Not printed; in this telegram the Department informed Mr. Hamilton that the Military Intelligence Division of the War Department General Staff had expressed interest in the eventual assignment of a military observer in Helsinki. Mr. Hamilton's views were requested. (740.00119 Control (Finland)/3-3045)

visable. Russian and British military have under armistice agreement clear basis for express activities here. An American army officer would lack such basis and intelligence activities by him would likely arouse Russian suspicion that we wished to watch their conduct. In present circumstances not advisable for American Government representatives here to approach Finns for military intelligence. Russians would not be likely to furnish such information locally. . . . While eventual assignment of military observer or adviser may become desirable, and I personally would welcome it, foregoing is present situation as I see it.[94]

While I doubt whether returns would justify the effort, an officer from our military mission at Moscow might, if Ambassador Harriman approves and if arrangements could be made in Moscow with Soviet authorities, visit the Control Commission here for a few weeks.

I believe that MID [95] interests could best be taken care of at present by an assignment such as suggested in my 87, March 10, noon.[96]

HAMILTON

[In a message of May 27, 1945 (see *ante*, page 233), Marshal Stalin informed President Truman that he considered it practical to reestablish diplomatic relations immediately with Bulgaria, Rumania, and Finland, and somewhat later with Hungary. President Truman replied on June 7 that he was ready to enter into diplomatic relations with Finland at once, but was not prepared to do so with the other countries named because of the internal situations of those countries. On June 9 Marshal Stalin answered that he was opposed to any preference being shown Finland in this matter. For texts of the messages of June 7 and June 9, see *Conference of Berlin* (*Potsdam*), volume I, page 358, footnote 5. For further documentation on the subject of Finland's relations with the Allies, see *ibid.*, pages 357–434, *passim.*]

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[94] Later, in telegram 259, May 28, 4 p. m., from Helsinki, Hamilton advised that in his opinion the "situation has progressed to point where if War Department desires to assign Military Attaché or adviser (not observer)" this action would be all right. Such an officer would not find a "great deal to do but some useful information obtainable." (740.00119 Control (Finland)/5–2845)

[95] Military Intelligence Division.

[96] Not printed.

711.60D/7–1545

Memorandum by the Second Secretary of Embassy in the United Kingdom (Thompson) to the Assistant Secretary of State (Dunn)[97]

[BERLIN,] July 15, 1945.

According to this British memorandum [98] Stalin informed Churchill on June 14 that he saw no reason to defer the restoration of diplomatic relations with Finland, which was fulfilling the armistice conditions. It will be recalled that the Soviets had earlier informed us that they did not consider that the resumption of diplomatic relations with Finland before the resumption of relations with Rumania and Bulgaria would be justified.

Since we have never been at war with Finland we are in a better position to resume relations than the British and Soviets and it is believed that we should do so as soon as this can be accomplished without seriously offending the Russians. At this meeting it would appear advisable to take any opportunity that may present itself to clear the way for this action.[99]

L. E. THOMPSON

711.60D/8–1745

Memorandum by the Secretary of State to President Truman[1]

WASHINGTON, August 17, 1945.

I have examined the best reports available and have concluded that the Finnish parliamentary elections of March 1945 [2] were conducted free of outside control and expressed through secret ballot the democratic wishes of the Finnish people. This government has been reorganized so as to reflect the results of that election and is now broadly representative of all democratic elements in Finnish political life. Accordingly, I am proposing to the Finnish Government the establishment of diplomatic relations between Finland and the United States, and have taken steps to inform the British and Soviet Governments of this act.

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[97] Both Llewelyn E. Thompson and Assistant Secretary James C. Dunn were at this time members of the United States delegation to the Tripartite Conference held in Berlin, July 17 to August 2, 1945.

[98] An undated, unsigned British memorandum attached hereto is not printed.

[99] At the Berlin Conference it was decided that the Council of Foreign Ministers should undertake the task of preparing peace treaties with Finland and the former German satellites. It was also agreed that each of the Allies should examine separately in the near future the question of establishing diplomatic relations with the former satellites prior to the peace treaties. For documentation on the decisions taken at Berlin regarding these matters, see *The Conference of Berlin (Potsdam)*, vol. II, pp. 686–749.

[1] At the end of this memorandum the following marginal notation, dated August 18, 1945, appears: "Approved, Harry S Truman."

[2] See telegrams 127 and 128 of March 23, 1945, from Helsinki, *ante*, pp. 609 and 611, respectively.

The Soviet Government, in connection with the Potsdam Decisions, has announced its intention to reestablish diplomatic relations with Finland prior to the conclusion of the peace treaty between Finland and the Soviet Union.[3]

JAMES F. BYRNES

711.60D/8–1745 : Telegram

The Secretary of State to the United States Representative in Finland (Hamilton)

WASHINGTON, August 17, 1945—5 p. m.

131. Please deliver a note to the FonMin informing him that your Govt desires to establish diplomatic relations with Finland; and that upon hearing that this action is agreeable to the Finnish Govt your Govt is prepared formally to reopen its mission in Helsinki and to designate you as Chargé d'Affaires ad interim pending the nomination of a Minister by the President.

For your info: Brit and Soviet Govts are being informed of this action.[4]

BYRNES

711.60D/8–2145 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, August 21, 1945—8 p. m.
[Received 8:36 p. m.]

470. Reference my 406 [*460*], August 18.[5] Note of August 21 handed me by Foreign Minister states Finnish Govt has received with greatest satisfaction US Govt's communication regarding establishment of diplomatic relations. Note continues that Finnish Govt is prepared to reestablish as soon as possible diplomatic representation in Washington.

Foreign Minister said orally Finnish Govt greatly appreciates this action on part of US Govt and the moral encouragement the United States is giving Finland.

He said he expected in a few days to present through this Mission Finnish Govt's request for *agrément* to Finnish Minister to Washington.

HAMILTON

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[3] See memorandum by the Acting Secretary of State, August 6, 1945, p. 619.
[4] Telegrams were sent to both Governments on the same day.
[5] Not printed.

711.60D/8–2145 : Telegram

The Secretary of State to the Secretary of Mission in Finland (Hulley)

WASHINGTON, August 30, 1945.

142. Department has released following statement

"On August 20 the Secretary of State announced that the United States Representative in Helsinki had been instructed to propose to the Finnish Government the establishment of diplomatic relations between the United States and Finland. In view of the favorable response received from the Finnish Government, diplomatic relations between the United States and Finland are being established as of midnight, Friday, August 31, 1945. The Legation at Helsinki will function from that date as a combined diplomatic and consular office. Benjamin M. Hulley, First Secretary of the Legation, will act as Chargé d'Affaires ad Interim pending the appointment of a Minister." [6]

BYRNES

701.60D 11/9–1345 : Telegram

The Acting Secretary of State to the Chargé in Finland (Hulley)

WASHINGTON, September 13, 1945—1 p. m.

147. Appointment of Kalla Teodor Jutila [7] as Minister to the United States, mentioned in your 503 of Aug. 31,[8] is agreeable to this Government.

ACHESON

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123 Hamilton, Maxwell M./9–1945 : Telegram

The Acting Secretary of State to the Chargé in Finland (Hulley)

WASHINGTON, September 19, 1945—5 p. m.

152. Please request *agrément* of Finnish Govt for the Honorable Maxwell M. Hamilton as Envoy Extraordinary and Minister Plenipotentiary near the Finnish Govt. Dept should be informed by telegraph as soon as *agrément* has been given.[9]

ACHESON

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[6] United States Representative Hamilton was recalled to Washington on August 18, and left Helsinki on August 22.

[7] Until this appointment was made, Mr. Jutila had been Minister of Agriculture in the Finnish Goverment. He presented his credentials to President Truman on November 21, 1945.

[8] Not printed.

[9] The Finnish Government's *agrément* was received on October 4, 1945. Mr. Hamilton presented his credentials on March 4, 1946.

INTEREST OF THE UNITED STATES IN THE REESTABLISHMENT OF NORMAL ECONOMIC RELATIONS WITH FINLAND AND IN RELIEF FOR FINLAND [10]

740.00119 EW/12-944 : Telegram

The Secretary of State to the Minister in Sweden (Johnson)

WASHINGTON, December 19, 1944—10 p. m.

2550. Reurtels 5049 [11] and 5060,[12] December 9.

1. Following is for guidance of Legation with regard to loans and assistance to nations endeavoring to meet reparations payments.

2. Department believes that:

(*a*) it would be most unwise for this Government to adopt a policy of assisting countries which have heavy reparations obligations to pay such obligations;

(*b*) substantial financial assistance to such countries for reconstruction, particularly early in the reparations paying period, is largely precluded by existence of heavy reparations obligations.

After the last war the United States in effect financed the transfer of reparations by Germany by the large credits granted that country. Consequently repudiation of these credits meant in effect that the United States assumed the burden of reparations.

3. It is in part because of the foregoing that this Government strongly favors payment of reparations in kind for direct delivery to receiving countries to be used for reconstruction and rehabilitation if reparations from current output are imposed on defeated powers. It is the opinion of the Department that if the reparations burden is excessive the reparations claims of the receiving countries should be reduced and that neither the reparations paying or receiving countries should be led to believe that the United States will again undertake to finance reparations transfers. It would appear a wiser policy for this Government to assist reparations receiving countries directly, if

[10] The United States Treasury announced on February 16, 1945, that Finland was removed from the category of enemy occupied or controlled countries (10 *Federal Register*, 1956). This action reactivated for Finland the Proclaimed List of firms and individuals with whom business transactions were prohibited except under license. The British did not extend their corresponding Statutory List to Finland, and on August 2 a British-Finnish financial agreement permitted financial dealings with all persons in Finland. The Proclaimed List for Finland was abolished as of November 5, 1945, following acceptance by Finland of the Proclaimed List as far as other than Finnish nationals were concerned (740.60D112A/10-2545). For documentation on Anglo-American cooperation on policies and problems concerning the Proclaimed and Statutory Lists in the Eastern Hemisphere, see vol. II, pp. 827 ff.

[11] Not printed; it reported that since the Finns were required to deliver as reparations products which they could not produce without outside help, they would inevitably ask for the assistance of the United States. (740.00119 EW/12-944)

[12] Not printed; it informed the Department that Soviet authorities in Finland took the matter of Finnish reparations most seriously. There was to be no question of "non-fulfillment." 740.00119 EW/12-944)

they need assistance, and if this Government believes it to its advantage to grant such assistance, rather than to grant such assistance indirectly through reparations paying countries.

4. The principal reason for the position expressed in 2(*b*) is that although the assistance might be directly aimed at assisting reconstruction in the reparations paying country, the indirect effect would be to finance the transfer of reparations. Even though reparations deliveries are made in kind, they directly affect the balance of payments of the paying country and make it almost impossible to differentiate whether outside assistance is going to reconstruct the country or to facilitate the transfer of reparations. In addition, of course, heavy reparations payments may gravely jeopardize the ability of the borrowing country to repay.

5. It would appear to the Department that any suggestion that this Government intended to assist substantially reparations paying countries would operate to encourage attempts to collect excessive reparations claims, even if the request for assistance were based on reconstruction needs. In the case of Finland this position would appear to be particularly pertinent in view of the uncertainties as to the real amount of reparations which follow from the attitude of the USSR with regard to valuation of reparations deliveries.

6. Although the foregoing outlines the general policy which the Department believes advisable, it is possible that in some circumstances relatively small loans might be made for specific projects which would facilitate the production and export of specific goods not involved in reparations payments. In circumstances such as the foregoing, it might be safely assumed that the projects would be self-liquidating in the sense of providing foreign exchange for the service of the debt. It will be appreciated that such projects would not be numerous and that because of the balance of payments effects of reparations cited above, would necessarily be of limited extent relative to the economy of the country, particularly in the earlier phases of a reparations period when the remaining reparations obligations were still large. After a reasonable lapse of time, however, during which a paying country has demonstrated that payments are well within its capacity, this Government might consider more favorably requests for more substantial assistance for reconstruction or developmental loans.

7. It is suggested that the Legation not initiate discussion of loans or assistance by this Government to Finland. If, however, these matters are discussed with officers of the Legation or in their presence on the initiative of others, it is suggested that without attempting definitive answers they assume a discouraging attitude with regard to the possibility of any substantial assistance by the United States. You should, of course, continue to report fully to the Department

any such discussions or proposals. The Department would be glad to receive any comment on the foregoing which you would care to make.

STETTINIUS

860D.48/1–645 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, January 6, 1945—5 p. m.
[Received 6 p. m.]

216. ReDepts 10164, December 4, midnight.[13] An informal letter has just been received from the Foreign Office commenting upon the desire of certain private groups in the United States as well as the American Red Cross to send relief supplies and funds to Finland.

According to the Foreign Office it is fairly certain that no relief supplies will be sent from the United Kingdom to Finland, at least until considerably more has been done than has heretofore been possible to give aid to the Norwegians. The Foreign Office letter states that their own feeling would be that the despatch of relief on any substantial scale to Finland, especially if shipping had to [be?] provided for this purpose, could only be effected at the expense of liberated Allied territories, and in particular Norway.

However the Foreign Office states that this objection would clearly be less applicable to the despatch of relief on a small scale from the United States by private groups through existing channels of transport. The British Government itself though would not wish to assist an ex-enemy country with relief supplies while it is still not possible fully to meet the needs of its Allies. The Foreign Office states that it recognizes of course that the position of the United States is different inasmuch as the United States has not been at war with Finland.

WINANT

740.00119 Control (Finland)/1–1645 : Telegram

The Minister in Sweden (Johnson) to the Secretary of State

[Extract]

STOCKHOLM, January 16, 1945—6 p. m.
[Received 11:50 p. m.]

196. Ake Gartz, Finnish Minister of Commerce and Industry, in private conversation last night with member of Legation staff made following points:

1. Mr. Gartz said that first question which Finnish Government would raise with any American representative in Finland would be

[13] Not printed.

that of obtaining credits with which to tide over national economy during next 2 years, in order that reparations to Russia could be got well into production. He said the Finnish Government has debated advisability of approaching me even prior to appointment of an American observer in Helsinki [14] on this question but said that sheer lack of time and fact that in so small a country ability and responsibility was shared by so few people had prevented preparation of necessary data for submission to this Legation.

2. Minister of Commerce was correspondingly chagrined when Legation's representative summarized briefly Department's 2550 December 19, 10 p. m., 1944. Mr. Gartz quite understood philosophy which motivated our Government's point of view but said that unless credits could be secured from United States he could not see how Finland could meet its obligations or restore its economy. He said, "Without credits the game is up." Mr. Gartz added that the Finns had tried in vain to secure assent of Soviet indemnity delegation to including a *force majeure* clause in schedule of reparations payments.[15] The schedules were now complete following agreement on prices described in Legation's press telegram 5245 December 23 [16] and provided for exact quantities of each commodity which Finns must deliver to Russians over next 6 years. Schedules would be published in near future.

3. As for Finland's actual requirements for a loan Mr. Gartz dismissed as fantastic the memorandum prepared at behest of Governor of the Bank of Finland, Ryti, and given to Mr. John Scott [17] as indicated in the Legation's despatch 4469, November 9, 1944 [18] which estimated Finland's need for foreign credits totalling $250,000,000 in the next 2 years. Emphasizing that he was thinking out loud and making a rough mental calculation, Mr. Gartz said that it was calculated that of manufactured metal products Finland must deliver to Russia between 35% and 40% of the value thereof would be in form of imported raw materials. Taking this as a base he estimated in a preliminary way that during last 2 years Finland would require foreign exchange totalling $50,000,000 for indemnity purposes.

4. In response to a question the Minister said that negotiations with Sweden in which he is now engaged, and for which the principal Finnish delegate is the former Minister to Sweden, Professor Wasastjierna, had progressed satisfactorily. The Swedes in effect, he said, had promised to tide over Finland during first year of the indemnity payments but it made it clear that it was beyond their power to do much more than this. Queried as to recurrent report that Soviet Control Commission in Helsinki had told the Finns to "look to their friends the Swedes and Americans" for aid in paying reparations, Gartz said that he thought it was true that in a sarcastic way the

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[14] For documentation on the reestablishment of diplomatic relations with Finland, see pp. 624 ff.

[15] Reference is to reparations agreement between Finland and the Soviet Union of December 17, 1944; see telegram 5164, December 18, from Stockholm, *Foreign Relations*, 1944, vol. III, p. 623.

[16] Not printed.

[17] *Time* and *Life* correspondent in Stockholm who had drawn up an extensive report on Finland at the request of the United States Legation in Stockholm.

[18] Not printed; this despatch transmitted Mr. Scott's report to the Department.

Russians had made such a reference to Sweden, but he doubted that they had mentioned the United States in this connection.

. . . . . .

The principal impression had by the Legation's representative from his talk with Mr. Gartz was that the Finns have been pinning their hopes for salvation on financial and economic aid from the US; that they will be correspondingly shaken by finding that our policy is in general opposed to extending of such aid; but that they will not desist in their efforts to explore every possibility for securing help from us.

(Paraphrase to Helsinki by pouch).

JOHNSON

860D.48/1–2545 : Telegram

The Acting Secretary of State to the Secretary of Mission in Finland (Higgs) [19]

WASHINGTON, January 25, 1945—8 p. m.

4. Department and President's War Relief Control Board [20] have been receiving numerous inquiries in regard to possibility of sending relief supplies to Finland. American Red Cross particularly would like to send such supplies, primarily for women and children, provided distribution could be undertaken by a Finnish organization and Amcross [21] could send a limited number of its own representatives to act as observers. As regards any programs developed under PWRCB supervision, Board also would wish to have distribution made by Finnish organization. Private agencies concerned might likewise wish to send observers to Finland.

Please endeavor to ascertain and report whether such assistance desired, whether above conditions could be met, and if so type of supplies considered essential immediately. Your recommendations as to manner of initiating program, number of personnel needed, et cetera, would be welcomed. In any discussions on this subject care should be taken not to convey impression that large scale programs are contemplated since demands in other areas, shipping and supply difficulties, et cetera, probably would restrict such programs to those more or less of a token character.

GREW

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[19] L. Randolph Higgs was appointed Secretary of Mission in Finland on December 6, 1944, and he arrived in Helsinki on January 16, 1945.

[20] The President's War Relief Control Board (PWRCB) was established by Executive Order No. 9205, July 25, 1942. It was authorized to control all solicitations, sales of merchandise or services, collections, receipts, and distribution of funds and contributions for (1) charities for foreign and domestic relief and rehabilitation, reconstruction and welfare arising from war-created needs in the United States or in foreign countries, (2) refugee relief, (3) relief of civilian population of the United States affected by enemy action, or (4) relief and welfare of Armed Forces of the United States and their dependents.

[21] American Red Cross.

860D.48/1-2745 : Telegram

The Secretary of Mission in Finland (Higgs) to the Secretary of State

HELSINKI, January 27, 1945—10 p. m.
[Received January 28—6:14 a. m.]

20. Department's 4, January 25, 8 p. m. Possibilities of extending relief activities to Finland were discussed this morning with supply Minister Jutila, a former Rockefeller scholar. He furnished following information:

1. Most urgent needs are footwear and clothing for children, vitamin concentrates and medicines for children and expectant mothers, footwear and clothing for general population in order named.
2. Distribution can be undertaken by a Finnish organization, Finnish Relief,[22] which is already in existence. It was formed during the Winter War and has as I understand functioned to full satisfaction of foreign relief organizations since then. It works directly under the Prime Minister and is non-political. With disbanding of the "brothers in arms" organization[23] several days ago its activities will necessarily be greatly expanded.
3. Observers from American relief organizations would be welcomed and accorded every facility.
4. American assistance is greatly desired.

I repeatedly cautioned Minister Jutila in my conversation that supply and shipping difficulties probably would restrict any American relief program in Finland to more or less of a token character. I also told him that while my instruction did not cover this point I thought it would be wise until further discussion indicated definite feasibility of American relief activities in Finland that no publicity be given this matter as reaction on Finnish public would undoubtedly raise their hopes far beyond realities of situation. He readily agreed to keep matter confidential until we should agree upon publicity.

In latter connection I feel we should bear in mind that as some of my recent and immediately following telegrams indicate there is something in nature of a political crisis in Finland at moment arising out of Allied Control Commission pressure on Finnish Government to take action against certain "fascistic elements" in Finland.[24] The announcement at this time of extension of American relief activities to Finland might be interpreted by Finns as American support for

[22] Suomen Huolto, a central body for Government authorities and private associations in dealing with all kinds of humanitarian relief work, founded July 30, 1941.

[23] A war veterans and fraternal organization devoted largely to carrying out relief activities among widows and orphans of servicemen. It was affiliated with the "comrades in arms" organization. Both organizations were disbanded at the request of the Allied Control Commission as being Fascist orientated.

[24] With regard to this political crisis, see telegrams 16 of January 25, and 25 of January 30, 1945, from Helsinki, pp. 598 and 601, respectively.

Finland vis-à-vis the USSR with possible consequences of a serious nature. I sense objection however to continuing efforts to work out with Finnish Government in confidence an American Relief program for Finland. I accordingly assented to Minister Jutila's suggestion that he discuss my conversation with him in confidence with head of Finnish Relief,[25] also a former Rockefeller Foundation man.

Regarding initiation of program, et cetera, I believe local circumstances would permit of immediate initiation of relief activities as the need already exists and Finnish organization for distribution is already in being. Principal obstacle would seem to be in shipping connections. Only two routes appear to be open under present circumstances: via the USSR and via Sweden. If Gothenburg safe conduct traffic continues this seems most satisfactory route. Medicines and vitamin concentrates might however be shipped in fairly satisfactory quantities to Sweden by ATC[26] from UK. I am not in position to judge possibility of shipment through the USSR. As to American personnel needed, a representative of President's War Relief Control Board and possibly of Red Cross would seem on basis of previous experience by American relief organizations working in Finland to be sufficient, as little more than liaison officers experienced in relief matters are required.

HIGGS

860D.48/1–2745 : Telegram

The Acting Secretary of State to the Secretary of Mission in Finland (Higgs)

WASHINGTON, February 3, 1945—8 p. m.

10. Reference your telegram No. 20, January 27, 10 p. m. We have felt that our policy on relief for Finland should be cleared with the Soviets before any final decision on the matter is made. Accordingly, the Department recently inquired of the Embassy in Moscow[27] regarding the Soviet attitude toward an eventual American relief program. Paraphrase of Moscow reply follows:[28]

Begin paraphrase. Because of relative obscurity that still surrounds Russian policy in Finland it is difficult for me to reply to your inquiry. To an unusual degree the control of affairs there, according to considerable evidence, has been left to the discretion of the chairman of the Control Commission.[29] In comparison with pol-

[25] Heikki Varis.

[26] Air Transport Command, United States Army Air Force.

[27] The Department's inquiry was made in telegram 2782, December 4, 1944, to Moscow, not printed (860D.48/12–444).

[28] The reply was contained in telegram 4708, December 8, 1944, from Moscow, not printed (860D.48/12–844).

[29] Andrey Andreyevich Zhdanov, Chairman of the Allied Control Commission in Finland.

icies pursued by the Soviets in other areas, Zhdanov's policies appear to us as having been exceptionally considerate and moderate. I am not certain, however, how far this would overcome general Soviet inhibitions against travel and other activity in such territories, except in the most unavoidable circumstances.

I feel that the chances are good for eventual favorable action, but I think that requests for permission to carry on relief activities would best be directed initially to the Control Commission. If at a later time it should be necessary, I could always support here requests made in the first instance to the ACC [30] in Finland. *End of paraphrase.*

Department suggests that you ascertain by discreet inquiry whether the Control Commission would be agreeable in principle to an American relief program of the type indicated in our No. 4, January 25.

GREW

611.60D31/3-245 : Telegram

The United States Representative in Finland (Hamilton) [31] *to the Secretary of State*

[Extract]

HELSINKI, March 2, 1945—4 p. m.
[Received March 3—7 : 35 a. m.]

71. When I called informally on February 27 on Foreign Minister Enckell and on March 1 on Associate Foreign Minister Svento, I explained the nature of my assignment. I said it did not constitute resumption of diplomatic relations and that the functions of the Mission were of limited character.[32] Both expressed appreciation of steps taken by the American Government to reestablish contact. They stressed urgency and difficulties connected with reparation payments to Soviet Union, and raised question of resumption of commercial relations with United States and possible extension of American credits, perhaps to cover specific undertakings, such as construction of manufacturing plants or housing projects. They thought it would be useful to send qualified Finnish representatives to the United States to study possibilities, and asked whether I thought this would be feasible. In response, I recalled experience of the American people in extending credits to Germany after the last war. The American people having burned their fingers badly on this would not be enthusiastic about undertaking to finance reparation payments for Germany or for countries associated with Germany. I pointed out that there are no shipping routes open to Finland at present; that the United States is absorbed in

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[30] Allied Control Commission.

[31] Maxwell M. Hamilton assumed his duties as United States Representative in Finland on February 24, 1945.

[32] See instruction of January 30, p. 627.

prosecuting the war and lacks supplies and shipping sufficient to give our Allies all that we would like to furnish to prosecuting the war. I mentioned that the situation relating to transportation of passengers is difficult, and that propositions which might come up for consideration some months hence were not being given special attention in the United States at present when energy and thought were being concentrated on matters requiring immediate attention, especially those relating to the war.

. . . . . .

Repeated to Stockholm as my 23 and to Moscow as my 22.

HAMILTON

740.00112 European War 1939/3–1045 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, March 10, 1945—5 p. m.
[Received March 12—10:12 p. m.]

88. Prime Minister Paasikivi, during a call on him on March 9, deliberately steered the conversation to subject of Finland's present economic position. He talked at length. He said Finnish industry at present is operating at something less than half capacity due principally to lack of necessary materials. Zhdanov had told him that the Soviet Union could not during these next few years furnish Finland with the metals which Finnish industry needed because the Soviet Union had great need itself of those commodities. Sweden has originally promised to furnish Finland 12,000 tons of ship plate but had found it possible to supply only half that amount. The London discussion for a three way trade arrangement among Finland, Britain and Sweden were not yet finished. The Finnish Government greatly hoped that trade relations could soon be reinstated with the United States. The United States was the only country which could supply some of the items which Finland needed.

In line with the Department's instruction I discouraged expectations of credit. Recalling experiences of American people after last war in indirectly financing Germany's reparations, I observed that question of assisting in reparations payments involved not only Finland but other countries associated with Germany and Germany itself. Later it would come up in the Pacific. I mentioned shipping difficulties, lack of supplies sufficient to meet requests of Allies for material aid with which to prosecute the war, and that present situation in the United States is quite different from that existing before the war. Now everything is concentrated on prosecuting the war vigorously and winning it as quickly as possible. Once Germany is defeated, there would re-

main continuance of the war against Japan. In the Pacific the road would be, as the President stated, long and difficult.

Paasikivi said he could understand that the American people would not wish to repeat what had been done after the last war in extending credit to Germany. He laughed and said he had been a banker then and he and his associates had never understood why the United States had extended such credit to Germany. He stressed that the question of Finland obtaining needed commodities from the United States need not involve or be related to question of reparations. Finland needs assistance to get its internal economy and industry going again and to restore healthy economic life in Finland. Finland would tighten its belt and live without complaining on a much restricted basis for these next years. Finland's whole economic life is dependent on imports and exports. He stressed three points: 1. The commodity assistance that Finland needed was small; 2. Finland could pay for this assistance by furnishing wood products for which he understood there was need in the United States; 3. Credit arrangement for a few years would be most helpful and Finland could be counted on to repay. When I commented again about the difficulties, he repeated his previous statements. In reply to my question he made it clear that Finland did not expect assistance at this moment while communication routes to Finland were not open. What he was saying applied to the situation which would exist after these routes had been reopened. He hoped this would be by summer or at the latest by autumn.

I of course made no commitment. Having already commented twice in regard to the difficulties from our point of view, I finally changed the subject.

I hope Department will consider the foregoing in the light of this Mission's telegram No. 48, February 14, 5 p. m.[33]

If there are Finnish supplies which it would be useful to the United States to have (I understand there is a shortage of certain wood products in the United States), I know of no political reason why arrangements should not be made to obtain such supplies. The British have already sent a trade mission here to discuss supplying by Finland to Britain of wood products. The Finns sent a mission to Moscow and concluded an agreement for a commodity exchange. The Soviet arrangement and the proposed British arrangement are quite outside of and not related to the armistice provisions. I therefore see no political reason why prompt consideration should not be given by appropriate agencies of the American Government to the question whether the United States could advantageously obtain from Finland

[33] Not printed; in this telegram the United States Representative emphasized the necessity for Finland to trade with the outside world, and suggested that attempts be made to work out some sort of triangular trade arrangement between the United States, Great Britain, and Finland (740.00112 EW/2-1445).

supplies needed by the United States. If we need such supplies, we could then approach the problem of what the Finns want from us and what we would be in a position to furnish.

In the foregoing paragraph I am suggesting a program of study by appropriate United States governmental agencies which might lead to action some months hence.

HAMILTON

360d.115/3-2645 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, March 26, 1945—4 p. m.
[Received 10:38 p. m.]

129. Does the Department object in principle to our utilizing article XII of the Finnish armistice agreement [34] to protect American commercial and related interests here? The Department will recall that a similar article is contained in the Hungarian, Rumanian and Bulgarian armistice agreements.[35] Does the Department consider that under this article American interests in Finland should be made whole and kept whole from Finnish laws or administrative decrees resulting from conditions arising out of Finland's participation in the war, such as requisitioning (with compensation) apartments, residences, and farms in order to provide housing and land for dispossessed Karelians [36] and other Finnish nationals, from capital levies under which individuals would pay in cash and corporation would pay in stock, et cetera? If the Department approves I have in mind leaving an informal memo with the Foreign Office that the American Government, of course, expects the Finnish Government not to adopt or put into effect with respect to American interests in Finland measures finding their basis in conditions arising out of Finland's participation in the war which would be inconsistent with article XII of the Finnish armistice agreement.

Please instruct.

HAMILTON

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[34] Article XII of the armistice agreement between the Union of Soviet Socialist Republics and the United Kingdom of Great Britain and Northern Ireland, on the one hand, and Finland, on the other, dated September 19, 1944, provided: "Finland undertakes to restore all legal rights and interests of the United Nations and their nationals located on Finnish territory as they existed before the war and to return their property in complete good order."

[35] For text of the armistice agreement with Hungary, see Department of State *Bulletin*, January 20, 1945, p. 83; for text of the armistice agreement with Rumania, see *ibid.*, September 17, 1944, p. 280; and for text of the armistice agreement with Bulgaria, see *ibid.*, October 29, 1944, p. 492.

[36] Inhabitants of the Karelian territory taken from Finland under the terms of the armistice of 1944. This territory became the Karelo-Finnish Soviet Socialist Republic.

360D.115/3–2645 : Telegram

The Secretary of State to the United States Representative in Finland (Hamilton)

WASHINGTON, April 3, 1945—11 a. m.

51. Department's general position is that in matters to which you refer, your 129, March 26, American nationals are entitled by treaty [37] to treatment no less favorable than that accorded nationals of the most-favored-nation. They are also entitled under the treaty to just compensation for any property that has been or may be taken.

Any statement left with the Foreign Office should be along these lines.[38]

STETTINIUS

860D.48/4–1045 : Telegram

The Secretary of State to the United States Representative in Finland (Hamilton)

WASHINGTON, April 10, 1945—7 p. m.

55. Reurtel 144 April 4.[39] Department and President's War Relief Control Board have been proceeding on assumption nothing could be done in this matter until it had been cleared with Soviet authorities (reurtel 139 March 31 [40] and previous).

However, following comments are given for your confidential information with reference to statements in your 144:

1. President's War Relief Control Board thus far has not licensed any organization to solicit and collect funds for Finnish relief work. Activities of Mrs. Branstrom in this connection would presumably be subject to jurisdiction of Board.

2. On request of Swedish Legation, Washington, in charge of Finnish interests Department submitted to blockade authorities

[37] The treaty of friendship, commerce and consular rights between Finland and the United States, signed at Washington February 13, 1934, and effective August 10, 1934; for text, see Department of State Treaty Series No. 868, or 49 Stat. (pt. 2) 2659. With regard to the negotiation of this treaty, see *Foreign Relations*, 1934, vol. II, pp. 134 ff.

[38] In despatch 20, April 17, 1945, from Helsinki, the United States Representative informed the Department that he had left a memorandum at the Finnish Foreign Office setting forth this position (360D.115/4–1745).

[39] Not printed; in this telegram the United States Representative informed the Department that various private groups and individuals in the United States planned to undertake relief activities for Finland in the near future. He also reported that the Finnish relief agency had questioned him on the use of funds which it had on deposit in a Washington bank. (860D.48/4–445)

[40] Not printed; the United States Representative here reported that he had endeavored to ascertain the Soviet attitude toward American relief activities in Finland from Pavel Dmitriyevich Orlov, the Political Adviser to the Allied Control Commission. Orlov promised to consult Moscow on the matter. (860D.48/3–3145) On two previous occasions, February 10, and March 14, the subject had been brought to Orlov's attention and in each case he had promised to consult his Government. No reply was received.

(through American Embassy, London) inquiry regarding approximately 43 tons of supplies in storage in New York which had been collected prior to June 1941 for relief in Finland. Shipment of such supplies to Sweden for relief there of Finnish refugees was approved by blockade authorities (London's 2251 March 5)[41] and subsequently export license was issued by Foreign Economic Administration. However, thus far actual shipment, which it is understood may be made on vessel chartered by Intercross,[42] has not been made.

3. Treasury Department has indicated informally it is prepared to consider sympathetically application by authorized individual or group for

(*a*) transmission to Finland for purpose of relief there or

(*b*) use in purchasing relief supplies in United States for forwarding to Finland to be distributed there, sum of approximately $118,000 held by Riggs Bank[43] in account of "Legation of Finland" (sub-account Suomen Huolto). Also sympathetic consideration would be given by it to application for use of funds from this account for payment of storage charges on aforementioned relief supplies.

4. Pending commencement of direct shipping to Finland shipments from outside of blockade would have to go to Sweden for trans-shipment. Since suggested shipment of vitamins and medicines not obtainable from Sweden blockade approval would be required.

Department and Board await with interest information requested in Department's no. 4 January 25 regarding relief possibilities.

STETTINIUS

860D.48/4–1645 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, April 16, 1945—5 p. m.
[Received 9:35 p. m.]

163. We are unclear as to meaning of last sentence of Department's 55, April 10, 7 p. m. We attempted in our 20, January 27, 10 p. m., to supply so far as available at this stage of discussions the information requested in Department's 4, January 25, 8 p. m. We reported that assistance is desired; that conditions stated could be met in that distribution could be undertaken by a Finnish organization and observers from American relief organizations would be welcomed. We listed most urgent needs and expressed opinion that number of American personnel needed was very small. An indication of any additional information which is desired would be appreciated.

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[41] Not printed.
[42] International Red Cross.
[43] Washington, D. C.

As reported, we have on a number of occasions pursuant to Department's instructions endeavored to obtain clearance with the Soviets on our policy on relief activities in Finland through approaches to Orlov of the ACC. We have had no reply and are unable to judge whether we can expect a reply or whether approach to Soviet authorities in Moscow or in Washington would be helpful. It is clear that Orlov regards question of American relief activities in Finland as not falling within competence of ACC and as one of general Soviet policy for decision in Moscow. We know of no provisions of the armistice terms and hence of the terms of reference of the ACC which are expressly applicable to American relief activities in Finland, including travel within the country of American observer.

My 41, repeats this to Moscow.

HAMILTON

860D.00/4-2845 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, April 28, 1945—5 p. m.
[Received May 6—1:10 a. m.]

192. 1. In view of his early departure for Stockholm, Higgs[44] was asked to lunch April 27 with Kekkonen,[45] Hillila,[46] Tuomioja,[47] and Gartz. Hulley[48] also was there. Hulley and Higgs were much impressed with the sober seriousness with which these Ministers viewed the supply situation for Finland in coming months and with the realism with which they were approaching the problem neither expecting nor desiring easy help from the outside.

2. Gartz a hardheaded business man with wide experience and liberal views, had just returned from negotiations in Stockholm with the Swedish Government for additional supplies and leaves April 28 with Svento for similar negotiations in Moscow. The Stockholm negotiations reached no definite conclusions, although he did obtain at least some seed potatoes. (See Stockholm's 1554, April 26 to Department).[49] In brief he found the Swedes unwilling to extend further help to Finland on a blank check basis and firm in their insistence that they must have some other sort of payment for additional exports to Finland than further Finnish marks or blocked sterling. He did not speak in optimistic terms regarding the Moscow

[44] L. Randolph Higgs was relieved of his assignment as Secretary of Mission in Finland on May 1, 1945.
[45] Urho K. Kekkonen, Minister of Justice.
[46] Kaarlo H. Hillilä, Minister of Supply.
[47] Sakari E. Tuomioja, Governor of the Bank of Finland.
[48] Benjamin M. Hulley, Secretary of Mission in Finland.
[49] Not printed.

negotiations, presumably expecting the Russians to drive an extremely hard bargain for anything supplied by them in compensation for imports from Finland.

3. The meager success attained to date in his attempts to obtain supplies from other sources is apparently leading Gartz more and more to concentrate upon the possibilities of striking any kind of a bargain with us but this sense of frustration in this connection is very apparent. The Finns have no one in Washington to discuss trade with us even on a non-credit basis and the economic questions they have put to this mission as reported to the Department in a number of our telegrams have perforce remained unanswered.

4. Finland's present concern according to Gartz is for supplies during the latter part of the current year and 46 as present Swedish commitments will not extend into that period and as he has not succeeded in getting further commitments from the Swedes. He does not see how Finland can possibly meet its reparations obligations when presently scheduled Swedish deliveries cease.

Replying to our inquiry he said that the Finns had not yet drawn up a list of the products which they particularly desire to obtain from the USA (in this connection see Department's airmail instruction of March 12[50] enclosing letter from Department of Commerce dated March 6) but that these goods generally related directly to Finland's production for reparation payments. Before Hulley and Higgs had an opportunity to say anything on the subject Gartz stated that he was fully acquainted with our views on credits to countries under reparations obligations and that his present approach did not envisage such credits. He emphasized that what he wanted was to sit down with some authorized and competent American officials and discuss the possibilities of reaching an agreement on a schedule of exports from Finland to the USA (largely product of the woodworking industry) in return for which Finland would receive products in 1946 such as ship plates (about 15,000 tons), transportation equipment and machine tools for use in producing in Finland articles for export to the USSR as reparations. This would be essentially an exchange of goods such as the Finns and the Russians have been discussing. Could this be arranged and how?

He pointed out that this question had been raised with me by Foreign Minister Enckell twice before (see my 71 March 2, 4 p. m. repeated to Stockholm as my 23 and to Moscow as my 22 and my 157 April 12, 9 a. m. not repeated elsewhere).[51] He said that after his return from Moscow about 2 weeks hence and a trip immediately

[50] Not printed.

[51] Telegram 157 not printed, but see telegram 70, May 2, 6 p. m., to Helsinki, *infra*.

thereafter to Stockholm he intended to raise this question with me again.

I should appreciate instructions whether there would not seem to be sufficient interest and advantage for the United States, both economic and political, to explore at least the possibility of working out some sort of mutually advantageous import export arrangement between Finland and the USA. While I realize that various complications would attend the visit of a Finnish representative to the United States to discuss such matters I believe such a visit would be the most practicable way to explore possibilities.

Repeated to Stockholm as my 63 and to Moscow as my 57.

HAMILTON

611.60D31/5-245 : Telegram

The Acting Secretary of State to the United States Representative in Finland (Hamilton)

WASHINGTON, May 2, 1945—6 p. m.

70. For your information and for use as you see fit in conversations with Finnish Government officials, the following are the Department's comments on the three proposals made by Enckell and Gartz as outlined in your 157 April 12:[52]

1. The proposal to use blocked Finnish funds in this country to repay the Soviet Government[53] raises difficult questions of policy as regards the disposition of such balances. The Department and Treasury regard the raising of this question as premature at this time and you should so indicate to the appropriate Finnish officials.

2. As regards the use of the unexpended balance of the Eximbank[54] credit to the Finnish American Trading Corporation, it may be said that the Eximbank is prepared to give consideration to specific proposals submitted by the Finns. However, the comments you have already made to the Finns in this connection are relevant and in general the Department would regard it premature at this time for the Finns to propose utilization in new projects of all or any substantial part of the balances in question. The Eximbank has no record of any inquiry into this matter by the Swedish Legation on behalf of the Finnish Government.

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[52] Not printed.

[53] The reference is to a commercial advance in the amount of $6,000,000 made by the Government of the Soviet Union to the Finnish Government in June 1940 for the construction of ships by Finland for the Soviet Union. The ships had never been delivered. The People's Commissar for Foreign Trade, Anastas Ivanovich Mikoyan, had suggested that Finland pay back the advance and that the contract be cancelled.

[54] Export-Import Bank of Washington.

3. In reply to the third proposition advanced by Enckell and Gartz contemplating the sale of wood products to the U.S., you are informed that the question of the future disposition of Northern European wood products is now under discussion by the Combined Raw Materials Board.[55] Arrangements at this time for marketing Finnish wood products in the U.S. would be premature. You will be advised of any decision arrived at by the CRMB affecting Finnish wood products. As regards the export to the U. S. of any Finnish commodities other than wood products, the Eximbank reports that if facilities are not obtainable from N. Y. banks (which is believed to be doubtful), the Eximbank may be able to extend credits to Finland to finance exportation to the U. S. Such credits would be made on the basis of suitable contracts with approved private importers in the U. S. Payment could be made to Finland in advance of shipment on mutually satisfactory terms provided the Finnish Government gave guarantees as to specifications of quality and actual shipment.

4. In transmitting the above information to Finnish officials you should avoid any implication that the U. S. Government is not interested in doing everything possible to facilitate the resumption of normal trade relationships at the earliest possible date. At present, however, there are unavoidable but temporary obstacles in the path of such resumption.

5. The Department is very pleased with the manner in which you have been handling these questions.

GREW

860D.01B11/5–2845 : Telegram

The Acting Secretary of State to the United States Representative in Finland (Hamilton)

WASHINGTON, May 28, 1945—8 p. m.

85. Department's 70, May 2 and 76, May 10 [56] and your 71, March 2; 157, April 12 [57] and 192, April 28. We have been giving careful consideration to the several problems that have been brought up by Gartz and to his repeated suggestions that a Finnish representative be permitted to come to this country to discuss these questions. It is believed that such discussion would be more effectively facilitated by a permanent mission than by a special delegation and that the presence in this country of some form of permanent Finnish representation short of

[55] A joint American and British agency created in 1942 for the purpose of planning the best and speediest development, expansion, and use of raw material resources.

[56] Telegram 76 not printed.

[57] Telegram 157 not printed, but see telegram 70, May 2, 6 p. m., to Helsinki, *supra*.

diplomatic representation might in fact be of general usefulness in facilitating the disposition of matters of current interest. We should appreciate your early comment on this matter.

For your information the Department has expressed to the Hungarian and Bulgarian Governments its willingness to receive from them an informal governmental representation in this country without the restoration of diplomatic relations. This decision was based on the view which the Department has consistently maintained that the sending of representatives to the three major Allied capitals by the former satellite states during the armistice period is in each instance a matter to be decided by the Government of the Allied country concerned. There would seem to be even less objection in the case of Finland than in the case of Hungary and Bulgaria. Should your reaction be favorable we would be disposed to authorize you to indicate to the Finnish authorities the willingness of this Government to entertain any proposals the Finnish Government may wish to make regarding the sending of a Finnish representative to this country. Although such a representative would not be accredited officially to this Government and his presence here would in no sense imply a resumption of diplomatic relations between the two countries, he would have access to the American authorities and such facilities as would enable him in an unofficial and informal way to represent Finnish interests in this country. The appointment of any particular individual for this post would, of course, be subject to the approval of this Government.

Sent to Helsinki; repeated to Moscow as Department's 1167.

GREW

611.60D31/6–745 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, June 7, 1945—5 p. m.
[Received June 8—1:48 p. m.]

293. With conclusion recent Finnish Brit trade arrangement it appears opportune to review Finnish foreign trade position.

Since Sept armistice and especially Dec reparations agreement with USSR Finns have been energetically exploring all possibilities to get supplies credits from foreign countries such as Sweden, Russia, England, USA and Denmark.

Sweden has furnished substantial supplies and credits. Finns have made two commodity exchange arrangements with Russia and most recently one with Brit. Gartz goes to Moscow again in couple weeks when reportedly he will offer Russia in return for additional Russian supplies remaining Finnish exports paper products for this year with

exception small amount needed to buy certain items from Denmark. Thus the relatively small quantity of Finnish exports for this year remaining after reparation exports are taken care of are already potentially obligated to Russia, England and Denmark. Finnish exports to England, Denmark relieve demand on other supply sources. There will be little if any Finnish exports available for USA. Whatever Finland obtains from USA or other countries cannot be paid for at present with goods and must be paid for with goods to be delivered directly or via multilateral trade at some later period when Finnish production increases as planned for to normal capacity. Finnish trade orbit for present aside from reparations has settled down in line with natural geographical factors. Finnish expectancy of trade with USA appears based on use of unexpended credit balances in USA and on possible new credits granted perhaps against subsequent deliveries Finnish wood products.

HAMILTON

611.60D31/7–1645 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, July 16, 1945—noon.
[Received 2:26 p. m.]

380. Re Stockholm's 83, July 12.[58] Have in mind, subject to any instructions which Dept may send, saying to Gartz when he next talks with me I will, of course, forward to American Govt for its consideration and without commitment such names as Finnish Govt may list as desiring to send USA to discuss commerce and trade matters. I would say also that speaking entirely personally and on my own initiative I raise question whether sending of persons whose name prominently associated with Finance Ministry and Bank of Finland would not inevitably give rise to public misunderstanding and expectation that Finnish Govt had in mind obtaining substantial credits and financial assistance from United States. As I had many times mentioned to Finnish officials, credits the effect of which would be directly or indirectly to finance reparations presented very serious difficulties. It seemed to me obviously better to handle matters so that erroneous public impressions would not be created. As I told Gartz when he raised this question again on June 18 and proposed giving me names of two or three individuals with lists of specific projects, I would forward such proposal to my Govt for consideration but I did not know what my Govt's attitude would be. I had thought Finnish Govt would pre-

[58] Not printed.

sent list of specific projects such as Finland's desire to receive some automotive equipment or special products or to sell wood pulp, with names of technical experts specially qualified to discuss such matters.[59]

Repeated to Stockholm as my 85 and to Moscow as my 93.

HAMILTON

740.00119 EW/7-2645

The United States Representative in Finland (Hamilton) to the Secretary of State

No. 106 HELSINKI, July 26, 1945.
[Received August 6.]

SIR: I have the honor to report that the Finnish press of July 18, 1945, announced the signing on July 17 of an agreement between Finland and the Soviet Union concerning reparations deliveries during the second reparations year (September 19, 1945, to September 18, 1946). Lauri Kivinen, Chairman of the Reparations Industries Authority (Soteva) signed for Finland and V. N. Gerasimov, head of the Soviet board in Helsinki which controls deliveries, signed for the Soviet Union. The agreement covers shipments to a total value of $50,082,000.

At the same time the Reparations Industries Authority announced to the press that a total of $36,600,000 worth of goods had been invoiced up to July 16, 1945. This amount included $21,100,000 worth of consumption goods and $15,500,000 worth of capital goods. Invoicing takes place ten days after shipment.

The press of July 20 carried a release covering certain of the details of the agreement. A translation of this release is annexed.[60]

It will be noted that the percentage of metal goods to be delivered has been increased. Metal goods deliveries for the first year will be one to two million dollars below the established schedule. Four factories for the manufacture of prefabricated houses are to be delivered as well as a wood-meal factory and two plywood factories. All of these are to be complete with power stations and repair shops. The list of machines and appliances is considerably increased, including cigarette paper making machines, saws, railway equipment, electric motors, transformers, turbines, lathes, bridge cranes, centrifugal pumps, etc. Maritime equipment to be delivered includes sea-going tugs, steamships, fishing trawlers, docks, wooden boats, and wood and steel barges.

Respectfully yours, MAXWELL M. HAMILTON

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[59] In telegram 120, July 23, 1945, the Acting Secretary of State informed the United States Representative as follows: "Department approves reply to Gartz along the lines you propose." (611.60D31/7-2345)

[60] Not printed.

860D.48/8–145 : Telegram

The United States Representative in Finland (Hamilton) to the Secretary of State

HELSINKI, August 1, 1945—12 a. m.
[Received 5 p. m.]

409. Enckell gave me July 30 letter stating that Finnish Govt has addressed through intermediary of ACC (Allied Control Commission) petition to Council of UNRRA which meets August 7 London asking that Finnish population northern Finland be taken into consideration in granting relief to persons hurt by the war. Letter states that by armistice Finnish Govt undertook to repel German troops. Northern Finland became war theater for several months. Retreating Germans inflicted thorough devastation and population lost dwellings, hospitals, churches, public buildings, bridges, boats. Finnish Govt would greatly appreciate it if US Govt could support Finnish petition UNRRA.[61] I understand Finnish Govt not requesting American or British Govt to introduce or sponsor its petition to UNRRA. Finnish Govt is filing its application through ACC, presenting its request to senior Russian member and also to senior British member. Enckell has also given British political representative letter like that handed me.

As enclosure to Enckell's letter there is statement to Finnish Govt from Suomen Huolto a central body for Finnish Govt authorities and private associations in dealing with humanitarian relief work in Finland. Copy of 15 page report made by Suomen Huolto on most urgent needs of devastated region and general outline of relief work is affixed.

Enckell said copy of Suomen Huolto report being sent to UNRRA in Stockholm at latter's request. British representative sending copy Enckell's letter and enclosures to his Govt by air pouch leaving August 1. I am sending copy to Embassy, London and copy goes to Department by pouch.[62]

Enckell explained that procedure Finnish Govt is following of presenting request for relief through ACC with copies to me and to British political representative was suggested as his personal advice to Finnish Govt by Commander Jackson, Deputy Director UNRRA when Gripenberg, head Finnish commercial delegation London, discussed matter with Jackson July 22.

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[61] The Finnish petition was finally laid before the United Nations Relief and Rehabilitation Administration Council on November 2. On November 29, the United States delegation recommended that the Council act favorably on the petition. An emergency aid program for northern Finland was subsequently undertaken.

[62] Not printed.

My information confirms that destruction northern Finland was by Germans and that it was widespread and thorough.

Repeated to London as my 38; to Stockholm as my 93; to Moscow as my 92.

HAMILTON

860D.48/7–3045 : Telegram

The Secretary of State to the United States Representative in Finland (Hamilton)

WASHINGTON, August 22, 1945—8 p. m.

136. It is Dept's understanding which, in view of imminent resumption diplomatic relations with Finland,[63] you are requested to confirm that you are of opinion urtel 405 July 30[64] that American relief agency should now be authorized by President's War Relief Control Board to solicit and collect contributions for war relief purposes in Finland and that ARC should be authorized organize relief activities there.[65] Board developing program which would amend registration of American Friends Service Committee to permit them to undertake initial program through distribution facilities of Suomen Huolto.[66]

BYRNES

611.60D31/9–545 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, September 5, 1945—11 a. m.
[Received 3:39 p. m.]

512. Commerce Minister Gartz informed me September 4 Finnish Government plans send trade delegation to USA soon as possible. He regretted publicity reported my 507, September 2.[67] Delegation will include Walter Graesbeck of Finn Cellulose Union, Artturi Lehtinen, General Secretary Supply Ministry, Ragnar Smedslund of Commerce Section Foreign Office and possibly some technicians.

When I asked its objectives he said delegation will end commercial isolation of Finland as regards USA by renewing trade connections.

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[63] Diplomatic relations were reestablished August 31, 1945. For documentation concerning this matter, see pp. 624 ff.

[64] Not printed.

[65] In telegram 480, August 24, 1945, from Helsinki, the Chargé expressed the opinion that relief activities should be authorized immediately (860D.48/8–2445).

[66] The American Friends Service Committee shortly began operating a relief program primarily for children in northern Finland, and the American Red Cross set up a program under which about $1,500,000 worth of supplies and clothing were shipped to Finland.

[67] Not printed.

Graesbeck will represent export potential and Lehtinen import potential. Smedslund who has rank of Counselor and was Commercial Attaché in Britain will be Secretary. Gartz saw no reason to connect delegation with appointment of Finnish Minister since Finnish Legation USA would take some time to start operating.[68]

Since recent conclusion of trade negotiations with Britain and Soviet Union, he has a clearer idea of Finnish needs from USA. Cited need of machinery and hoped USA could deliver more quickly than Britain.

Gartz sees practically no exportable Finnish surplus before last half of 1946. I believe he hopes use future exports as basis of credit for purchases now. Though we did not mention loans, previously discussed exhaustively, I expect Finnish delegates will try to obtain long term bank or commercial credits to finance their immediate needs.

It may be desirable to allow delegation to visit USA for sake our future in this market and to allow Finns obtain few key materials to help set their industry in full production and enable Finland recover economic health. See my 513, September 5 [69] regarding delegation to Brazil.

Department's reactions to this proposal are desired.[70]

HULLEY

611.60D31/9–1845 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, September 18, 1945—1 p. m.
[Received 8:31 p. m.]

550. Foreign Office official asks again if it would be possible to send Tuomioja head Bank Finland to USA on tour of introduction. Trip would be announced as enabling recently elected head of bank to contact colleagues in other capitals including London, Paris, Bern and would increase foreign acquaintance begun in trip to Scandinavian capitals a month ago. Finns would like to have him in USA same time as trade delegation but would modify plan if we requested. Proposal associated with suggestion reported in my 463 August 20.[71] Visit undoubtedly has purpose of obtaining credits for purchases of

[68] The Finnish Minister in Washington presented his credentials on November 21, 1945.

[69] Not printed.

[70] According to telegram 145, September 6, 3 p. m., to Helsinki, both the Department of State and the Department of Commerce approved the Finnish trade mission to the United States (611.60D31/9–545). The Finnish Trade Delegation arrived in New York in the second week of October and began discussions in Washington shortly thereafter.

[71] Telegram not printed.

goods needed from US. If Dept considers it inopportune we might suggest postponement.[72]

HULLEY

740.00119 EW/9–1945 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, September 19, 1945—4 p. m.
[Received 8:30 p. m.]

552. Agreement on restitution goods to Soviets under armistice article 14 reported my 496 August 31,[73] includes 100,000 standards sawn timber, 10,400 cubic meters plywood, 300,000 square meters prefabricated houses, equal about 5,000 houses, 30,000 cubic meters timber for piling, 300,000 cubic meters pulpwood, 30,000 tons cellulose, 15,000 tons newsprint, 5,600 tons other paper and cardboard.

Delivery to be completed by end 1946 and most will go last half 1946. Above at 1938 dollar value plus 10% is valued at 14 million dollars. Soviets agreed goods already returned valued at 7 million and restitution goods valued at 1 million were received prior to agreement. Hence total deliveries under article 14 will be 22 million dollars worth.

Effect on Finnish exportable surplus very serious and deliveries expected by British under recent trade agreement will be much reduced unless production increases materially.

Soviet claims under article 15 [74] still unsettled and penalty provisions in reparations agreement contribute to uncertainty regarding further claims on Finnish production. Whole picture confirms Finnish expectation no exportable surplus for USA before 1947.

HULLEY

611.60D31/10–1645 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, October 16, 1945—5 p. m.
[Received October 16—5 p. m.]

609. Dept's 168, October 5.[75] Finn Bank Governor Tuomioja left Helsinki today for Stockholm intending to fly to New York October 24

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[72] The Department gave its assent in telegram 168, October 5, 1945, to Helsinki (611.60D31/9–1845).

[73] Not printed.

[74] Article 15 of the armistice agreement between the United Kingdom, the Soviet Union and Finland, September 19, 1944, provided: "Finland undertakes to transfer as booty to the disposition of the Allied (Soviet) High Command all war material of Germany and her satellites located on Finnish territory, including naval and other ships belonging to these countries in Finnish waters." See *British and Foreign States Papers*, vol. CXLV, p. 513.

[75] See footnote 72, above.

or earlier if possible. In talk with me I asked what he expected accomplish in US. He said it is his first visit to US and he will make personal acquaintances of bank leaders citing Chase and National City Banks with which Finland previously had close connections. He would also explore conditions under which trade credits can be obtained. I told him our approval of his visit implied no change in our basic policy on credits.

When I asked about his recent visit to Moscow [76] he said it was most satisfactory, particularly his talks with Kuusinen head of Karela-Finnish SSR and his reception was positively friendly and cordial. Russians seem pleased with Finn political developments and feel friendly to Finland but not to Sweden and look with suspicion on any move of Finns to closer union of northern nations. He also felt Russians are more friendly to USA than to Britain (Similar idea was expressed to me by Foreign Office official last week who said Russians here characterize British representatives as retaining Chamberlain's [77] mentality).

Only two difficulties emerged from his conversations. First was Russians rejection of any change in boundaries fixed by armistice and second was Russian feeling that Finns are proceeding too slowly with prosecution of war responsibles. Finn people are most anxious to alter boundaries principally to recover the Saimaa Canal and secondarily to use direct railway Helsinki to Abo through Porkkala area. They do not know how to approach problem without ruffling Soviets who easily become angry. They wish matter could be talked over with Stalin direct as others (presumably meaning ACC here) are very rough. For strategic reasons Soviet Army leaders do not wish to relinquish Saimaa Canal but after peace treaty it might be arranged to allow Finns to use it. He was surprised to learn Soviets not interested to have rapid socialization in Finland. When I asked whether he had anything to do with recently announced extension of reparations period he said he had not, but believed decision was reached by Soviets some time ago and he cited relaxation in Rumanian armistice terms as parallel case indicating Soviet policy.

To Dept as 609; repeated to Stockholm as 112; Moscow as 111 and London as 57.

HULLEY

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[76] Mr. Tuomioja had visited Moscow between September 24 and October 5 for the purpose of becoming acquainted with economic conditions in the Soviet Union.

[77] Neville Chamberlain, British Prime Minister, May 28, 1937, to May 10, 1940.

740.00119 EW/10–1845 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, October 18, 1945—noon.
[Received 4:45 p. m.]

614. In view of expected efforts of Finnish officials arriving in U S to obtain credits a review of policy outlined in Department's 2550 December 19 to Stockholm [78] seems desirable.

Policy of refusing loans to enable reparations payments is most sound and should not be modified in any way. But this is not taken to preclude credits of all kinds to a nation which pays reparations. Paragraph 6 of above cited cable indicates consideration can be given to specific projects to facilitate production and export of non-reparations goods. Such projects in Finland may include chiefly: Essential items such as road transport equipment needed to restore basic wood products export industry to full production. 2. Consumer goods such as clothing and food to assist stabilization of internal economy. 3. Necessary medical and scientific supplies formerly obtained from Germany for which no other source of supply is yet found.

Motives for modest assistance of this kind would be to regard our place in this market and to help Finland recover economic health. At present most imports to Finland come from Sweden, USSR and Britain. No American products arrived this year except motion pictures which come on credit in sense that proceeds pile up in Finmarks which cannot be converted for indefinite time. No [*If*] other goods are to come within year or two there seems no way but credit. However an unknown factor is possible annual increase of 15 million dollars in exportable goods due to recent extension of reparation delivery period but until details are arranged this can not be relied on.

Neither of our great Allies has granted credits to Finland. USSR besides taking reparations and restitution goods receives a large part of remaining exportable surplus in exchange for minimum of necessities. Practically all of balance goes to Britain to pay for other necessities. Britain since opening mission year ago has gone after trade tooth and nail and though disappointed at smallness of Finnish exports available has not extended commercial credits. Trade with both countries and with Denmark is based on bilateral trade agreements amounting to barter. Sweden also has granted credits of approximately 50 million dollars apparently activated by political motives to keep Finland on its feet. Credits from Brazil are being sought this month.

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[78] *Ante*, p. 633.

With many requests before US, Finland's place is presumably far down the line and must fit into general picture. Probably it would be unwise to help Finland before Soviet request is decided. Many nations are more deserving than Finland but none is more likely to pay up assuming that it will remain sovereign nation. Though absorption by USSR now appears unlikely final answer may depend on international developments.

HULLEY

860D.51/12-1245 : Telegram

The Acting Secretary of State to the Chargé in Finland (Hulley)

WASHINGTON, December 12, 1945—8 p. m.

218. Eximbank is considering with Department approval $35,000,000 credit to Finland for general reconstruction purposes repayable over 20 years with first payment falling due in 1951 average interest over whole period of about 3 per cent. Existing indebtedness of Finland to Eximbank amounting to approximately $25,000,000 will be funded and included as part of total credit thus total indebtedness would be about $60,000,000.

Eximbank has approved 15 months cotton credit of $5,000,000 separate from general credit to finance approximately 40,000 bales of cotton under general arrangement recently announced by Eximbank for financing cotton shipments to European counties.[79]

For your confidential information Eximbank suggested full amount of Finnish request for credit of $110,000,000 for purchases in U. S. during 1946 and 1947. Department regarded this amount out of line with loans being extended to other countries and Bank's funds and also because of uncertainty re reparations Department advised smaller sum.

ACHESON

860D.51/12-2845 : Telegram

The Chargé in Finland (Hulley) to the Secretary of State

HELSINKI, December 28, 1945—3 a. m.
[Received 11:07 a. m.]

800. In radio broadcast to nation New Year's Eve Paasikivi desires to include statement that at end this year we have reached agreement with USA by which we obtain new credit of 50 million dollars which enables us to buy goods from USA in near future.

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[79] An agreement was signed between the Export-Import Bank and the Finnish Trade Delegation in Washington on December 12, 1945. It was made public on December 14, 1945. See the *New York Times*, December 14, 1945, p. 37, col. 5.

Gartz consulted me about advisability of including this statement in speech. I still hold opinion expressed in my 768, December 14,[80] that agreement should not be announced until Finnish war trial ends. I asked that decision to include statement be deferred until Dept expresses its views. Please cable urgently December 29 Dept's reactions.

HULLEY

860D.51/12–2845 : Telegram

The Acting Secretary of State to the Chargé in Finland (Hulley)

WASHINGTON, December 29, 1945—9 p. m.

231. Your 800, December 28, 8 [*3*] a. m. As you have previously been advised, Finnish Economic Mission informed by President of Exim Bank [81] that he would recommend to Board of Directors credit of 35 million dollars. In any event credit is not formally in effect as Directors will not meet until January 3.

Department's continued belief is that public statement must be postponed until after war trials.

ACHESON

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[80] Not printed; in this telegram the Chargé recommended that the announcement of the agreement be withheld until the war responsibles trial in Finland had ended. "In my view it would offend Soviets to announce our assistance at present juncture and would strengthen Finn attitude of independent defiance already too strong for Finland's good." (860D.51/12–1445)

[81] Wayne C. Taylor.

FRANCE

EFFORTS OF THE UNITED STATES TO MAINTAIN GOOD RELATIONS WITH FRANCE; VISIT OF PRESIDENT DE GAULLE AND THE FRENCH MINISTER FOR FOREIGN AFFAIRS TO WASHINGTON

711.51/1-345

The Ambassador in France (Caffery) to the Secretary of State

No. 604 PARIS, January 3, 1945.
[Received January 13.]

SIR: French grievances against the United States are an old story to Americans who dealt with French problems in London and Algiers before the liberation of France. As a direct aftermath of our unreadiness to recognize General de Gaulle [1] and as an aftermath also of the Clark–Darlan accord,[2] the French in London and Algiers maintained concerted attacks, openly and covertly, on American policy and American intentions. There were, for instances, charges that America was surreptitiously supporting Pétain [3] and Laval; [4] that America was trying to set up a future government for France in Madrid, its members to consist of such people as Chautemps,[5] de Monzie,[6] Noguès,[7] Mistler,[8] etc.; that America was trying to work out a compromise peace through the Vatican against the wishes of Stalin [9] and of Churchill; [10] that America had produced almost no civilian goods for North Africa; that American rookie aviators were trained over French targets because the German ones were too difficult; etc., etc.

Optimistic souls might have been justified in believing that the foregoing rancors were swept away by the liberation of France. As a matter of fact, American popularity zoomed to an all-time high in France for one month preceding and one month following the liberation of Paris. At that time almost all Frenchmen dealt with a few simple realities: It was American arms that had saved them from the Ger-

[1] Gen. Charles de Gaulle, Head of the French Provisional Government.
[2] Clark–Darlan Agreement signed at Algiers November 22, 1942, *Foreign Relations*, 1942, vol. II, p. 453.
[3] Henri Philippe Pétain, Chief of State of Vichy France.
[4] Pierre Laval, formerly Chief of Government in France.
[5] Camille Chautemps, formerly Premier of France.
[6] Anatole de Monzie, formerly French Minister of Public Works.
[7] Charles Noguès, formerly French Resident General at Rabat in Morocco.
[8] Jean Mistler, formerly member of French Foreign Affairs Committee of the Chamber of Deputies.
[9] Marshal Iosif Vissarionovich Stalin, Chairman of the Council of People's Commissars of the Soviet Union.
[10] Winston S. Churchill, British Prime Minister.

mans. De Gaulle's complications with Washington (hardly one man in a thousand had any idea what these could have been about) were considered matters of no importance. But this phase in turn has passed. The emotional glow of liberation has dimmed. Dissatisfaction with Americans is on the increase, and we now face the prospect of multiplying grievances.

Several factors are working against us in France. In the first place, the French exiles from England and North Africa who had been thoroughly indoctrinated with anti-American attitudes, have now swarmed back to France and have "enlightened" those members of the resistance who, during the occupation, had other things on their minds than de Gaulle's bickerings with Americans. It would be easy to exaggerate the effect of this anti-American propaganda; actually, the anti-American sentiments entertained by the exiles have been considerably diluted with the passage of time and contact with people who remained in France. Nevertheless, distrust of American motives is a recognizable ingredient in current French thinking.

In the second place, the population of France, however much it likes to fancy itself immune to German and Vichy propaganda, actually swallowed a great deal. One of the themes of German propaganda was "American imperialistic designs." The French were innoculated with the idea that Americans proposed to snaffle French territory everywhere in the world. It is clear that a Fifth Column still exists in France, and the "American imperialism" motif is circulated with great craftiness. Even when the French divest themselves of their suspicions on a rational level, the suspicion still forms an emotional under-tow to their thinking (concerning German-Vichy propaganda on the Jews, it is also worthy of note that whereas all Frenchmen possessing any mental probity use exactly the same bywords in repudiating anti-Semitism as they used before the war, nevertheless they betray by small remarks how much they were genuinely persuaded on this subject by the Germans and Vichy).

In the third place, the delicate state of French sensibilities can hardly be exaggerated. Physical privations and moral humiliation have left a mark on French mentality. Nearly all Frenchmen betray their frame of mind by aggressive statements concerning France's place in the world and by their willingness to entertain suspicions on everything and anything. Below are tabulated some of the more common French grievances against Americans.

1. Almost everywhere in France there is bitter indignation against American treatment of German prisoners. The spectacle of Germans, accused of torturing Frenchmen and pillaging French property, receiving far better rations than the average Frenchman obtains, is an every-day subject of conversation and a constant leitmotif in the press and over the radio. An interview granted to the French press by the

American Provost Marshal, General Milton A. Reckord, explaining that America merely follows the Geneva Convention,[11] did nothing to lessen the indignation. Arranged trips to a German prison-camp for French journalists merely whipped up the campaign. Some Frenchmen remarked in a surly fashion that America ought to denounce the Geneva Convention in view of the fact that German brutalities in France do not entitle Germans to any consideration under international agreements. Others remark that America is taking a selfish attitude in insisting on maintenance of the Geneva Convention to protect its own prisoners in Germany. "The United States should notify the Germans that it will henceforth treat German prisoners exactly as the Germans treat the prisoners of America's allies." Without doubt this anti-American campaign started spontaneously among the people, but the fact that it has now assumed a standard, stylized form—"Americans everywhere are feeding vast quantities of oranges to German prisoners" . . .[12] and "In this city and that village Germans ride through the streets tossing oranges at French civilians"—indicates a carefully directed campaign. Until a more careful inquiry is possible, this must be ascribed loosely to Fifth Column activities.

2. America has failed to supply (*a*) arms for the French Army (*b*) machine tools and other capital goods, (*c*) consumer goods for civilians. The French have never been adequately informed on the re-equipping of the French forces in North Africa or on the civilian goods brought from the United States for that area. What is more important at this point is that they have no adequate grasp of the transport problem, and since this situation will in all likelihood grow increasingly difficult within the next few months, complaints against the United States will multiply. Even when a certain quantity of transport is made available to the French, they themselves will be forced to make a choice between (*a*) consumer goods, (*b*) machine tools and the like, and (*c*) matériel for re-equipping their armies. Whatever the decisions, there will be complaints. If emphasis is placed on military matériel, industrial leaders will complain that they are not receiving necessary goods for re-establishing their factories, and the public will complain because consumer goods are not brought from the United States. If, on the other hand, the government puts emphasis on consumer goods and machine tools, stories will spread that the United States is withholding war goods in order to keep down the military power of France. If the public is to be instructed on the transport problem, this must be undertaken by the Americans themselves on the French press and radio, for the French government has certain advantages to gain by public grumblings against America: it deflects criticism from the government and it provides the French authorities with a psychological background for their concrete transport demands.

3. "Nazi hold-outs on the Atlantic coast of France". Many French fiercely blame Americans for not cleaning out these German pockets before proceeding on to the war in Germany. They cite the lack of

[11] International convention relative to the treatment of prisoners of war, signed July 27, 1929, *Foreign Relations*, 1929, vol. I, p. 336.

[12] Omissions in this despatch indicated in the original.

arms in the hands of the FFI [13] and the pitiful conditions under which the men maintain their holding actions. The position of the FFI in this regard, however, *has* dampened certain French tendencies noticeable three months ago to attribute victories to the FFI when as a matter of fact the Germans had merely evacuated in the path of the advancing Allies. The situation on the Atlantic coast of France has made it clear that the FFI alone can achieve very little. Many Frenchmen declare that they have been informed by the British that full responsibility for the failure of the Allies to clean out the German pockets rests on the Americans, since the commander-in-chief [14] is American. The Embassy possesses no evidence to support this accusation.

4. "Americans are quite too lavish in their requisitioning of French property". There doubtless have been valid complaints along this score, particularly in the provinces. The probabilities are that for every valid complaint, there are ten imaginary grievances.

5. "Americans refuse to believe stories of Gestapo atrocities". This is only partly true. There is plenty of evidence to indicate German atrocities in France, and this has been accepted by responsible Americans. On the other hand, the French have a tendency to exaggerate the extent of the tragedies. Finally, it *is* true that the ordinary, uninformed GI does not believe in Nazi atrocities and says so frequently. Whereas the French grievances based on treatment of German prisoners and the German pockets on the Atlantic are based on specific situations, the grievances on the score of atrocities is simply a manifestation of a French temperamental malaise.

6. "It is hard for us to accept everything from Americans". . . "Americans treat us like children". These words, which fall very often from French lips, are typical of the more irrational complaints, indicating a post-liberation neurosis.

It is proper to record at the end of this series of complaints that one anticipated grievance which Americans faced frankly before liberation has never materialized. It was feared that American troops which often succeeded in stirring up ill-will in North Africa by their turbulent behavior, would succeed in further irritating over-drawn French nerves. Actually, this has never happened. The French masses have been hospitable to Americans; the GI's themselves have behaved on the whole circumspectly, and complaints are almost never heard. The army was prudent in keeping soldiers out of French restaurants, which would have aroused the old "locust" complaints—that American soldiers with vast quantities of money were buying up all available food and supplies in shops. The high-cost of living in France has discouraged soldiers from making any but the most modest purchases.

The foregoing is intended to be only a summing up of the chief complaints made against Americans by the French population. The remedies are various. In some cases the grievances will disappear

[13] Forces Françaises de l'Interieur.
[14] General of the Army Dwight D. Eisenhower.

automatically with the end of the war. There are other grievances, however, that hold the germ of prolonged discord, and these should be handled by enlightening the French public on the magnitude of the war and the gigantic burdens imposed on the United States in carrying it to a successful conclusion. This involves cooperation between the various government departments operating abroad, including the Army and Navy, the Department of State, the Office of War Information and the Office of Strategic Services.

Some phases of our propaganda future in France are covered in our despatch no. 307, December 5, 1944.[15] It should be pointed out that speed in undertaking this work is vital, because the French press and radio are still in a fluid and receptive state. In North Africa we encountered a sullen and hostile press, a press that had been almost completely inoculated with anti-American propaganda. It was extremely difficult to get editors to print any articles that might have helped to dissipate misunderstandings. In liberated France, however, while the radio and newspapers are constantly indulging in a kind of criticism explained above, there is still a disposition to tell the other side of the case, and it is the job of all American government departments to tell it.

Respectfully yours, JEFFERSON CAFFERY

740.0011 EW/1-2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, January 28, 1945—11 p. m.
[Received January 30—5 : 15 a. m.]

399. I took Harry Hopkins[16] to call on Bidault[17] late yesterday afternoon. Hopkins told him that he had just been in London for three days and had had conversations with Churchill, Eden[18] and other British officials in regard to the present war situation and had come to Paris with a desire of talking things over also with General de Gaulle and Bidault. He said that he felt that relations between the USA and France were not all they should be at this juncture for a variety of well known reasons and that it was his ardent desire to contribute something towards correcting that situation. He remarked that he was to talk to General de Gaulle at seven and he asked Bidault for suggestions.

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[15] Not printed.

[16] Mr. Hopkins, Special Assistant to President Roosevelt, stopped at Paris on his way to the American-British conference at Malta, January 30–February 2 and the American-British-Soviet Heads of Government Conference at Yalta, February 4–11, 1945. For documentation on these conferences, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945.

[17] Georges Bidault, French Minister for Foreign Affairs.

[18] Anthony Eden, British Secretary of State for Foreign Affairs.

Bidault was very cordial and expressed himself as being delighted with the presence here of Mr. Hopkins. He said that he too was well aware of a certain strain in our relations and would like on his part also to contribute something towards eliminating that strain.

He remarked that this was an era of "great men and great statesmen;" that there were tremendous advantages for the world and that there were also certain disadvantages. "In other words" he said "I know that you are a devoted loyal friend and assistant to President Roosevelt". He on his part (he said) is equally loyal and devoted to General de Gaulle and he could say frankly that at times De Gaulle was difficult to handle. "General de Gaulle" he said "believes that Frenchmen always try to please the man to whom they are talking. He thinks they overdo it and he adopts a different attitude. He makes no effort to please."

Bidault then asked Hopkins if he could not stay another day (Hopkins was all set to leave here for Rome this morning); he would very much like some of the other Cabinet members to talk to him. Could not Hopkins and I lunch with them today, Sunday? Hopkins said that if Bidault really felt that it would be useful he would change his plans and remain here all day Sunday. Bidault insisted and Hopkins agreed.

It was five minutes to seven by then and we left for General de Gaulle's. General de Gaulle was in the icy mood I have heard about but have never experienced. Hopkins repeated what he had said to Bidault but General de Gaulle was not very responsive. There was then a frank discussion between them of the history of the relations between the United States of America and France from 1940 to date; and de Gaulle was not conciliatory. On the other hand, Hopkins was very conciliatory. De Gaulle's attitude may be summed up as follows: if you really mean that you believe that relations between the United States of America and France are not all they should be why don't you do something about it? (Having in mind especially that no reply had been received to Bidault's suggestion that de Gaulle be invited to the Big Three conference [19]). He said "the United States of America has done an enormous number of very helpful things for us. You have armed and equipped our troops that are at the front; you have helped us in a number of material ways; but you always seem to do it under pressure and grudgingly. Perhaps your policy has been the right one and mine has been wrong. Perhaps you have been justified in anything you have done. Perhaps you are right to do things for us only at the last minute and grudgingly; and you are right if France is herself incapable of rising again, of standing

[19] Regarding the French request for participation in the forthcoming Conference at Yalta, delivered to Caffery by Bidault on January 15, see *Conferences at Malta and Yalta*, pp. 295–297.

on her own feet eventually, of resuming her place in the great nations; but you are wrong if she does rise again; does stand on her own feet again and does eventually resume her place in the great nations".

Hopkins reiterated that it was his full intention to endeavor to do something about eliminating the existing strain and more than that to restore the traditional cordial sympathetic relations which have always existed between the two countries.

I was dining alone with the Russian Ambassador [20] and his wife and I took Hopkins there for a few minutes to greet Bogomolov (he had not seen the Russians at London as the Ambassador was absent at Moscow). Bogomolov was highly pleased with the visit and very cordial and to my surprise talked quite a little English to Hopkins.

Repeated Rome No. 8 for Hopkins. Sent Department.

CAFFERY

740.0011 EW/1-3045 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, January 30, 1945—5 p. m.
[Received January 31—10 : 33 p. m.]

427. My telegram 399, January 28, 11 p. m. Bidault's luncheon was a great success. Hopkins and I saw Bidault in his office for about 45 minutes before luncheon. Bidault set out the French position on post-war control of Germany which he and General de Gaulle have frequently set over to me before: elimination of all war industry and near-war industry in Germany, an international body to be set up to govern and control the Rhine region, the southern part thereof to be controlled exclusively by the French, the northern part under mixed control, Germany to be reduced to a status making it impossible for her to wage war again ("however," he added, "I would not like to see a red flag over Germany succeeded by a black flag (the pirate's flag of course)".[20a]

There was then some discussion in regard to the suggested voting procedure of the security council of the United Nations organization and also of the suggested emergency high commission for liberated Europe.[20b] In both cases Bidault was sympathetic.

At luncheon we were with the Ministers of Finance,[20c] Communication [20d] and Transportation [20e] also. Hopkins was in very good form

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[20] Alexander Efremovich Bogomolov.

[20a] For additional documentation on the treatment of Germany during the period of Allied control, see vol. III, pp. 369 ff.

[20b] For additional documentation on the topics under reference here, see *Conferences at Malta and Yalta*, pp. 44–108.

[20c] René Pleven.

[20d] Pierre-Henri Teitgen.

[20e] René Mayer.

and gave them a frank and useful talk; he repeated what he had said to de Gaulle and Bidault (my telegram 399, January 28) and expanded thereon.

He talked also about the next big three Conference; told them that he knew that President Roosevelt would like to see de Gaulle sometime, somewhere, before he returned to the United States. After a little discussion during which it was clear that the members of the Cabinet were afraid of de Gaulle's reaction, hurt feelings, etc. in case he were not invited to join the big three conference, it was decided to let the matter rest for the moment; and I will endeavor to find out what the score is and keep Hopkins informed so that he can decide whether or not to advise the President to suggest a meeting.[20f]

There was also a very frank discussion on both sides about colonies, especially Indochina.[20g] The Ministers were obviously very interested, especially Pleven who was Minister of Colonies until recently. They declared that the fundamental French colonial policy is this: to go forward with the integration of the colonies into an Empire system; that is to say, as fast as their education, etc. allows, they will advance towards complete equality with Metropolitan France—politically and otherwise. The French Provisional Government has in mind proposing in the new constitution a provision for a Senate and Chamber of Deputies. (The Chamber will represent only Metropolitan France; the Senate will be composed of Senators elected by the whole French Empire on an equality basis as fast as the integration described above is achieved. There will be no inequalities of race or religion, etc.)

French also brought forward their urgent interest in obtaining civilian supplies and the Minister of Communications stressed their need for railroad material and boats. In line with this, the Ministers of Communication and Finance at half past four took us to see the condition of the marshalling yards and what is left of the railroad equipment at Saint Cyr to show what efficient damage had been [done?] by our bombardments there, and also to demonstrate how badly they need new material and to point out to us how much they have accomplished in the way of repairing locomotives, etc. under most trying circumstances; all the material is in the open, for instance; there are no sheds left.

[20f] According to the account of this luncheon in Robert E. Sherwood, *Roosevelt and Hopkins: An Intimate History*, revised edition (New York, Harper & Brothers, 1950), pp. 847–848, Hopkins not only indicated President Roosevelt's desire to meet with de Gaulle but also suggested that arrangements might be made for de Gaulle to attend the closing sessions of the forthcoming Conference of Heads of Government at Yalta. For Bidault's report to de Gaulle regarding Hopkins' suggestion of a possible meeting with the President, see *General de Gaulle, War Memoirs, Salvation 1944–1946: Documents* (London, Weidenfeld and Nicholson, 1960), pp. 115–116.

[20g] For documentation on the discussions regarding the future of French Indochina, see vol. VI, section on French Indochina.

After Saint Cyr we returned to the house where Mr. Hopkins was staying at Saint Cloud and the conversation was continued until seven o'clock.

Mr. Hopkins was most sympathetic and made an excellent impression. His visit here was timely and very useful.

Sent Department, repeated to Rome as 10 for Mr. Hopkins.

CAFFERY

851.01/2-247 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, February 2, 1945—6 p. m.
[Received February 3—4 : 43 a. m.]

486. Please repeat to Harry Hopkins as rapidly as possible.[20h]

Bidault tells me that he told General de Gaulle you said President Roosevelt would like to see him before he returns to the USA. De Gaulle replied that he would be delighted to meet President Roosevelt before he returns to the USA. He asked only that he be notified at as early a date as possible about the time and place of meeting.

Bidault tells me also that it is his opinion now that it would be better not to invite General de Gaulle to join this big three conference.

CAFFERY

740.0011 EW/2-1745

The French Embassy to the Department of State

[Translation]

WASHINGTON, February 17, 1945.

AIDE-MÉMOIRE

The Ambassadors of the United States, Great Britain and the Union of Soviet Socialist Republics delivered to the Chief of the Provisional Government of the French Republic, during the evening of February 12th, in the name of the Chiefs of their respective governments, two documents, one of which was relative to the occupation of Germany, and the other to the declaration concerning liberated Europe which was published in the communiqué handed to the press on February 11th, at the conclusion of the Yalta Conference.[21]

[20h] Acting Secretary of State Grew sent a paraphrase of Caffery's message to Hopkins on the morning of February 3 through the facilities of the White House Map Room.

[21] For the texts of the two documents as quoted in telegram Argonaut 149, February 11, 1945, see *Conferences at Malta and Yalta*, p. 948.

Following a preliminary examination of these texts, it appeared to the Provisional Government that the one which relates to the occupation of Germany does not call for any particular observations on its part other than those which the Ambassador of France in London [22] has already formulated in its name to the European Advisory Commission with a view to indicating the limits of the zone of occupation which the Provisional Government wishes to be assigned in Germany to French troops and to requesting, for its benefit, the transformation of the tripartite organizations of Allied control in Germany into organizations with four representatives.[23]

On the other hand, before arriving at a decision with respect to the request of the American, British and Soviet Governments that it associate itself with them in the action and procedure mentioned in the Declaration of Yalta relative to liberated Europe, the Provisional Government considers it necessary to request some clarification. Indeed, it notes that only the purpose of this declaration is fully defined, while the action and the procedure are not formulated therein.

In this connection, the principal points concerning which the French Government, considers it necessary, at first sight, to request clarification are the following:

(1) How will the four Governments consult each other and how will they consult the other United Nations should the occasion arise? Will they create a special organization for that purpose? Will they have recourse to the European Commission in London or will they make use of ordinary diplomatic channels?

(2) Are the conferences of the Ministries of Foreign Affairs which the communiqué also mentions (and with respect to which no provision seems to have been made for the participation of France, at least in the passage specially devoted to them) to be part of this system of consultation?

(3) If the four Governments decide to take action in the case of a specified country, will they install an organization of control therein or will they merely charge their diplomatic representatives with concerting such action?

(4) Is the Tripartite Commission created in Moscow to handle matters concerning Poland an application of this principle? [24] Will France be invited to join?

(5) What will be the nature and the extent of the powers which the controlling Governments will assume?

(6) Lastly, and this question appears to the Provisional Government to be of great importance, under what conditions will the activity

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[22] René Massigli.

[23] Regarding the French Government's proposals in the European Advisory Commission regarding French participation in the occupation and control of Germany and the limits of a French zone of occupation in Germany, see telegrams Comea 59, January 2, 1945, and 1400, February 8, 1945, both from London, vol. III, pp. 161 and 182, respectively.

[24] For documentation regarding participation by the United States in the Tripartite Commission for Poland, see vol. V, pp. 123 ff.

of these Governments be a part of the plan suggested by the Dumbarton Oaks Conference?[25]

Does this activity constitute the application of a trusteeship?

The American, British and Soviet Governments cannot doubt the determination of the Provisional Government of the French Republic to collaborate in the reconstruction of Europe. However, they will certainly understand that the Provisional Government is not in a position, in view of the knowledge now in its possession concerning the nature of the task in which it is invited to participate and concerning the means planned for its accomplishment, to answer immediately the question which was addressed to it.

Clarification regarding the different points raised above would contribute greatly towards aiding it to form an opinion in this respect and prepare its decision.

740.0011 EW/2-1745

The Department of State to the French Embassy

MEMORANDUM

In response to the *aide-mémoire* left with the Acting Secretary of State by the Ambassador of the Provisional Government of the French Republic,[26] on February 17, 1945 asking for certain clarifications with regard to the decisions arrived at in Yalta by the Heads of the Governments of the United States, Great Britain, and the Union of Soviet Socialist Republics, the following information is given:

Referring to question 1, normal diplomatic channels will be used in general. The representatives of the four governments will consult with each other and make recommendations to their respective governments as to action which should be taken. When the diplomatic representatives consider the situation requires it, the governments will be expected then to instruct their diplomatic representatives, who will then concert together as to the steps which should be taken. If in the opinion of the governments such circumstances should make it advisable, a special commission may be appointed to take care of a particular case. This commission shall cease to function after the special circumstances which required its creation have terminated.

Question 2: The proposed meetings of the Foreign Ministers were not considered as connected with the liberated areas matter, nor as part of the system of consultation for the liberated areas problems, as dealt with in the Yalta communiqué.

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[25] For documentation regarding the conversations at Dumbarton Oaks, August 21–October 7, 1944, on international organization, see *Foreign Relations*, 1944, vol. I, pp. 713 ff.

[26] Henri Bonnet.

Question 3: This question has been answered in the response to question 1 above. There might be a special *ad hoc* commission set up for a particular case, but in general the reporting and instructions will be through diplomatic channels.

Question 4: The provision for the Tripartite Commission, established in Moscow for dealing with the Polish situation, was an entirely separate proposal agreed to before the adoption of the formula for dealing in general with the liberated areas problems. This commission is to be considered as separate and apart from the other arrangements for the liberated areas.

Question 5: The nature and scope of the powers which the assisting governments will assume are to be found in the Declaration of Yalta. No agreements other than those expressed in the language of the Declaration were entered into in response to these matters. In dealing with cases which come under this procedure, the four governments concerned will act in concert and after consulation.

Question 6: The actions of the governments dealing with the liberated areas problems as provided for in the Yalta Declaration are entirely distinct from the functions of the International Organization proposed at Dumbarton Oaks. In dealing with the matter of the liberated areas, the governments will act in the field of promoting the development of democratic and free expression of the will of the people in their national affairs, whereas the International Organization under the Dumbarton Oaks proposals deals with questions of international peace and security.

WASHINGTON, February 19, 1945.

740.0011 E.W./2-2145: Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, February 21, 1945—5 p. m.
[Received February 22—3:50 p. m.]

797. For the Department's information the following résumé of events leading up to de Gaulle's refusal to accept the President's invitation to meet at Algiers is submitted: At Bidault's luncheon (my 427, January 30, 1945) Hopkins informed Bidault that he knew that the President would like to see de Gaulle sometime somewhere prior to his return to the United States. The French Cabinet members including Bidault who were present were of the opinion that de Gaulle would not accept an invitation to meet particularly if he were not invited to join the Big Three conference. Bidault promised, however, to explore the ground with a view to ascertaining whether de Gaulle would be agreeable to meeting the President somewhere.

On February 2 Bidault informed me that contrary to his expectations de Gaulle had said he would be "delighted" to meet President Roosevelt before his return to the United States and asked only to be notified as early as possible about the time and place of meeting (my 486, February 2, 6 p. m.).

On February 12 I received a message from the President (sent through military channels) instructing me to call upon de Gaulle and tell him in the utmost secrecy that the President eagerly looked forward to seeing him and very much hoped that he would find it possible to meet him in Algiers about February 17. The President expressed regret that it was impossible for him to arrange to come to Paris in accordance with de Gaulle's much appreciated invitation and expressed the hope that the alternative of Algiers would be satisfactory.

I delivered this message to de Gaulle on February 12 and was informed by him the following day that it was not possible for him to leave Paris at that time.[27] I communicated this information to the President through the same channels as his telegram and was instructed by him to proceed nonetheless to Algiers to confer with him on February 18. In compliance with a request from the President's Naval Aide[28] I requested de Gaulle and Bidault to impose strict censorship in Algiers and elsewhere about the President's visit and my trip to Algiers until Early[29] gave the official release.

CAFFERY

740.0011 EW/3-145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, March 1, 1945—11 a. m.
[Received 7 p. m.]

959. Now that the flurry which resulted from de Gaulle's inability to meet the President at Algiers has died down it is possible to make an analysis of the reaction of French elements in Paris. In refusing the invitation de Gaulle may have hoped to play upon the inferiority complex of his fellow countrymen which has in the past caused them to support him wholeheartedly when he has presented himself as the person who refuses to let France be treated as a second rate power. If this was his intention there is little doubt that he miscalculated

[27] For the texts of the Ambassador's communication of February 12 and de Gaulle's reply of the following day, see *General de Gaulle, War Memoirs, Salvation: Documents*, p. 121.

[28] Rear Adm. Wilson Brown.

[29] Stephen Early, Secretary to President Roosevelt.

the importance which a very considerable portion of French opinion attaches to enjoying close and friendly relations with the United States.

Below the surface of superficial French emotions particularly the now well-known inferiority complex which often translates itself into chest-thumping and insistence that France is a great power and must be treated as such—there is doubt, confusion and anxiety as to what the future holds in store and a realization that France is still far from being a great power and will need all the assistance it can obtain from friends. Despite criticisms of the United States there is no doubt that many Frenchmen believe that of all the great powers our country is in the best economic position to extend such aid and that we are less inclined than Britain or Russia to try to grind our own axe.

Until de Gaulle refused to meet the President at Algiers practically every step he has made in the field of foreign affairs had been warmly welcomed and applauded by the overwhelming mass of the French people who have looked upon his foreign policy as concrete evidence of France's return to its traditional position as a great power. By declining to meet the President, however, de Gaulle divided French opinion for the first time on a question of his foreign policy and doubt arose in many quarters that this gesture had best served French interests. Despite public French assurance that the resistance and FFI were largely responsible for the liberation, most French know that the American Army was the weapon which struck off the shackles of slavery and de Gaulle's gesture hit many of them as the height of ingratitude. Some were ashamed and others feared consequences adverse to France.

While there are unquestionably many ardent nationalists and Gaullists who supported the position de Gaulle took there are numerous others, including high Government officials, who believe that he acted very unwisely. In addition certain political elements in France which heretofore have hesitated to be openly critical of him, found his refusal of the President's invitation a perfect club with which to belabor him. This, of course, is not particularly helpful to de Gaulle at a time when the French Government's internal policy is undergoing considerable criticism and when he obviously does not wish to have doubt arise as to his good judgment.

I have no wish, of course, to give undue emphasis to the "Algiers incident" or to imply that de Gaulle's authority has really suffered as a result thereof. It will in all probability soon be forgotten, but the reaction is interesting as an indication that a considerable part of the French public has for the first time questioned the infallibility of de Gaulle's action in the field of foreign affairs.

CAFFERY

711.51/3–845 : Telegram

Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State [30]

CASERTA, March 8, 1945—7 p. m.
[Received 7:38 p. m.]

876. Macmillan [31] stated last evening that he had received information from London which indicated that the British Government was deeply concerned with recent developments in Franco-American relations. He said that while he deplored de Gaulle's decision in refusing to go to Algiers, he nevertheless could understand latter's position. He also said that the British were very worried about present food situation in France and Churchill had directed that everything possible should be done to help the French. He said he hoped that we would be patient with de Gaulle as he is going through a difficult internal situation which is aggravated by the present food shortage.

The British Resident Minister added that he trusted the US would appreciate that the British could not afford to alienate de Gaulle as "we must make France as strong as possible so that she can assume her full role in the block we must build up in Western Europe in the interest of our own security and de Gaulle is the only man today around whom a strong France can be recreated".

Sent Department; repeated Paris as 33.

KIRK

711.51/3–1045 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, March 10, 1945—11 a. m.
[Received 7:15 p. m.]

1126. As the Department is aware de Gaulle's activities in the international field until recently tended to enhance his prestige in France; and his government took advantage of that prestige to arrange a great many things in the domestic field to their own liking. The French people in general had come to regard de Gaulle as a valiant defender of the "honor" of France and generally felt that he was doing a good job of it.

However, his failure to meet President Roosevelt (and, of course, they are not aware that he first said he would meet him and then changed his mind) has caused many French people to criticize him, a consequent lowering of his prestige in France and especially in Paris.

[30] Mr. Kirk was also Ambassador in Italy.

[31] Harold Macmillan, British Minister Resident at Allied Force Headquarters, Mediterranean Theater.

Another instance has occurred in which he is being criticized also (and with more lowering of prestige) and that is the failure of his tactics in regard to San Francisco.[33] This has been accentuated by the wording of the Tass communiqué which appeared in this morning's press (my 1128, March 10[34]).

The result of all this as far as we are concerned is not to worsen our relations with the French Provisional Government or the French people.

On the contrary, at this juncture they are frightened and even a little contrite, especially in view of the non-success of their efforts to pin some of the blame on us (although I do not say this of de Gaulle himself; I am not sure what his sentiments are at this juncture).

Without question the British mean to be helpful (London's telegram 2344, March 7 to Department[34] and Rome's [*Caserta's*] telegram 33, March 8[35]) in telling us and the French that they would like to see our relations improve, but they are creating a little confusion in the minds of the French. However, I do not suggest that this be brought to the attention of the London Government because if it were brought to their attention and they attempted to explain to the French they would only create more confusion.

Sent Department; repeated London as 146 and Rome 39.

CAFFERY

711.51/3-845 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, March 10, 1945—7 p. m.

206. Your 876, March 8. You may tell Macmillan that we are at a loss to understand reported British solicitude regarding Franco-American relations and that he need not be unduly alarmed.

We are fully aware of the situation with respect to food and other supplies in France and for a number of weeks have been urgently engaged in doing what we could to alleviate it. On February 28 we and the French signed agreements for mutual assistance,[36] the importance of which to France would be difficult to exaggerate. For our part we are following with interest French efforts to obtain urgently needed supplies from British stockpiles, which were built

[33] For documentation regarding the United Nations Conference at San Francisco April 25–June 26, 1945, see vol. I, pp. 1 ff.

[34] Not printed.

[35] See telegram 876, March 8, 1945, 7 p. m., from Caserta, *supra*.

[36] For texts of agreements, see Department of State Executive Agreement Series No. 455, or 59 Stat. (pt. 2) 1304.

up in substantial part by imports from this country and which are reliably reported to be adequate to take care of the immediate French problem and at the same time maintain present British rations.

In view of what we have done and are doing to assist the French through supplies of all kinds—not to mention the fact that French armed forces are almost entirely equipped by this country—it is hardly necessary for Macmillan to remind us of the need of a strong France as though that policy were a British monopoly. Perhaps his government has not informed him of our efforts to bring about French sponsorship of the San Francisco Conference. He might also be interested to read that portion of the President's message to Congress on the State of the Union [37] which dealt with France and our policy toward that country as well as the President's remarks to the visiting French journalists reported in radio bulletin 59 of March 9. Other references can be furnished him if desired.

In conclusion you might observe that if the British Government has any observations to make to us with regard to our relations with France it would seem that they might be more appropriately taken up with us in London or Washington.

Sent to Caserta as 206. Repeated to Paris as 966 and London as 1865.

GREW

851.01/3-1645

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[WASHINGTON,] March 16, 1945.

Participants: Mr. Henri Bonnet, French Ambassador
The Secretary
Mr. Dunn

The French Ambassador, Mr. Henri Bonnet, came in this morning and left with the Secretary the attached memorandum [38] of matters which he stated are of great interest to the French Government at the present time and on which they would be glad to have the views of this Government. I told the Ambassador that all these questions would receive prompt study and that we would communicate with him just as soon as we could on each subject.

He then brought up the question of the French representation on the German Reparations Commission, set up in Moscow as a result

[37] For text of President Roosevelt's State of the Union Message of January 6, 1945, see Department of State *Bulletin*, January 7, 1945, p. 22.

[38] Not printed. It pertained to matter of trusteeships following the War, to French interest in liberation of Indochina, and to question of French representation in the German Reparation Commission.

of the Crimea Conference.[39] He said that the French Government and people considered that France had suffered severe devastation during the war and they would not be able to understand why France was not included in the discussion of the reparations to be obtained from Germany. He made a very strong plea in this regard. The Secretary said that it could not be considered that France had suffered anywhere nearly as much as Russia had suffered, and that he himself had seen, in flying over Russia and in visiting certain portions of it on his recent trip, startling evidences of the extent of damage and devastation caused by the Germans in that country. The Ambassador admitted that the French damage had not been as great as the Russian, but he insisted there had been such losses in France that it would be a very difficult thing to explain to the public if France were not to be a member of the Commission in Moscow to assess the German reparations. The Secretary stated that there was no thought on the part of this Government or any other government, as far as he knew, to do other than favor French participation in whatever reparations could be obtained from Germany; that the matter of reparations [*representation*] on the Commission was one which would have to be taken up with the governments represented at the Crimea meeting.

The Ambassador then brought up the question of the French desire to be included in the consultation to be undertaken with respect to drafting a formula on trusteeship for presentation to the United Nations before the convening of the San Francisco Conference. He made reference to the fact that France had been unable to accept sponsorship to the issuance of invitations to the San Francisco Conference, but hoped that it would be included in the drafting of the trusteeship formula. The Secretary expressed his disappointment that France had not seen fit to accept sponsorship to the Conference and explained that difficulty and delay in issuance of invitations had been caused him in his dealings with the representatives of the other twenty American Republics at Mexico City [40] on the subject of world organization. The Secretary asked the Ambassador frankly whether the French Government was coming to San Francisco in a spirit of cooperation and helpfulness, or whether they expected to make trouble. The Ambassador stated, as his own personal opinion, that the French delegation would be fully cooperative and would not come with the intention of causing trouble and difficulty at the Conference. He would say, however, that there were amendments to the Dumbarton Oaks

[39] Reference to Conference at Yalta, February 4–11, 1945. For agreement on reparations reached at this Conference, see *Conferences at Malta and Yalta*, pp. 978–979.

[40] See vol. IX, pp. 1 ff.

Proposals which the French Government was very anxious to present for discussion and that he hoped within a few days they would be presented to us, as the Consuls of Ministry in Paris were now giving the suggestions their final consideration. As the Secretary's calendar of appointments was extremely full this morning and he was already late in receiving the members of the Congressional Group, who had arrived to discuss with him questions concerning the San Francisco Conference, the Ambassador took his leave with the Secretary at this point.

The Secretary, as the Ambassador was leaving, assured him that the requests of the French Government would have his deep and full consideration and that he would be only too glad to support any of the French requests he properly could, with a view to assisting in the furtherance of mutual cooperation between our two countries. The Ambassador expressed his gratefulness for the Secretary's expressions of support and left, to continue the conversation with Mr. Dunn for a few minutes more.

Mr. Bonnet further reiterated the desire of the French Government to be included in the preliminary discussions on trusteeship and stated the apprehensions the French Government had with respect to the possibilities of something being done in this matter which they might possibly have to oppose. Mr. Dunn assured the Ambassador that we were at this time making an effort to clear the matter of discussing the trusteeship proposals with the French Government, in addition to the sponsoring governments, and we were hopeful of accomplishing this purpose. Mr. Dunn assured the Ambassador that even if it were not possible to include France in the preliminary consultation, we would undertake to keep the French Government fully informed with respect to the proposals arrived at and would be very glad to discuss the matter at any time. Mr. Dunn stated that it was just common sense to have as many subjects as possible understood between the participants in the San Francisco Conference and to have as much agreement as possible arrived at before they meet at San Francisco.

The Ambassador reminded Mr. Dunn of the French note of March 12 [41] on the question of extending the Civil Affairs Agreement with France [42] to Indo China and hoped that the Department would be able to give him an early reply.

Mr. Dunn assured the Ambassador that the matters mentioned in his memorandum would be given immediate consideration and that

[41] Printed in vol. VI, section on French Indochina.

[42] Agreement between the United States and France effected by exchange of letters with memoranda, August 25, 1944; for text, see Department of State, Treaties and Other International Acts Series (TIAS) No. 2313.

he hoped we would be able to talk again to the Ambassador within a very short time on the matters under reference.

JAMES CLEMENT DUNN

740.00119 Control (Germany)/4-2845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 28, 1945—2 p. m.
[Received April 28—12:50 a. m.]

2179. The President of the Council of Ministers [44] Acting Minister of Foreign Affairs asked me to go to see him this morning. He said that the Provisional Government of France had been grievously shocked by an incident which took place at Stuttgart the day before yesterday. I told him that I knew nothing of the incident except what I had read in the local *New York Herald Tribune* yesterday morning and this morning in the French press.

He said that in accordance with General Eisenhower, General de Lattre de Tassigny's [45] operations had included the capture of Stuttgart. After the capture the French military authorities installed a local military government. Two days ago orders were issued by our military authorities summarily removing that government and appointing an American military governor. Also he thought American troops had entered Stuttgart.

He then said that it was with the greatest regret and real sadness that he was taking this up with me, especially in view of his well-known sympathies for our country but that after due deliberation, the Provisional Government had decided that it must insist on the reinstallation of the French military government in Stuttgart. What had happened was an offense to the French Army as well as to the French Government and people.

He went on to say that the French Provisional Government had tried vainly to ascertain the limits of the French occupied zone; that if Stuttgart is in the zone the French troops and local government would remain in the zone; if Stuttgart is not in the zone, the French troops and government would be removed from Stuttgart.

He said that he begged, he pleaded that the French zone be established as soon as possible and that the French be permitted to participate in the conversations leading to the establishment of the zone.

He added that he ardently hoped that this incident would not spread any "poison" and could be terminated without delay.

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[44] Gen. Charles de Gaulle.
[45] Gen. Jean de Lattre de Tassigny, Commander of the French First Army.

Of course I have received only this French version. General Bedell Smith [46] is flying down from forward this afternoon to discuss the matter with me. In the meantime I send this as information.

CAFFERY

740.0011 E.W./4–2945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 29, 1945—3 p. m.
[Received 4:17 p. m.]

2210. My 2179, April 28, 2 p. m. General Bedell Smith convinced me at once that our military authorities were in the right and the French in the wrong over the whole business leading up to and including the "Stuttgart incident". The French behaved very badly indeed. He asked me to have my Military Attaché [47] deliver personally to General de Gaulle's Chief of Cabinet [48] a letter [49] from General Eisenhower to General de Gaulle (text was cabled to Joint Chiefs of Staff—the military reference is SCAEF 319 which is self explanatory). I had the letter delivered at once.

I went to see Jeanneney [50] and found Palewski had already arrived there. I told Jeanneney that I backed the attitude of our military authorities in holding that the French military had behaved badly. I talked along the lines of information given me by General Bedell Smith showing how General de Lattre de Tassigny had recently repeatedly violated orders given him by General Devers [51] which had hampered the military operations. I told him also that while our military authorities had left Stuttgart in the hands of the French they are not satisfied with the situation. Jeanneney expressed surprise and regret.

General Bedell Smith told me also that he had just received word from the Joint Chiefs of Staff that all French rearmament is now to be terminated in view of the fact that that rearmament could now serve no useful purpose in the war.[51a]

CAFFERY

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[46] Chief of Staff to Gen. Dwight D. Eisenhower, Supreme Allied Commander.
[47] Maj. Gen. Ralph C. Smith.
[48] Gaston Palewski.
[49] See *infra*.
[50] Jules Jeanneney, French Minister of State.
[51] Gen. Jacob L. Devers, U.S.A., Commanding General, Sixth Army Group, Allied Expeditionary Force.
[51a] The Department of Defense has supplied information to the effect that the specific terms of the decision of the Joint Chiefs of Staff were that "equipment which cannot be used against the German forces will not be shipped from the United States to complete the French Metropolitan Rearmament Program." The decision was reached on April 20, three days before the capture of Stuttgart by the French First Army.

740.00119 Control (Germany)/5–145: Telegram

The Acting Secretary of State to the Secretary of State [52]

WASHINGTON, May 1, 1945.

19. There follows the text of a message from the President to General de Gaulle:

"General Eisenhower's message to you regarding Stuttgart, dated April 28th, has just been brought to my attention. In a matter of this importance I must be frank in stating that I am shocked by the attitude of your Government in this matter and its evident implications. Also I am deeply concerned, in view of the publicity already given the matter in this country from French sources, that the American public will become aware of what has actually transpired as I know this would awaken a storm of resentment which would be most unfortunate in its results.

If the time has come, in your opinion, when the French Army is to be considered as engaged in carrying out the political desires of the French Government, then an entire rearrangement of command will have to be made, but I should deplore such a crisis and I am certain it would be deeply regretted by you and your Government."

General Eisenhower's letter of April 28 to which reference was made in the President's message reads as follows:

"As you are aware, instructions were issued by General Devers to General De Lattre de Tassigny to evacuate Stuttgart because this city was in the operational zone of the Seventh Army, and was urgently needed as a link in the supply and communications system supporting the current military operations of the Army. I regret to learn that because of instructions received direct from you General De Lattre has declined to obey the orders of his army group commander.

I am informed that your instructions to General De Lattre were to hold Stuttgart and all other territory occupied by the First French Army until the French zone of occupation has been delimited. I am sure you must realize that the location of Stuttgart in connection with any French zone of occupation did not enter the minds of either General Devers or myself, as this is a matter entirely outside the scope of my responsibility, which is limited to the military defeat of our common enemy, Germany.

Under the circumstances, I must of course accept the situation, as I myself am unwilling to take any action which would reduce the effectiveness of the military effort against Germany, either by withholding supplies from the First French Army or by any other measures which would affect their fighting strength. Moreover, I will never personally be a party to initiating any type of struggle or quarrel between your government and troops under my command, which could result only in weakening bonds of national friendship

[52] The Secretary was attending the United Nations Conference on International Organization at San Francisco.

as well as the exemplary spirit of cooperation that has characterized the actions of French and American forces in the battle line. Accordingly, I am seeking another solution for the maintenance of the Seventh Army.

I believe that the issuance direct to the First French Army of orders based on political grounds which run counter to the operational instructions given through the military chain of command, violates the understanding with the United States government under which French divisions, armed and equipped by the United States government, were to be placed under the Combined Chiefs of Staff whose orders I am carrying out in this theater of operations. It was with complete faith in this understanding that I have so long and so earnestly supported French request for armament for additional divisions.

In the present circumstances I can do nothing else than fully to inform the Combined Chiefs of Staff of this development, and to point out that I can no longer count with certainty upon the operational use of any French forces they may contemplate equipping in the future. I repeat that I have no knowledge of the probable decisions that may result from negotiations going forward between your government and Britain and the United States concerning a future French zone of occupation in Germany. Consequently the embarrassment I am now experiencing in supplying and administering the Seventh U. S. Army, and in coordination military operations involving the First French Army, seems to me the more regrettable."

GREW

740.00119 Control (Germany)/4–345

The President of the French Provisional Government (de Gaulle) to the Supreme Commander, Allied Expeditionary Force (Eisenhower) [53]

1350/DN/3/P [PARIS, May 2, 1945.]

MY DEAR GENERAL: I thank you sincerely for your letter of 28th April concerning the method by which you propose to solve the problem of using Stuttgart as a communications center for military operations.

I shall refrain from any discussions on this issue, which is part of your strategical responsibilities. However, allow me to say, that in my opinion, it is not certain that during the period of operations, the military use and the administration of a region need necessarily be the same.

Thus it was that Nancy, then Metz, cities which are both prefectures and French military regional headquarters, have been and are still used as communication centers for the 3rd American Army, and to my knowledge this arrangement has in no way been an obstacle to Gen-

[53] Copy transmitted to the Department by the United States Political Adviser for Germany (Murphy) in his letter of May 3, 1945; received May 17.

eral Patton's magnificent successes. You, yourself, quite recently, requested French forces to proceed, at once, with the occupation of certain zones on the left bank of the Rhine situated in the rear areas of the American Armies, while these (armies) use these zones for their communications. At any rate, you will certainly realize that government and occupation of German territories, in general, and more specifically that of Stuttgart create problems which go beyond the sphere of military operations and which become in a direct way the responsibility of the French Government.

The difficulty which we have just experienced is due to a situation for which you are in no way responsible and which is due to the lack of agreement, and consequently liaison, between the American and British Governments on the one hand and the French Government on the other, on that which relates to the war policy in general and in particular to the occupation of German territory. But the fact that the points of view and the requirements of both parties have not been, up to the present time, agreed or even confronted, naturally does not prevent the existence of these points of view and these needs. The French Government not having been able to integrate its views in a common plan is now compelled to put them forward separately.

Following the same line of reasoning, the fact that the French command has no representation in the organization for strategic direction called "Combined Chiefs of Staff" and that, consequently, the decisions which are reached by them do not take into account French national requirements, has resulted in forcing me personally—although to my great regret—to step in sometimes, either with respect to plans or their execution. You are certainly aware, that while agreeing to place French operational forces in the Western theater under your Supreme Command, I have always reserved the right of the French government eventually to take the necessary steps in order that French forces should be employed in accordance with the national interest of France which is the only interest that they should serve.

I have, naturally, never made any distinction with respect to French forces which have had the benefit of American armament. I should, moreover, call your attention to the fact that this armament has been turned over by the U.S. based on "Lend Lease" agreements by virtue of which France and the French Empire provide on their part, and in accordance with their means, important services for American forces. On this point, I note, with very much regret that as of the present moment, no new French division has been completely equipped by the United States since the beginning of operations in western Europe, in spite of all that had appeared to have been understood a long time ago.

You may be sure, in any event, that I am deeply aware of the sentiments which you have so well expressed regarding the fine comradeship in arms which has always been shown in battle among American and French forces. I am anxious to tell you how very deeply I appreciate the part which you have played personally in this close cooperation. You may be certain that the French Government is most desirous of seeing it continue.

Sincerely yours, C DE GAULLE

740.00119 Control (Germany)/5-545: Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 5, 1945—noon.
[Received 1:45 p. m.]

2380. For the Acting Secretary. General de Gaulle asked me to call upon him last evening at eight and delivered to me his reply to the President's message (reourtel 2344, May 4, 1 p. m.[54]) a translation of which reads as follows:

"I thank you for your message.

Since you refer to the letter of April 28 addressed by General Eisenhower to me, it is best that I communicate to you the reply that I addressed to him on May 2.[55] I am delivering a copy of this text to the Ambassador of the United States requesting that he transmit it to you. Thus, you will be, I hope, better informed as to the origins of the Stuttgart incident.

As matters now stand and in the same spirit of frankness with which you were pleased to address me, I believe it my duty to express the wish that such unfortunate incidents may be avoided. To that end the Allies of France need only recognize that questions so closely touching France as the occupation of German territory should be discussed and decided with her. As you know, this unfortunately has not been the case thus far, in spite of my repeated requests.

I sincerely hope that from this point of view as well as from others, matters may ultimately be clarified. I myself am certain that you yourself and your Government will derive as much satisfaction therefrom as the French Government."

He also handed me a copy of his letter to General Eisenhower of May 2 which was cabled to the War Department.

General de Gaulle took the occasion to make a number of remarks to me, some of which were of some interest. I am reporting them in an immediately following telegram.[56]

CAFFERY

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[54] Not printed.
[55] *Supra.*
[56] *Infra.*

711.51/5-545 : Telegram

The Ambassador in France (Caffery) to the Acting Secretary of State

PARIS, May 5, 1945—1 p. m.
[Received 9 p. m.]

2381. My 2380 May 5. General de Gaulle spoke in very pessimistic terms about the Russian advance in Europe. He said that in his opinion it is very possible that Russia will take over the entire continent of Europe in due course and in due time. (He was obviously very discouraged over the Communist showing in the recent municipal elections and of the pressure Moscow has been putting on him in relation to the Lublin Poles, Vienna et cetera.) He said that after the war there would be only two real forces in the world: The USA and the Soviets. He then said "I would much rather work with the USA than any other country. The British Empire will not be strong enough after this war to count for much. If I cannot work with you I must work with the Soviets in order to survive even if it is only for a while and even if in the long run they gobble us up too." He then recited a list of grievances against us: Our alleged failures to supply coal, raw materials to get the factories going again, various other supplies "as frequently promised"; our failure to furnish armament except on a limited scale to the French Army; he went all over again the old story about his not being at Yalta; how France has been left out of this and that conference or committee. He repeated what he has said before "your people seem to think that France to [*is?*] going to fall in any event and perhaps you are right; but she would not fall if you helped her."

He was very critical of the British in regard to Syria and said "you are protesting too about our sending a few troops to Syria while the British are moving a whole division into Syria from Palestine for 'maneuvers'. Will the British move out of Syria if we do?"

He then spoke at great length about the coal situation alleging that plenty of coal could be brought out of Germany but that we are not doing it; that when he offered the use of French technicians who have already had experience in the Saar mines his offer was refused, etc. He said "our people will not tolerate this coal situation any longer and they certainly will not face a winter like last winter. Everyone even the Belgians have some heat. I myself had no heat last winter in this building."

I made appropriate replies to all these remarks and told him that he as well as other French officials often made things very difficult for us. "When we try to help you" I said, "sometimes you act as if you did not want to be helped".

I assured him of President Truman's entire goodwill for France. I said also our policy toward France is very simple: it is our real interest to see France stand on her own feet again. "My Government as well as our people want to see France completely independent, strong and prosperous. We want to see you prosperous again for a variety of reasons among others the practical one of our desire to export and we cannot export if you are not prosperous enough to buy".

At the same time, I took occasion to mention we had furnished armament for French divisions and that we had been furnishing supplies of all kinds to those divisions and we are still doing so.

Before leaving I repeated "we do want to help but don't create difficulties for us" and I mentioned Stuttgart again.

This conversation was very informal and in the friendliest tone.

In fact (although this may sound a silly thing to say) when I left instead of saying goodbye at the door as he has always done before he accompanied me through several rooms to the place where I had left my hat and coat.[56a]

CAFFERY

711.51/5-2145

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 18, 1945.

Participants: President Truman;
M. Bidault, French Foreign Minister;
Admiral William D. Leahy;[57]
Acting Secretary Grew

I went to see the President this morning at 11:15 and told him that, after giving further consideration to the President's proposed statement to the press after his talk with the French Foreign Minister, Mr. Bidault,[58] this morning, I wished to propose to the President a revised draft which was of a somewhat more positive character than the first one. The revised draft also omitted the paragraph referring

[56a] At a meeting of the Committee of Three (with Secretary of War Stimson and Secretary of the Navy Forrestal) Acting Secretary Grew on May 8 presented Mr. Caffery's report of this conversation and "emphasized the necessity of proceeding cautiously during this break-up period of the war." Mr. Forrestal "agreed but also expressed the view that if the Soviet was not really going to cooperate with Great Britain and the United States it would be well for the United States to know this now. The opinion was expressed that it might be advisable at some time to state publicly the details of the action already taken by the Soviet in Poland and Romania". (740.00119 Control (Italy)/5-845) For another excerpt from the minutes of this meeting, see p. 1145.

[57] Chief of Staff to the Commander in Chief of the Army and Navy.

[58] Mr. Bidault, a member of the French Delegation at the United Nations Conference at San Francisco, had come to Washington for a meeting with President Truman.

indirectly to Indochina. The President said that he too had thought that the paragraph in question should be omitted and that he was just about to discuss the matter with Admiral Leahy, who had also come into the President's office. We went through the revised draft together and, with two or three minor changes in phraseology, the President and Admiral Leahy approved it and it was decided to release it [59] immediately after the conference with Mr. Bidault. The President asked me whether I thought it ought not be given out by the State Department and I said that on the contrary I thought it should be released direct from the White House.

At 12:15 I met Mr. Bidault and the French Ambassador at the White House and introduced the French Foreign Minister to the President. Admiral Leahy was also present at the conference. The President welcomed Mr. Bidault and told him how he desired to strengthen the friendship between the United States and France which had commenced with the foundation of our nation. The President also thanked Mr. Bidault for his cooperation and helpfulness in San Francisco and his gratification at the contribution of the French Delegation to the work of the conference.

Mr. Bidault expressed pleasure at the President's remarks and said that France had once been great and hoped for the support of the United States in enabling France to return to her former position. He said that Europe could not get along with Soviet Russia and Great Britain as the only two great European powers, and that a strong France was needed in the interests of all.

Mr. Bidault said that a good many European matters had been decided at meetings at which France had not been present and he hoped that she would be included in such meetings in future. The President said that there had been a good deal of talk about a forthcoming meeting of Stalin, the Prime Minister and himself but no such meeting had yet been arranged and none of the three heads of government had yet taken the initiative in arranging such a meeting. The President indicated that in the event of such meeting the participation of France might be given consideration by the three heads of government.

Mr. Bidault said that various problems in connection with Germany were of special interest to France and that he would like to discuss some of these matters with the President. The President said that the American Government was entirely willing to relinquish to France a part of the American zone of occupation in Germany and had already taken steps to do so. Mr. Bidault indicated that he was aware of this step.

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[59] *Infra.*

The President said that he had received a message from General de Gaulle to the effect that France would be glad to participate in the war against Japan alongside the United States and the President expressed his appreciation of France's offer and assistance. The President said that it is his policy to leave to the Commanders-in-Chief in the field matters relating to the conduct of the war and that in this case also he would wish to leave to the Commander-in-Chief, U.S. Army Forces, Pacific,[60] the determination of whether it would be practicable and helpful to have French forces join with us in the operations against Japan. He indicated that such assistance as France and our other Allies might bring to the struggle in the Pacific, which would synchronize with operations already planned or under way, would be welcomed. The President thought that the question would depend in large measure on the problem of transport, and, as the Minister no doubt was aware, this was an important problem involving three times the amount of tonnage that had been used in the war in the Atlantic. This subject was not further pursued.

The President said to the Foreign Minister that he hoped to meet General de Gaulle in due course and that he would look forward with pleasure to such a meeting. Mr. Bidault replied that General de Gaulle would be happy to meet the President "anywhere, any time".

The President then remarked that he had learned from the Acting Secretary of State of an anti-American campaign in the French press and he felt it might be helpful if the French people could be told some of the things that the United States is doing to help France in the way of supplies, as a result of which the American people have accepted reductions in their requirements of certain essential food items in order to permit increased shipments to the neighboring countries of Europe, including France, where they are so urgently needed. Priorities in transportation to France have also been arranged, despite American shortages in shipping, for French procurement of such supplies.

Mr. Bidault said that he was unaware of any such campaign as that of which the President spoke. I replied that the movement appeared to be recent and that reports from Paris just received indicated that the left wing of the French press was indulging in diatribes against the United States and we thought it might be helpful if the Foreign Minister would take occasion to counteract this campaign by telling the French people the facts regarding the assistance which the United States, at some sacrifice, is steadily sending them. Mr. Bidault remarked that he did not believe that the newspaper articles referred to represented the attitude of the French people but that in any

[60] Gen. Douglas MacArthur.

case the French Government could not control the press any more than we could control it in the United States.

Mr. Bidault then said that he did not wish to presume too much on the President's time, knowing how busy he was, but that on returning to France he wished to be in a position to report the attitude of the United States with regard to several problems and that he would therefore welcome the opportunity for another conference with the President. The President said that he would be glad to see the Minister at any time. No definite appointment was asked or made. The Minister then took his leave.

At one o'clock I gave a luncheon for Mr. Bidault, Mr. Billoux,[61] the French Minister of Health, General Juin [62] and others at the Blair House, during which Mr. Bidault arranged to call on me at the State Department for a conference at ten o'clock tomorrow morning.

JOSEPH C. GREW

Statement by President Truman of France's Role in the Settlement of Questions of World and European Interest [63]

The President had the pleasure today of conversing with the French Foreign Minister, M. Bidault, upon his arrival from San Francisco and of discussing with him a number of problems of primary interest to France and the United States.

The President took the occasion at the outset to express the gratification of the entire American Delegation at San Francisco for M. Bidault's cooperation and helpfulness and for the important and continuing contribution of the French Delegation to the work of the Conference.

The President made it abundantly clear that the American people and the American Government realize that the French nation has emerged with renewed strength and vigor from the catastrophe which it suffered and that it has demonstrated its determination and its ability to resume its rightful and eminent place among the nations which will share the largest measure of responsibility in maintaining the future peace of Europe and the world.

He expressed his desire to meet General de Gaulle and indicated that there was a full appreciation by the United States Government of the part which France could and should play in the settlement of questions of world and European interest.

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[61] François Billoux, Delegate to the United Nations Conference at San Francisco.

[62] Alphonse Juin, Chief of General Staff of National Defense in the Provisional Government of France, Delegate to United Nations Conference at San Francisco.

[63] Released to the press by the White House May 18, 1945; reprinted from Department of State *Bulletin*, May 20, 1945, p. 927.

In this connection, the President indicated that the United States was moved by the strongest ties of friendship, dating back to the founding of this Nation. A strong France represents a gain to the world. As a consequence, the people of the United States have accepted reductions in their requirements of certain essential food items in order to permit increased shipments to the liberated countries of Europe, including France, where they are so urgently needed. Also the Government of the United States has taken extraordinary measures, despite American shortages of essential supplies and shipping, to arrange priorities for French procurement of such supplies and to provide shipping for their transportation to France. The people and Government of the United States will continue to take such measures as will lie within their power to facilitate the recovery of France and of her people.

The President confirmed to M. Bidault this Government's complete willingness to relinquish to France a part of the American zone of occupation in Germany. Details have already been conveyed informally to the French Government and are now in the process of being formalized.

The President emphasized that we are faced with a still strong and deadly enemy in the Far East to whose defeat the total resources of this country, both in manpower and material, are pledged. He indicated that such assistance as France and our other Allies may bring to that struggle, and which may be synchronized with operations already planned or underway, will be welcomed.

The discussion was on the most friendly and cordial plane and afforded the President a welcome opportunity to emphasize the bonds of friendship and mutual interest between the two countries.

711.5/5–2145

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 19, 1945.

Participants: The Acting Secretary of State
Mr. George Bidault, French Foreign Minister
Mr. Henri Bonnet, French Ambassador
Mr. William Phillips [64]
Mr. Freeman Matthews [65]

I received Mr. Bidault and the French Ambassador in my office at 10 o'clock this morning and opened the conversation by saying how much Mr. Stettinius had appreciated all that Bidault had done in

[64] Special Assistant to the Secretary of State.
[65] Director, Office of European Affairs.

contributing to the success of the Conference. The Minister seemed pleased and thanked me, adding that he had enjoyed his association with Mr. Stettinius.

The President's Press Release

Mr. Bidault then referred with great satisfaction to the President's press release following his call at the White House yesterday afternoon. The statement, he said had gone even further than he had hoped, and he was certain that it would have a most excellent effect in France.

French Military Assistance in the Far East

I mentioned that among the points which had been touched upon at the White House was that of French military assistance in the Far East in the war against Japan. I reminded Mr. Bidault that while the President had expressed his general approval to French military association with us in this theater, he had emphasized that the problem was a military one and would necessarily have to be judged on its merits by the military authorities. I said that in the circumstances it was up to General MacArthur to decide just how much and where the French military contribution could be best utilized. The Minister mentioned that there were two French divisions ready for immediate transportation to the Far East. In reply to my inquiry as to whether there are Senegalese troops among them, he admitted that this was probably so, although there were also substantial numbers of white French. He made it clear that the French divisions could be utilized anywhere in the Far East, and there was no intention of limiting their contribution to attacking the enemy in Indo-China. I reiterated that this matter would be placed before our military authorities immediately.

Syria and Lebanon

I said that we were considerably disturbed over reports which were coming to us from Syria and Lebanon, and that a rather explosive situation seemed to be developing as a result of French troops which were being sent to the Levant States. We realized that some of these troops were merely replacements, but our reports indicated that in addition to replacements the forces were being augmented. I then read to the Minister a paraphrase of the instructions which I had sent to Ambassador Caffery on April 30th for presentation to the French Government.[66] This message expressed the various reasons for the interest and concern of this Government:

a) That it would be extremely unfortunate for disorders to occur in the Levant States when a supreme effort is being made by the

[66] See telegram 1776, printed in vol. VIII, section under Syria and Lebanon entitled "Policy of the United States regarding problems affecting the international status of Syria and Lebanon".

Allied forces, or in the near future, when re-deployment to the Far Eastern theater of war will make the Near East a highly important avenue;

b) That an effect out of proportion to its intrinsic importance might be created at this time by an even minor act of a great power which might be regarded as provocative, and this in turn might be an issue of first importance at San Francisco;

c) That the application or even threat of force by France would give rise to doubts throughout the world in regard to the intention of the major United Nations to support their enunciated principles by force.

The message concluded with the statement that we consider that any increase in French forces in the Levant States could not in the absence of military necessity be more ill-timed. Mr. Bidault listened attentively, and the Ambassador summarized the entire despatch in French in a remarkable piece of interpretation. The Minister did not answer specifically the points raised. He spoke of the responsibility of the French to maintain order. He referred to the presence of nearby British troops and that if any foreign troops were to be withdrawn they should all be withdrawn simultaneously. I interrupted by assuring him that I was not referring to a withdrawal of French troops but merely the dangers involved by augmenting their present forces.

Displaced Poles

I mentioned that one of the problems immediately before us was in connection with two or three hundred thousand Poles who were caught behind our armies in Germany. The question was what to do with them; whether to return them to Poland or to allow them to move through our lines in a westerly direction. Probably large numbers of them would prefer the latter course rather than to be sent back to the Russians. I said we had been wondering whether the French could make any use of these Poles. There was the problem also of feeding them. Another suggestion was that some of them at least might be of use in working the coal mines in the Saar, which were now nearly at a stand-still on account of a lack of labor. The Minister did not express any decided views, although he thought that some Poles might be permitted to enter France. Already he said there were many Poles in France and that the trouble with them was that they tended to hold together in groups and did not assimilate very well with the French people. Politically, therefore, there might be some hesitation to allow many newcomers. However, he saw the possibility of their use in the coal mines.

Germany

M. Bidault said that he would like to set forth his ideas with regard to the treatment of Germany. He said that he understood that the

thinking of the United States and of the British on the long term treatment of Germany—he was not referring merely to the occupation period—had not crystalized but was still in a fluid state. He said that he himself had formerly thought that Germany should be divided up into a number of pieces but that he had revised his thinking on this. He has, however, some definite ideas: the Rhineland and the Ruhr and Westphalia should, he was convinced, be separated from the rest of Germany. On the other hand, there were certain definite objections to putting that whole area into a single state. He thought the separate parts of it should be treated differently:

(1) As to the Saar region, France did not desire to annex it but was determined to have the Saar coal.[67]

(2) North of the Saar there is an agricultural area over which France feels she must have definite control for security reasons. This area included only the left bank of the Rhine up through Cologne and possibly one or two bridgeheads across the river. It was the area through which France had so often suffered military invasion. If it is placed in the hands of some international organization, the occupation of it might end by some "majority vote" against France. He emphasized that what France wanted was control and not annexation (though he did not define this difference). He said this would not mean slavery nor deportation for the population. While some elements of the population, such as Gestapo members or those who might preach a German resurgence and unification, might be deported from the area, it was his expectation that the local population would remain there. The French, he said, again wish to control this agricultural area north to Cologne without any restrictive international supervision.

(3) He then came to the Ruhr. This region, he said, was the source of power and wealth of Germany and he felt should be definitely placed under the control of an international regime.

If a single Rhineland-Ruhr-Westphalia state is created, M. Bidault said, the standard of living in that area would probably be higher than the rest of Germany, its population would be privileged and it would attract more people from other regions of Germany. It conceivably could become another Prussia or Piedmont and form the nucleus or rallying point for a new strong, unified Germany. Under an international control, if such control were set up, the Russians might not agree with the western Europeans as to the policy to be applied. Therefore, as he had said before, he was opposed to the creation of a single Rhine-Ruhr state under international control. Germany will, he believes, in the nature of things, look to the west

[67] For documentation relating to central administrative machinery in Germany and discussions with the French regarding the separation of the Ruhr, the Rhineland, and the Saar from Germany, see vol. III, pp. 861 ff.; for documentation regarding the German coal situation, see *ibid.*, pp. 1521 ff.

for hope and particularly to the Rhine area and he does not wish to see a powerful state established which will play one country off against another in typical German fashion, thus dividing the Allies.

In reply to a question, M. Bidault said that it might not be necessary to distinguish between the Saar and his agricultural area on the left bank of the Rhine though apparently what he wants in the Saar is only the control or ownership of the mines, whereas he wants complete security control in the area north of it. He admitted that he has not yet thought out the details. He did not specify what the nature of the international regime to govern the Ruhr should be but he did say in reply to a question that he was opposed to Germany having heavy metallurgical and machine tool industries or any substantial chemical industry. He said the Germans should be allowed to have industries such as textiles and in general "enough to let them live".

His views with regard to the treatment to be applied to the remainder of Germany have not developed. The German people, he said, are badly shocked and there will be no elements prepared to take over a government of the country. He believes that we should wait some months to see how conditions develop before deciding whether the country should be divided into one or more states.

In reply to a question as to whether France desired to utilize German labor as a form of reparation, he said that he had not definitely made up his mind. He thought, however, that a number of Germans, particularly those military elements who knew the job, should be utilized for clearing France of the many thousands of mines which have been laid throughout the country. He said that Dautry, the Minister of Reconstruction had estimated that it would cost ten billion francs, ten years labor and fifty thousand dead finally to clear France of mines.

In concluding his remarks on Germany, M. Bidault reiterated that he had merely wanted to present these strong views of his Government with regard to the Rhineland and he did not seem to expect an immediate answer as to the American position. He was told that, as he had intimated, our ideas on the long term territorial treatment of Germany have not yet crystalized.

French Penetration in the Val d'Aosta [68]

After discussing the question of French reinforcements being sent to Syria and the Lebanon, I said that there was another question I should like to bring up. We are much disturbed at the situation prevailing along Italy's northwest frontiers and the resulting unrest and

[68] For documentation relating to representations to the French Government to withdraw its troops from northwest Italy, see pp. 725 ff.

the tension there. General Eisenhower has asked the French military authorities, I said, to withdraw French forces in northwest Italy across the Franco-Italian border as Field Marshal Alexander's forces assume control of the area. The French commander in that region has received orders from General Devers to withdraw his troops to the frontiers but he states that he is awaiting instructions from the French Government. Meanwhile, reports indicate that French troops in the province of Turin have increased and that French troops continue to be infiltrated under military cover in the Val d'Aosta region. There are also reports of annexationist propaganda being carried out in the several regions occupied by the French troops. Alexander has considered the situation sufficiently serious to recommend that the question be taken up with the French on a governmental level.

I said that Ambassador Caffery had spoken to General de Gaulle and the latter has assured him that France has no territorial ambitions in this region other than very minor frontier adjustments which he hoped to take up amicably through regular channels with the Italian Government at a later date. Mr. Caffery has also recently left a memorandum on the subject with M. Jeanneney. The Department had instructed him to take this action at the request of SHAEF. I emphasized our concern over these developments particularly in view of the situation in the Istrian peninsula and the importance we attach to the application to this area of the principles of pacific adjustment of territorial plans as set forth in my public statement of May 12 [68a] which M. Bidault had presumably seen. What is needed, I said, is that the French Government should send instructions for the withdrawal of French forces in northwest Italy and endeavor to stop any irresponsible French annexationist activities in that area.

M. Bidault replied that the question was largely one of "amour propre" in view of Italian occupation of France in 1940 and the fact that France was invaded through those valleys. He said he came from the region in question and was familiar with the situation there. He agreed completely with General de Gaulle that France should have no annexationist claims to the area and referred to the plebiscite of 1860 and the fact that part of the region had been given to the King of Italy as a hunting preserve. He said that he thought there should be a minor rectification affecting two villages but not the Val d'Aosta itself. He said that France wants to establish friendly relations with Italy and that such a policy is the only sensible one for both countries. Therefore, any claims the French may have would be adjusted through normal channels. He endeavored to make light of the present situa-

[68a] Department of State *Bulletin*, May 13, 1945, p. 902.

tion and spoke of the habits of intelligence officers—French, American, British, Italian Partisans, et cetera, who circulated throughout the area reporting all sorts of rumors and implied that such reports should not be exaggerated. I reiterated that what is needed to solve the present tense situation there is for the French Government to send instructions to the French military commander to withdraw to the frontier. M. Bidault promised to look into the question immediately.

JOSEPH C. GREW

711.51/5-2045 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 20, 1945—2 p. m.
[Received May 20—12:40 p. m.]

2826. For the Acting Secretary. The White House communiqué issued after the President received Bidault on Friday [69] has been received very favorably by the French public. Its deep understanding of the French problem, its length, its cordial tone and the concrete ways which we have and intend to aid France regain her position have all been commented on with deep and real appreciation by Frenchmen in all walks of life.

As I have reported the French are worried and uncertain over what the future holds in store for them and they are still suffering from their well-known inferiority complex. One of their reactions to the communiqué therefore was that not only had Bidault been treated as the Foreign Minister of a great power but that the President with great understanding had made a special effort to lay to rest some of the misunderstandings which have in the past sometimes troubled Franco-American relations.

The President's expressed desire to see de Gaulle has, of course, been given a big play in the press and has also been received with much pleasure.

The mention of our willingness to cede the French a part of our occupational zone in Germany was also a masterful touch because although the French Government has had knowledge of this it has endeavored by inference at least to present this question to the French people in such a way as to cause them to believe that we were opposed to ceding part of our zone to France and that only through the untiring vigilance of de Gaulle and his Government and their constant pressure would we agree to cede part of our zone.

CAFFERY

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[69] May 18.

Foreign Policy—Germany

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 21, 1945.

Participants: President Truman;
French Foreign Minister, M. Bidault;
French Ambassador, Mr. Henri Bonnet;
Acting Secretary Grew

I saw the President this morning at about 10:25 and suggested that in the course of his second conversation with Mr. Bidault,[70] the French Foreign Minister, it would be well to refer to the fact that French troops are still occupying areas in northwestern Italy contrary to the directions of the Commander-in-Chief and that they have apparently refused to move. The French in this case are doing just about what Tito is doing in Trieste and Venezia Giulia [71] and it might be helpful if the President would point this out with complete frankness. The President concurred.

Mr. Bidault and the French Ambassador then came in at 10:30. Mr. Bidault said to the President that he wished to thank him heartily for the President's statement to the press after their last conversation. He said that this statement had made a very fine impression in France and had greatly strengthened Mr. Bidault's hand, as well as the relations between the two countries. The President said that he was very glad to know this and that it had been gratifying to receive Ambassador Caffery's report of the French reaction to the statement. The President said that he is interested in France and feels very strongly that the friendship between France and the United States should be steadily strengthened, and he wished to do whatever he could to that end. Mr. Bidault expressed appreciation.

The President then said that even among friends it is best to place one's cards face up on the table, and that he wished to explain to Mr. Bidault the unfortunate effect on our relations of the fact that French forces are still occupying areas in northwestern Italy contrary to the orders of the Commander-in-Chief. The French are in fact doing very much what Marshal Tito is doing in Venezia Giulia and in Trieste, in other words they are occupying territory, the ultimate possession of which is under dispute, and they are thereby prejudicing the ultimate settlement of these matters at the eventual peace conference. This, the President said, gives ammunition to those in our country who may be trying to stir up trouble between the United States and France, and he would be very glad if the Foreign Minister would take steps to overcome this situation. The President said that

[70] Memorandum of conversation not printed.

[71] For documentation relating to the concern of the United States over the control of Venezia Giulia, see pp. 1103 ff.

there had been other incidents of a similar nature, notably in the French occupation of Stuttgart.

Mr. Bidault listened carefully to the President's remarks, which were accurately translated by the French Ambassador, and then said that he himself knew nothing about this situation except what he had seen in the newspapers, but that he would take the matter up immediately upon his return to France.

Mr. Bidault then said that he did not feel that he need trouble the President with the various troubles he had in mind as he had been able to explain the French point of view to me in our two-hour conversation on May 19. He hoped that the President was familiar with the points he had taken up with me, especially with regard to certain French desiderata in Germany. The President immediately indicated that he was in entire sympathy with the French point of view and thought there would be no difficulty about arranging matters as the French desired. Mr. Bidault expressed great gratification at the President's statement, whereupon I felt obliged to make sure that the Foreign Minister was not taking this as an official commitment concerning the ultimate disposition of the Saar, the Ruhr and the Rhineland, which Mr. Bidault had mentioned in his talk with me. I therefore said that I thought the President was referring to the French desire to have part of the American zone in Germany and not to the other areas mentioned, as the President had not yet had time to study the record of my own talk with the Foreign Minister, although I would see that a full statement of the points raised by Mr. Bidault would come to the President's attention. Mr. Bidault immediately replied that he fully understood this and realized that the President was not in a position to make a definite commitment at this time.

Mr. Bidault then said that he thought it might be helpful for him to issue a communiqué to the press this afternoon concerning his visit to the United States and the helpful nature of his talks with the President, but that he or the Ambassador would of course first clear the communiqué with me. The President assented, and I arranged to see the Ambassador at 11:30 to examine the proposed communiqué.

Mr. Bidault then took his leave after a very friendly exchange of compliments with the President.

JOSEPH C. GREW

851.00/5-2545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 25, 1945—4 p. m.
[Received 4:45 p. m.]

2956. Bidault tells me that he returns delighted from his trip to the US; he was especially pleased with his conversation with the

President. He also had most satisfactory conversations with the Secretary and Acting Secretary. He says that our good-will, generosity, as well as our industrial capacity and war effort, far surpass anything he envisaged.

He said: "Give me about four days to try to arrange several matters which I know must be arranged. The first one is the matter of our military forces in northwest Italy. Another matter which I know is not going well at all is our policy in Syria and Lebanon and we must change it. Without any question, our future depends on good relations with you and we must not sacrifice that for minor grievances here and there."

I told him of the poor way in which his colleague Frenay [73] had been acting over the French prisoners in Germany and of the unjustified attacks on SHAEF in that connection in *Humanité* and other papers. I told him that in my opinion Frenay was back of some of those attacks. Bidault professed a sympathetic understanding and gave me to understand that he would do something about it.

He said: "I shall not hesitate to use pressure on General de Gaulle in regard to all this, even the pressure of my own political party which is de Gaulle's political mainstay. I have just been talking to Leon Blum [74] about the situation." (Blum was in his office when I came in.)

He then said: "I would like to take Gen. de Gaulle to make a visit on President Truman in about a month. What do you think?" I should like the Dept's views on this.

CAFFERY

851.00/5–2545 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

Washington, May 29, 1945—6 p. m.

2391. Bidault's expressed desire to have General de Gaulle visit the President in "about a month" as reported in your 2956, May 25, has been brought to the attention of the President who wishes you to reiterate to Bidault in the most cordial terms how much he looks forward to seeing General de Gaulle and how much pleasure it would give him to receive the General in Washington, as suggested by Bidault. You should add that although it is difficult for the President at this moment to make a definite commitment as to the date, he hopes soon to be in a position to do so and that a mutually satisfactory date can then be decided on.

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[73] Henri Frenay, French Minister of Pensions and War Prisoners.

[74] The former Premier, who had been liberated from a German concentration camp early in May, had returned to Paris on May 14.

The above is not a reply to General de Gaulle's message[75] to the President, text of which is being sent you in another cable.

GREW

851.001/5-2945

The French Ambassador (Bonnet) to President Truman

WASHINGTON, May 29, 1945.

MR. PRESIDENT: General De Gaulle, Chief of the Provisional Government of the French Republic, has directed me to transmit to you a personal message.

I have the honour to give you hereunder the text of that message:

"Mr. President, The Foreign Minister of the Provisional Government of the French Republic, Mr. Georges Bidault, has informed me of his conversations with you. He has told me, particularly, that you had kindly expressed your wish to meet me and that he had answered that I myself had a keen desire that such a meeting should take place.

I am certain that much good would come out of it for the future of relations between our two countries, in the interest of everybody. I do not know if your intention is to come to Europe soon. In case you should have such a plan, I hope you will come to Paris or to any other town in France that would suit you. It would be an excellent opportunity for me to see you and I can assure you that the French Government and people would, like myself, highly welcome the occasion. If, on the contrary, you are not contemplating an absence from the United States at the present time, I should be very pleased to pay you a visit there at the time you would mention.

The periods in the near future during which, as much as I can foresee, I shall probably find it possible to leave France, would fall between June 4th and 14th or between June 25th and July 5th, except if some important incident abroad should eventually preclude it.

I feel, however, that our meeting, either here or in the United States, in order to yield all its good effects and, particularly, to be welcomed in my country with full confidence and joy, should not take place immediately before or after a gathering arranged between yourself, Marshal Stalin and Mr. Churchill. I am certain that you will understand the reasons which induce me to set forth this impression.

I beg you, Mr. President, to accept my sincerely devoted regards".

General De Gaulle

I beg [etc.] [H. BONNET]

851.001/7-245 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, July 2, 1945—11 a. m.

3036. Please deliver immediately to General de Gaulle the following message from the President:

[75] See *infra*.

When Ambassador Caffery acknowledged [76] on my behalf the receipt of your cordial message of May 29,[77] concerning a meeting between us either in France or the United States, he said that I hoped to be able to give you a definite reply within a few days. Unfortunately, the uncertainty which arose concerning the date of closing of the United Nations Conference at San Francisco made it impossible for me to give you a definite reply as soon as I had intended. I am, however, now happily in a position to do so.

I wish to tell you that I feel it important that we meet at an early date in whichever of our countries is mutually convenient. However, in your message you expressed your feeling that our meeting should not take place immediately before or after a meeting arranged between Mr. Churchill, Marshal Stalin and me. The latter will take place in Europe during July, and on the basis of your message I believe you would prefer that our meeting await my return to Washington. I therefore propose as a tentative time for your visit to Washington, subject to your convenience and approval, the latter part of August.

GREW

851.001/8–1045 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, August 10, 1945—8 p. m.

3793. For your own information. On August 6, Lacoste, French Chargé d'Affaires, informed the Acting Secretary that he had received a private message from Ambassador Bonnet asking him to ascertain informally when the President would receive General de Gaulle in Washington and stating that de Gaulle hoped that he could come as soon as possible after August 20 as he wished to return to Paris by September 1st to be there at the time of the meeting of Foreign Ministers in London. Yesterday, after the Secretary had consulted the President, Mr. Grew informed Mr. Lacoste by telephone that the President would be very happy to receive General de Gaulle on August 23.

If you have any specific recommendations regarding matters which might appropriately be raised with the General here I shall appreciate receiving them, together with an indication of such matters as you believe he is likely to want to discuss.

BYRNES

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[76] See telegram 2428, May 31, noon, to Paris, printed in vol. VIII, first section under Syria and Lebanon.

[77] *Supra.*

851.001/8–1145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, August 11, 1945—5 p. m.
[Received August 11—12 : 13 p. m.]

4875. Reurtel No. 3793, August 10, 1945. De Gaulle is out of town for the week-end. Bidault who will accompany him to Washington says, of course, he will be glad to be in Washington on the 23rd. I asked Bidault what matters they would want to discuss at Washington. He replied:

1. The Pacific in general and Indochina in particular.
2. Germany in general and the Ruhr and Rhineland in particular. He remarked again that the French are very fearful of a central German Government because they believe Russia would use that Govt to Sovietize eventually all Germany "and reach our frontiers."
3. The treaty with Italy.
4. French interests in the Balkans.
5. Reparations.
6. Acquisition of supplies for France particularly coal and foodstuff for the coming winter; and for reconstruction.
7. Most important of all he said: "Our desire to wipe the slate clean of the past, start afresh and work with the US as closely as we possibly can in the international field. We have made plenty of mistakes in past and we think you have made some, but we ardently hope to stick very close to you in the future."

I shall telegraph at an early date regarding matters which we might appropriately raise with General de Gaulle at Washington.

CAFFERY

851.001/8–1645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, August 16, 1945—1 p. m.
[Received August 16—1 p. m.]

4951. My 4875, Aug 11. As a result of informal and confidential conversations with a number of French Foreign Ministry officials, I submit the following as a general outline of the French Foreign Ministry views on certain topics which the French may bring up during de Gaulle's visit.

1. Germany: The French take position that future security of France and Western Europe depends to a great extent on where Germany's Western frontier is fixed. The French are concerned about the eventual reestablishment of a central German Govt not knowing what form it may take and believe that just as Russia and Poland have obtained any considerable degree of geographical security by the

revision of Germany's Eastern frontier as decided at Potsdam [78] France should be guaranteed similar security by early revision of Germany's Western frontier. What the French have in mind is that the future Western boundaries of a centralized Germany should exclude the Ruhr the Rhineland and the Saar and that a decision to this effect should be taken in near future so that Germans know these areas are irrevocably lost to them and a different policy and administration of these areas can soon be initiated by the Allied Occupational Authorities to prepare them for a non-German international status.

Insofar as the Ruhr is concerned the French envisage an international control by the Allied Powers including Soviet Russia and they hope the US. (The French are not particularly happy about the inclusion of Soviet Russia but believe that for internal as well as external political reasons Russia cannot be excluded.[)] The industrial potential of the Ruhr would be exploited for "the common good."

For the Rhineland the French are thinking in terms of an international control administered by France, Belgium and Holland which for geographical and common security reasons are most interested. In such a setup France as the leading military power would assume the greatest responsibility.

The French officials with whom we talked are not speaking in terms of annexing the Saar but would like to have it integrated completely in the French economic system.

2. Indochina: In addition to certain specific economic ideas for Indochina contained in my 4919, Aug. 14 [79] the French are much concerned about Indochina particularly over possible Chinese designs. They say frankly that with the defeat of Japan special privileges in China including the French Concession in Shanghai are a thing of the past and that to maintain the French position in the Far East they must modify their former policy in Indochina. Generally speaking Chauvel [80] and certain other officials believe that the best means of maintaining the French position in Indochina is to adopt a policy with respect to Indochina "which will have certain advantages for the US and Britain and which therefore will insure American and British interest in the future of Indochina." As Chauvel put it "we should like eventually to operate Indochina in a general way as we operated the French Concession in Shanghai which was not only a lucrative business for us but which also was advantageous to the other occidental powers. Furthermore in the coming difficult period in the Far East Indochina will be the only real foothold on the Asiatic mainland for the occidental democracies (France, Great Britain and

[78] Conference at Potsdam July 17–August 2, 1945; see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, p. 1509.

[79] Not printed.

[80] Jean Chauvel, Secretary General of the French Ministry for Foreign Affairs.

the US)." While the foregoing views appear still somewhat nebulous Chauvel said that Pleven [81] shares them and is advocating such a policy to de Gaulle.

3. Bases: The Foreign Ministry is not opposed to the idea of making available certain French bases to the US. They caution, however, that a great deal depends on the manner of presenting this question. They point out that the French are touchy and "exasperated" and that if the question of bases is put as a demand or a natural privilege it might be difficult to meet our requirements. Should we bring up the question of French bases friendly officials who favor ceding bases express the opinion that we should do so as a discussion of general United States security requirements and as an indication of our views rather than as a specific request. They believe that if we present our requirements on the basis of mutual interest reciprocal security the problem can be worked out to our satisfaction.

4. Italy: The French state that they do not favor keeping Italy in a state of economic poverty and chaos nor do they wish to humiliate the Italians. They realize that Italy has been bled white and that there is little that the French may expect in the way of reparations from Italy. (They did mention, however, that if possible they want to obtain some Italian vessels to replace French vessels which were seized by the Axis and wish to recover certain equipment and machinery which were seized by the Italians after the debacle in 1940.)

Insofar as territorial adjustments are concerned the French "for security reasons" wish "certain minor revisions of the Franco-Italian frontier." They state such changes will give them control of strategic hills, ridges, etc., which at present dominate French roads and valleys. They also apparently have in mind certain "minor rectifications" of the frontier between French Somaliland and Eritrea as well as some rectification in the Libyan frontier. (The Fezzan Plateau region was mentioned.) The French believe that in view of the "stab in the back" their desires are not unreasonable.

CAFFERY

851.001/8-1745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, August 17, 1945—5 p. m.
[Received August 17—4:25 p. m.]

4971. Alphand [82] informed Labouisse [83] this morning informally and unofficially that memoranda had been prepared for submission to

[81] René Pleven, French Minister of Finance.
[82] Hervé Alphand, French Director of Economic Services.
[83] Henry R. Labouisse, Adviser on Economic Affairs, with rank of Minister, at the American Embassy in France.

General de Gaulle covering four groups of "economic" questions which it was possible de Gaulle might wish to take up at Washington. Alphand stated that he did not know as yet whether the General would take up all of these matters.

The matters in question are as follows:

1. The first memorandum deals with France's territorial interests in Germany:

(*a*) It contemplates severing the Saar economically from Germany and having it operated as a part of the French customs union,

(*b*) It contemplates having the left bank of the Rhine together with certain bridgeheads across the Rhine controlled by France for some time to come;

(*c*) It contemplates international control of the Ruhr by France, Belgium, the Netherlands and the British; and, if they are interested, by the US and the USSR also.

2. The second memorandum deals with reparations and restitution. The French apparently accept the fact that the Potsdam Protocol on this subject [84] fixes the pattern and that it is now too late for them to change any basic provisions. However, they will be interested in:

(*a*) Securing a broad definition of "restitution";

(*b*) Having arrangements for the distribution of the produce of "German mines" as a first claim on reparations;

(*c*) Making arrangements whereby French looted property, whether stolen by the Germans or acquired by them or their satellites under color of legal title and whether now situated in the western or eastern zones of Germany, is returned to France;

(*d*) Some interim arrangement between the US, France and Great Britain for dealing with German assets in western Europe and the neutral countries (see Embassy's 4962, Aug. 16 in this connection [85]).

3. The third memorandum deals with French reconstruction problems. The French will continue to need substantial American aid but the French Govt has as yet no agreed economic policy for the future. The French apparently feel that their planning is largely dependent upon present and future American trade and financial policies. For example, it is believed the French will want to know whether we will be prepared to negotiate "bilateral" trade and financial agreements; the decree [*degree?*] to which we will be prepared to reduce tariffs; and what we want to do pursuant to article VII of the Lend-Lease Agreement.[86]

4. The fourth memorandum deals with Indochina (in this connection see Embassy's 4919, Aug. 14 [85]).

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[84] See Report on the Tripartite Conference of Berlin, August 2, 1945, *Conference of Berlin (Potsdam)*, vol. II, pp. 1499, 1505–1506.

[85] Not printed.

[86] Signed February 28, 1945. For documentation regarding negotiations between the United States and France, see *Foreign Relations*, 1944, vol. III, pp. 748 ff.; for text of agreement, see Department of State Executive Agreement Series No. 455, or 59 Stat. (pt. 2) 1304.

Alphand emphasized that the above-mentioned memoranda had not as yet been approved by de Gaulle and that he did not know if they would be presented nor, if presented, in what form. However, in view of fact that Alphand is accompanying de Gaulle to Washington and that Peter, director of economic side of the Ministry of Colonies, is also going, it would appear that the French do intend to stress economic matters and possibly along the lines outlined above.

CAFFERY

851.00/8–2245

Memorandum of Conversations at the White House on August 22, 1945, Between President Truman and General de Gaulle [87]

The President had two conversations at the White House with General de Gaulle on August 22. The first conversation was held in the afternoon following de Gaulle's arrival, and the second after dinner that evening. The following persons were present at both conversations:

M. Bidault
Secretary Byrnes
Admiral Leahy
Ambassador Bonnet
Ambassador Caffery

The first conversation was devoted to a general discussion of French economic conditions, with particular reference to the possibility of cooperation on the part of the United States, with the view of bettering the economic situation. The President asked General de Gaulle about the French coal situation; told him of his real concern about the coal shortage in Europe and reviewed the steps which the United States Government has taken to endeavor to improve the situation.

General de Gaulle replied by outlining the progress which has already been made to increase French coal production, which he said at present is about two-thirds of pre-war production. He explained the difficulties which the French have had to overcome to achieve this level of production and mentioned the lack of transport, the lack of pit props, the fact that French miners have been dispersed throughout France and Germany, the low calorie content of the diet of the French people which resulted in a decreased output of the mines, and the worn-out condition of much mining machinery and equipment. He said

[87] This copy of memorandum of conversations obtained from the files of the Division of European Affairs is unsigned and its authorship cannot be determined. Another account of the two conversations written by Henri Bonnet is printed in Charles de Gaulle's *Mémoires de Guerre*, vol. III: *Le Salut*, 1944–1946, (Libraire Plon, 1959) pp. 550–553. On August 24 President Truman and General de Gaulle met at 3:30 p. m. for a further conversation; for memorandum by Bonnet of this conversation, see *ibid.*, p. 553.

that, while he is optimistic over the possibility of further increasing French coal production to the pre-war level, this will take a considerable time and will necessitate certain assistance.

The President and the Secretary expressed to General de Gaulle the desire of the United States to aid France to increase coal production, and said that French requests for mining machinery and equipment should obtain a top priority. They emphasized that requests for such machinery and equipment should be presented at the earliest possible moment, if they had not already been made known. The President and the Secretary also referred to the directions given to our military authorities that all German miners within the jurisdiction of our military authorities be employed in the mining industry and mentioned that those who are prisoners in the United States are being returned to Germany.

General de Gaulle said the French Government fully approved the directives which the President had sent to General Eisenhower some time ago concerning the exploitation of the German coal mines. He expressed the hope that the British Government, if it had not already done so, would also approve the President's proposal. He added that for France it was a matter of vital necessity to obtain German coal as reparation.

Before the end of the conversation, the President said that he wished in a friendly way to draw General de Gaulle's attention to the unfortunate effect which had been produced by a number of unjustified criticisms directed against the United States which had appeared in the French press. He also mentioned that certain American business men had complained that they had been badly received by members of the French Government in Paris when they had gone there in order to endeavor to cooperate with French business and industry.

General de Gaulle and M. Bidault replied that they believed that the information which had been received in the United States concerning press attacks directed against the United States had been very much exaggerated. They also made the point that the French press, which had originated with the Resistance, was still very "jeune", and that it was often severely critical of the French Government. Both General de Gaulle and M. Bidault said that in reality there was a sentiment of profound affection for the United States and a very real desire to cooperate with the United States, whose generosity toward France was much appreciated.

The second conversation, held in the evening, began with General de Gaulle and M. Bidault making several broad, general statements on some aspects of the political picture in France. In reply to questions, they talked briefly about the forthcoming elections and the policy pursued by the Communist Party.

The German question was then raised by de Gaulle, who said that certain of the decisions taken at Potsdam, where France was not represented, had given rise to an apprehension that the German danger, which had been for the moment eliminated as a result of Germany's crushing military defeat, would perhaps be reborn at some future time. He mentioned that, while an important part of German territory in the East had been detached from Germany, the Potsdam communiqué [89] had given no indication that similar measures would be taken on Germany's western frontier. He said, "The Rhine means for France exactly what a river would mean to the United States which separated the latter from an intermediate, neighboring country equally strong." He went on to say that all invasions of French territory from the east have always come through the Rhineland and that, therefore, France should have a guarantee that this would not occur in the future. He said that separation of the Rhineland from Germany was a necessary geographic guarantee and that it was also a psychological necessity for the French people.

He also expressed apprehension of certain decisions which had been taken at Potsdam with respect to the administration of Germany which appeared to be a prelude to the reconstruction of a central German authority. He mentioned particularly the proposed Secretaries of State who will be established at Berlin, and added that Prussia had always been the motivating force of German imperialism. Should German unity be reestablished, it would be even more dangerous than in the past, because Germany might then be under the influence of a strong and powerful Slav bloc which was now being constituted in eastern Europe.

In reply the President and the Secretary observed that the German danger should not be exaggerated. They said they had recently visited Germany and had seen with their own eyes the extent of the destruction throughout the country. Furthermore, Germany has suffered a very great loss in manpower. With this in mind, and in view of the decisions taken at Potsdam relating to the reduction of German industry to the point where it will only cover the immediate economic needs of the country, the possibility of a new German menace seems somewhat remote.

General de Gaulle, in reply, admitted that Germany had become greatly enfeebled, but also expressed the opinion that, despite the loss of Silesia, a unified Germany would still have an enormous industrial potential if it retained the Ruhr and that, therefore, France was desirous of seeing the Ruhr internationalized. He recalled that after the last war the Allies had also taken steps to assure the disarmament of Germany and the control and limitation of the German military

[89] For text of communiqué, see *Conference of Berlin (Potsdam)*, vol. II, p. 1499.

machine. Unfortunately, differences of opinion between the Allies after the end of the last war allowed Germany to escape executing the clauses of the treaty and permitted Germany to regain her military power. He added that there is no absolute guarantee that there will not be future dissensions between the Allied powers, which Germany will take advantage of to regain her strength. De Gaulle said, "The very fact that Germany is weakened makes that country all the more susceptible of becoming the political instrument of other Powers." He expressed the belief that Germany certainly will be tempted to play such a game.

The President replied that after the last war the Allies had acted unwisely, and that the United States for its part was determined not again to commit the same errors. He observed that after the last war the German war industry was reestablished with the complicity of industrialists of a number of Allied countries. The archives of the Farbenindustrie, which came into our possession, prove the extent of the complicity of British, American and French industrialists. He went on to say that the United States has no intention of financing German reparations as it had done after the last war. Since the United States, and presumably the other Allies, do not intend to commit the same errors, the possibility of the German menace is remote.

The President expressed the view that the best guarantee of French security lay in devoting all of France's energies to the reconstruction of France, and he assured General de Gaulle that France could count on the friendship of the United States in this task, since the United States strongly desired France to become strong and prosperous once again.

General de Gaulle expressed his appreciation for the foregoing remarks of the President, but reverted to the question of Germany's western frontier and said that the left bank of the Rhine, which consisted of a variety of different geographic regions which he said had never been united, should definitely be taken away from Germany. He also repeated his desire to have the Ruhr placed under an inter-Allied administration.

The President and the Secretary replied to General de Gaulle that the primary requisite for world security is understanding of the Allies working together in an effective international organization. Furthermore, the atomic bomb will give pause to countries which might be tempted to commit aggressions. The President then said that above all the world needs an economic restoration. He added that all countries are seeking aid from the United States, and that it is obviously a physical impossibility for the United States to extend to all these countries as much aid and assistance as they would like to

receive. Nevertheless, the President assured General de Gaulle that France will certainly receive favorable consideration.

Regarding the Ruhr, the President and the Secretary mentioned that in the last days of the Potsdam conversations, the USSR had on several occasions brought up the question of its internationalization with participation of Russian troops in the occupation of the Ruhr, but the American delegation had avoided discussing the matter.

The President took occasion to say that France and the United States have always been friends, and the President expects this fruitful friendship to continue. He told General de Gaulle that the United States believes that it is in its own interest to see France restored to prosperity and well-being. General de Gaulle expressed appreciation for these views, but said that France is suffering from a variety of ills. The President replied, "We want to help cure them."

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Memorandum of Conversation Between the French Minister for Foreign Affairs (Bidault) and the Secretary of State, Held in Washington, August 23, 1945 [90]

[Translation]

Mr. Bidault having expressed the desire to discuss the German questions first of all, Mr. Byrnes pointed out that the communiqué published on the Potsdam decisions had passed over only one question in silence: that of the German fleet. Russia and the United Kingdom considered this fleet spoils of war and Russia asked for a third of it. This was agreed to but was not made public for fear the crews might be tempted to scuttle the ships. Mr. Byrnes could communicate the exact text of the agreement reached on this point. With respect to reparations, the American Government had prepared a plan in which the German economy was regarded as forming a whole.[91] Germany was to keep enough machines for the strict needs of its economy; the rest were to be distributed as reparations. However, the American delegates found at Potsdam that the Soviet Government's concept of spoils of war differed greatly from that of the American and British Governments. Without notice, the Russians removed machines which could not be considered spoils of war, machines not used in the manufacture of weapons, furniture, and goods of all kinds. This made any agreement on the definition of spoils of war difficult, if not impossible.

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[90] A copy of the French text of this memorandum was transmitted to the Department by the French Embassy.

[91] For documentation relating to discussion of the subject of reparations from Germany, see vol. III, pp. 1169 ff.

It was not possible to determine the value of the property removed by the Russians, which, according to the Americans, should be applied to reparations.

The delegates had expected that the Russian Occupation Zone would supply about 42% of the total amount of reparations.

The Soviet Government declared—with some justification—that in the Crimea President Roosevelt had agreed to allow it 50% of the reparations. However, if the total of the available assets were thus reduced and if the Russians received 50%, there would remain very little for the others. The Russians thought that only 40% of the reparations, not 42%, could be found in their zone. They also declared that, since the Poles were operating the Silesian mines, the coal extracted from them was Polish and not Russian. The American delegation replied that this coal was in the Russian Zone and should be included in the assets available for reparations.

It was certain that the Soviets needed machines. They wanted very much to obtain part of the heavy equipment of the Ruhr.

It was certain, in any case, that at Yalta President Roosevelt did not agree explicitly to the percentage of 50% of the reparations for the Russians, or to the lump-sum figure of 20 billion dollars. According to the Protocol, the American delegation had accepted the proposal only as "a basis for discussion." The Russians sincerely believed that the agreement was concluded, and lengthy explanations were necessary to make them understand the difference.

President Truman indicated in a conversation that he would agree to grant the Russians *about* 50% of the reparations, but he refused to convert this figure into a definite amount in dollars.

The American delegation added that the United States would in any case refuse to do again what it had done after the first war, and that it would not advance a single dollar to Germany to permit the latter to pay reparations to other countries. It insisted that German imports be paid for primarily out of exports.

Mr. Byrnes stated that it was on these bases that the agreement should be concluded if it was desired to have it extend to all the zones, and he hoped that it would operate without misunderstanding. To be sure, the agreement presented numerous disadvantages. However, after two weeks of discussion, it appeared to be the only one possible. Russian losses in men and property were greater than those of any other country, and out of their 50% the Russians would have to make a settlement with Poland. It must be recognized, it is true, that the latter had already taken over Silesia and its mines. The American delegation had become alarmed at the prospect of a shift of population involving 9½ million people, but it was established that most of

them had already left, and that only about one and a half million remained.

Mr. Bidault had three observations to make:

1. France had suffered damage twice as serious as in the last war. Yet, immediately after that war she had received 52% of the reparations. This time a settlement had been made without her even being permitted to present any argument. It was a cruel fate, just as detrimental to the harmony between the Allies and the equitable settlement of current questions as to France herself.
2. Paying for German imports out of exports posed a serious problem for France. Coal was for her the chief element of reparations. Not having had an opportunity to present her claims, she was now faced with the prospect of having to pay for German coal in dollars, since it was really only in the United States that Germany would be able to supply her needs. That was a very serious question for the equilibrium of Western Europe.
3. It was not true that France was contemplating mass transfers of the Saar population. She envisaged only a few individual expulsions.

Mr. Byrnes declared that he had not heard it said that France was contemplating mass transfers of population.

With respect to reparations, it was evident that no government endowed with common sense could expect to obtain full compensation for its war losses. The United States had spent 400 billion dollars on the war, and its public debt had increased from 50 to 300 billion. This meant that for years to come the American people would have to pay off this debt. The American Government was not asking for reparations, but it refused to tax the American people so as to send money to Germany to enable her to pay reparations.

As regards imports, the American Government knew that a certain quantity was necessary to maintain the German economy and prevent a bankruptcy which would affect France and Belgium even more than the United States. Now, the only way to pay for imports was to use the proceeds from exports.

Mr. Bidault replied that France had conceived a system which would permit Germany to pay for her imports, but that she had not had an opportunity to have it discussed.

Mr. Byrnes observed that France, which would be represented on the Allied Control Council and the Reparations Commission, would henceforth have every opportunity to present her point of view.

At Yalta the Soviet representatives had suggested the allocation to Russia of a total of 20 billion dollars as reparation, noting that this amount represented but a small part of Russian losses. Mr. Churchill had stated at that time that in his opinion even this limited amount of reparations would never be extracted from Germany, and the Soviet representatives seemed now to have understood him.

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However, since Crimea the Russian armies had invaded Germany and seized matériel throughout the zone occupied by them. On the other hand, the American and British Air Forces had destroyed everything not carried off by the Russians.

With respect to coal, it was certain that if more of it was to be got from Germany the food ration of German miners must be increased. A certain amount of Silesian coal was going to Russia and the situation in Berlin threatened to become very bad. That is why the American Government had tried to send coal there. In its agreement on reparation, it had provided for the shipment to Russia of certain machines in the western occupation zone, which the Russians were anxious to obtain, in exchange for coal and foodstuffs to be shipped to this zone by Russia.

Mr. Bidault recognized that reparations never correspond to the losses sustained. What interested France in the matter of reparations was to obtain coal, machinery and labor. If coal was exported instead of being delivered as reparation, it meant that France would actually obtain no reparation except what she might have been able to seize on the spot; that she would in fact be completely excluded from reparation. This was all the more serious for her since the problem of restitution had not yet been settled. This was not the same problem as that of reparation, for restitution should, in her opinion, be given absolute priority. Among the invaded countries France was, so to speak, the only one that had had industrial equipment. But she was now being told that she could not regain possession of the stolen equipment because such equipment was part of the reparation assets. Consequently, if French machines were found in Germany, France could not obtain their return to her, for they would be liable to being shipped elsewhere. The essential points for France were therefore restitution and some assistance which would enable her to dispel the present uncertainty in regard to the three essential elements: coal, machinery, labor.

Mr. Byrnes replied that the Reparations Commission was still free to take decisions relating to coal and that the question was still open. Furthermore, it was certain that if French machines were identified in Germany they were to be returned to France.

Mr. Bidault noted that even if restitution was not prohibited, it was nevertheless true that it had not yet been regulated. In order to make restitution, one must be able to draw up an inventory. This argument was not challenged, but attention should be called to the urgent and serious character of the problem.

Mr. Byrnes stated that the American position in regard to the restitution of identifiable goods was the following: all identifiable gold found in the American Zone would be returned to its lawful owner. Likewise, if a machine was identified by the control authorities as belonging to a given Allied Government, such machine must be returned and would not be included among the assets allocated to reparation.

Mr. Bonnet stressed the importance of this question, especially with respect to Belgian gold.

Mr. Bidault announced that Mr. Rueff, the French representative on the Reparation Commission, was to leave at once for Moscow.

Mr. Byrnes suggested that Mr. Rueff be instructed to raise the question of restitution with the Commission.

Mr. Bonnet added that with respect to coal the question not only of payments but also of the percentage of coal to be allocated to France must be settled. For the Ruhr Basin, as for the other occupation zones, a special privilege had been granted to the Zone Commander in the matter of reparation. Now, the occupation authorities were in touch with the reconstructed Kohlen Syndikat and a strong tendency had naturally appeared in the Syndicate to allocate most of the Ruhr coal to Germany. Before the war the Ruhr produced 140 million tons of coal annually. If Germany should become an agricultural country, she ought to be quite satisfied with 60 to 70 million tons in future, which would permit allocating an appreciable amount of the output to France. In the meantime, it was important for France to obtain an adequate percentage of the coal to be extracted, and for the United States to give her all the support necessary to procure it.

Mr. Byrnes admitted that German coal should be distributed fairly. However, when it was said that Germany was to become an agricultural country, this obviously meant, at most, making her more agricultural than she used to be.

Mr. Byrnes asked further whether France had done all she could to increase the number of her miners.

Mr. Bidault replied in the affirmative. The miners' rations had been considerably increased. However, it was impossible to prevent them from dividing their supplementary rations with their families. The French were often accused of not working enough. Now, although the miners were fewer in number than their normal force before the war, it was surprising to find that production had now reached 65% of the prewar level in the Nord Basin. In the other mines of continental Europe, with the exception of Belgium, the figure was only about ten percent. During the first period after the liberation the miners worked only three days a week, but the reason for

this was the lack of pitwood. The reconstruction work already accomplished by France was quite remarkable: 2500 bridges had been repaired; all the railroad, telephone, and telegraph lines had been put back into condition. In some machine shops and in repairing the electric lines, workers had worked as much as 78 hours a week.

Mr. Byrnes expressed the hope that France, being represented on the Reparation Commission and at the Foreign Ministers' Conference, would henceforth find herself in a more favorable position.

He asked what the attitude of France would be in regard to the air navigation agreement.[93]

Mr. Caffery remarked that he had discussed this question with the French Air Ministry, but without result thus far.

Mr. Bidault said that he had examined a long report on the subject and that he thought the French delegation would adopt an attitude in conformity with the wishes of the United States.

Mr. Byrnes considered that from the point of view of communications and trade it would be desirable to reach a decision as soon as possible. For its part, the United States claims no monopoly but merely wants the air routes open to all.

Turning to the question of *foreign exchange*, the Secretary of State noted that if the present rate of exchange of the franc were maintained the French Government would be obliged to resort to a system of subsidies, which would in turn force the United States, by a law of 1931 [*1930*][94], to increase its customs tariff to offset these subsidies. It was feared that such a system would result in the erection of a veritable tariff wall all around France. For a long time the United States itself had made the mistake of having too high a tariff. It had now adopted the opposite point of view and the Administration had been supported in this by the Congress. A few industries may suffer from it, but the lowering of customs duties will certainly help to promote peaceful relations with the other Governments. It would be unfortunate if France should isolate herself behind a high wall as a result of maintaining the present rate of exchange.

The Minister of Finance asked Mr. Bidault to postpone for a while the ratification of the Bretton Woods Agreement,[95] which had been

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[93] Apparently reference is to Provisional Arrangement between the United States and France effected by exchange of notes December 28 and 29, 1945; for text, see Department of State Treaties and Other International Acts Series (TIAS) No. 1679, or 61 Stat. (pt. 4) 3474, 3475.

[94] See section 303 of the Tariff Act of 1930, 46 Stat. 687.

[95] The United Nations Monetary and Financial Conference met at Bretton Woods, New Hampshire, July 1–22, 1944, and formulated the articles of agreement of the International Monetary Fund and of the International Bank for Reconstruction and Development. The agreements were signed by the United States on December 27, 1945. For texts of the agreements, see TIAS No. 1501, or 60 Stat. (pt. 2) 1401, and No. 1502, or 60 Stat. (pt. 2) 1440, respectively. For documentation relating to the Conference, see *Foreign Relations*, 1944, vol. II, pp. 106 ff.

adopted in principle. The purchasing power of the franc was at the moment different from the rate of exchange. That was why the French Government had informed the Government of the United States that it had decided to pay a certain per capita sum to American soldiers in France to enable them to purchase the products they needed, despite the disadvantages of such a system in view of the scarcity of foodstuffs in France. The French Government considered that this gesture was justified by the great generosity shown by the American people toward France and by the part played in the war by the American forces.

The Secretary of State had spoken of a tariff wall that France would build around her. France had no desire to have an autarkic regime or an unhealthy economy. However, as a result of the destruction she had suffered, France needed some respite and must in any case continue to protect a few of her traditional industries, which were in quite a different position from that of the huge American industries. As soon as she could she would adopt a regime of freedom in the modern sense of the word, that is, tempered by discipline.

Mr. Byrnes observed that the allowance given by France to American soldiers showed an excellent intention. But, to speak quite frankly, that decision had been received with apprehension. The United States sincerely desired to aid France. The best way to do this was to grant her loans through the Export-Import Bank and by various other means. But first the American people must understand that it was essential to help France to recover. The American Government must educate the people of the United States in this matter, so that the Congress would authorize an increase in American aid to France and other liberated countries. Now, if the newspapers announced that a bonus was going to be paid by France to American soldiers, who were the highest paid in the world, it was to be feared that the people and the Congress would be much less inclined to grant new credits to a Government which, by such a gesture, seemed to indicate that it had sufficient resources.

Mr. Bidault replied that, since France could not change the rate of exchange, she had thought of this expedient as a courtesy to the American forces in France. He was surprised at the reaction of the Secretary of State, for he understood that the measure had been taken by agreement with competent American officials.

Mr. Bidault added that if it should be necessary to make a new readjustment of the franc exchange rate, it was essential that there should be only one. Furthermore, other States had indicated that they were in no hurry, for their part, to ratify the Bretton Woods Agreement. Lastly, as the Secretary of State knew, elections were soon to be held in France. It was not advisable to complicate the

political situation on the eve of these elections by a new devaluation of the franc.

The Secretary of State would fully appreciate the force of the last argument.

Mr. Bidault mentioned that, on the day before, the Secretary of State and President Truman had pointed out that in 1918 Germany remained intact, whereas now she was destroyed. She could nevertheless still constitute a danger. To be sure, it was known that with the atomic bomb fifty kilometers more or less did not greatly change the military situation. The French Government, was, however, impressed by one fact: In accordance with the decisions of Potsdam, which were the result of those of Yalta, Germany had been whittled down in the East on a basis officially temporary but probably permanent in actual fact. Nothing like that had been done in the West. Therefore, to the extent to which Germany still constituted an economic and political unit, her center of gravity would be pushed back toward the West and thus nearer to us. When there were Secretaries of State for the whole of Germany, they would have no authority East of the Oder-Neisse Line. Their offices would be in Berlin, and if their authority extended across the British and French Zones as far as the French frontier, it would mean that the Soviet influence being exerted in Berlin would reach to the Western frontiers of Germany. The French did not want that and thought it was not desirable for anyone. The task would be easy for the Russians, who had cleared their zone of its inhabitants and who would exert their influence through propaganda by using the administrative systems of the other zones. If all the zones had been associated the Western Powers could have won over the Germans to their side, but it was now too late. The East Germans had disappeared and the Russians had a free hand to carry on propaganda in our zones.

Mr. Byrnes thought that the fears expressed by Mr. Bidault were without foundation. If the Russians carried on propaganda in favor of their form of government in the British, French and American Zones, they would probably fail because in these three Zones the Germans were better treated than in the Russian Zone. This was proved by the fact that all those able to leave the Russian Zone had done so. This had, moreover, brought about a serious food problem since the population of the Western Zones had increased while the supply facilities remained the same. One would have to believe that a German family in the Russian Zone would, from Soviet propaganda, take such an interest in the Russian political philosophy as to find more satisfaction in it than in the presence of husbands or sons who had been sent away. A very unlikely assumption. If it could be established that a part of the population had been sent to Russia, the fact would not be forgotten for a long time. The Secretary of

State did not know, moreover, whether this was true, for it was just a rumor.

France seemed to fear that, although all machinery capable of producing war materials had been removed from Germany, she could still manufacture planes, weapons, gasoline for military purposes, etc. It was true that twenty years before hostility had been quickly forgotten and the United States had granted loans to Germany for reconstruction, loans in which, furthermore, France and the United Kingdom had participated. That was a mistake which there was no question of our making again. If we were fools enough to do so, we should deserve the fate that would inevitably overtake us. We had now come to understand that when a war of that kind broke out in Europe we could not remain aloof. The people of the United States were therefore determined to do everything to prevent Germany from rearming. When the occupation of Germany by the Allied Forces came to an end, it would be incumbent on the statesmen to adopt the necessary control measures to prevent the recurrence of German aggression. It might be that the United Nations would supply the necessary inspection and control machinery. Otherwise, the possibility of concluding an agreement among the Powers occupying permanent seats on the Security Council would have to be considered, with a view to organizing the inspection and control of Germany. It would be necessary to be always on the alert against the resurgence of the military power of Germany.

Mr. Bidault did not think that Germany would become a threatening military power for a long time. However, he himself had been a prisoner of war in Germany for more than a year and, in the village where he was, although many families had had members interned by the Gestapo, they had remained completely Nazi. Furthermore, in occupied countries the enemy was always the one on the spot. It was therefore to be feared that a unified Germany would fall under Soviet influence. The French Government saw no objection to the frontier of Poland being fixed at the Oder-Neisse line. As far as France was concerned, she had no desire to annex any German territory, but she noted that a section had been cut off in the East while nothing comparable had been provided in the West.

Mr. Byrnes felt that Poland had suffered terribly from the war and had sustained considerable losses in life and property. She certainly would not be able to obtain from the Soviet Government more than a very small percentage of her losses in the form of reparations. Nor was it proper, moreover, to speak of a Soviet annexation of Germany, since France and Soviet Russia were cooperating in the most friendly way at the meetings of the Five Powers.

To return to the question of Germany, it would seem that there should be a Secretary of State for Railways and Postal Service,

whose jurisdiction would extend as far as Saarbrücken, for instance, under the authority of the four Commanders in Chief, while cities like Königsberg, Breslau, Frankfort-on-the-Oder and Küstrin, essentially German cities, would pass under Russian control. Germany was therefore brought back farther west, which was, historically, a misfortune for France. If this westward shifting of Germany's center of gravity were to continue, France might find herself obliged, though this seemed impossible after the war of 1914 and this war, to resign herself to other attitudes. Mr. Bidault hoped that things would not reach that point, but it was none the less true that to have Saarbrücken regarded as forming part of Germany and administered by a German, while this was not the case of Königsberg and Danzig, was an impossible situation.

Mr. Byrnes could not understand how France could suffer from the fact that Germany's population had decreased from 65 to 45 million and that there would be a man in Berlin who would administer all the railroads of the shrunken country. France would benefit from having a peaceful Germany producing useful goods. What was needed was, by mutual agreement, to adopt measures to prevent Germany from rearming.

Mr. Bidault stated that there was perhaps no immediate danger of war, but nevertheless the reconstitution of a State that had collapsed might seem, at the very least, premature. There was formerly an agreement to keep Germany in a state of subordination, and if France left five years before the end of the stipulated time, it was because her associates were not willing to remain there themselves. She was now prepared to perform the act of faith asked of her, but she must insist that a section of territory be cut off in West Germany similar to that in East Germany.

Mr. Byrnes did not see how an amputation of the kind demanded by Mr. Bidault could be more effective than the force of the whole world organized in the United Nations. If fifty nations could not ward off the German peril, it was not worth while to organize the United Nations. It was by relying on the joint action of all the nations that the maximum security would be obtained.

The Potsdam Agreement did not contemplate at all the creation of a central German Government. It was only thought that a central administration should be set up for such matters as transportation, currency, etc. As for the actual form of the government of Germany, that was a question that should be reserved for the future.

Mr. Bidault considered that the vital interests of France had thus been prejudiced without French participation and he felt obliged to make the most explicit reservations in the matter.

He had been in San Francisco, where he had done his best in a difficult situation. He was strongly in favor of collective security and

France would continue to work for it. He had full faith in the texts, which it had been difficult to prepare, but these texts must further win at least universal and sincere approval. Now when, in San Francisco, France had asked for an inquiry into the Syrian and Lebanese crisis, her request had not been granted. If she was now asking that Germany be moved back from her frontiers, that did not at all mean that she had no faith in collective security, but when she noted that a city like Königsberg had been completely given to Russia, although it had never been Russian, the situation was entirely different, and a precedent had been established.

Mr. Byrnes remarked that it was not a question of setting up a central government in Germany, but only three administrative services. The United Nations gave better guarantees than did territorial adjustments. The fate of Königsberg was, moreover, not definitive and would be finally settled at the Peace Conference.

Mr. Bonnet made it clear that Mr. Bidault's request did not tend to bring France closer to Germany, but, on the contrary, to move Germany farther from France. In this connection two main questions arose: that of the status of the Ruhr Basin and that of the future status of the left bank of the Rhine.

Mr. Byrnes remarked that the Russians were desirous of seeing an independent Ruhr under Allied control.

Mr. Bonnet replied that France, too, wished to see an international system established in the Ruhr. As for the left bank of the Rhine, she was not asking for a definitive decision at once but only that the present system, that of French occupation, be continued without interference from Berlin. France could not accept the reversion of the left bank of the Rhine to Prussia. For the Ruhr it was certainly possible to organize an international régime assuring the life of that country and giving security guarantees to the western neighbors of Germany.

Mr. Byrnes agreed, but he again mentioned the matter of Russian participation, which seemed to him to be contraindicated.

The conversation was then interrupted, the Secretary of State having been summoned to the White House.

On its resumption, Mr. Byrnes inquired about the present situation of the French merchant marine.

Mr. Bidault said that France was hoping to recover 150,000 tons of tonnage in Indochina. The Allied maritime transport pool had returned a certain number of cargo vessels to her, but she was still very short of passenger steamers, which prevented many Frenchmen then in Africa from returning to Continental France.

Mr. Byrnes called attention to the fact that the United States was going to offer 1500 Liberty ships for sale and that very easy terms

would be given to purchasers, particularly by spreading payments over a long period. It would probably be worth while for France to obtain immediately a certain number of these vessels.

The conversation ended at 6:00 p. m.

740.00119 EW/8-2445

Memorandum of Conversation Between the French Minister for Foreign Affairs (Bidault) and the Secretary of State, Held in Washington August 24, 1945

[Translation]

1) *Coal Question*

As soon as he arrives M. Bidault is led by Mr. Byrnes to a large diagram chart showing the production and consumption of coal in Germany as it was in 1938 and as it is estimated for 1945. An officer makes a quick summary of the results of this comparison, from which it appears that one of the chief factors behind the inability of German production in 1945 to meet the needs of Western Europe is the fact that a part of this production cannot be transported over the present means of communication in Germany. The Secretary of State seems impressed by the fact that this is the only point on which it is possible to undertake immediate relief action, and he indicates his intention of giving instructions to this end.

As the chart shows an estimated annual production of 2,600,000 tons for the Saar, he asks the French Minister if this figure seems reasonable to him. M. Bidault replies that it seems low, even taking into account the reduced production capacity of the mines for various reasons arising out of the war and the insufficient diet of the miners. M. Bidault asks Mr. Byrnes what value he places on the estimates in the chart and from what source the elements thereof have been derived. Mr. Byrnes replies that they are figures furnished by American experts and by those of the European Coal Organization in London. He reiterates his intention of trying to improve transportation in Germany with a view to placing a greater amount of coal at the disposal of the economy of Western Europe.

2) *Italian Colonies*

Having returned to his office, Mr. Byrnes, without transition, takes up the question of the Italian colonies.

He again leads M. Bidault to a map, a large globe on which he asks to have explained to him the views of the French Government on the disposal of Italy's colonies.

What do you want to do about Libya?

M. Bidault indicates that the British seem to want to create for themselves two strategic strongpoints (*points d'appui*) on each side of Egypt in order to protect their route to India and the Far East: one in Palestine and Transjordania; the other to the West of Egypt's Western frontier in Cyrenaica, more particularly in the so-called "Marmarica" region around Tobruk. The regime which they are thinking of is not yet defined: it appears to be analogous to that of the Anglo-Egyptian Sudan, an autonomous state (which) might be built around the Moslem Senussi sect. Mr. Byrnes recalls that at Potsdam the Russians showed a keen interest in the Italian Colonies of Tripolitania, Cyrenaica and Somaliland. (Questioned more closely on Eritrea, he states he cannot remember.)

M. Bidault states that as far as the French Government is concerned, it would rather see Italy keep its old colonies, especially Tripolitania (he adds in this connection that the French Government is not anxious to have created a continuous zone of purely Arab influence reaching to the Tunisian border) and that in so far as Somaliland and Eritrea are concerned, which are contiguous to Ethiopia, he definitely believes that the best of all solutions would be to leave them in Italian hands. In any case, he says, the French Government will do nothing to favor their alienation.

3) *Question of the Levant*[97]

. . . . . .

There is a brief discussion of the Foreign Ministers' meeting which is to take place in London soon. He (Mr. Byrnes) explains to M. Bidault that by inviting France to the Italian settlement and excluding her from the negotiation of peace treaties with the satellites of the USSR, the (Big) Three are merely applying to France the same rule that the United States has accepted: since a state of war has not existed between the United States and Finland, the United States will not take part in the negotiation of the Finnish peace treaty; in the same way France will not take part in the treaty settlement with the states of central and eastern Europe with which she has not been at war.

4) *Question of the Ruhr*

Mr. Byrnes asks M. Bidault what France's plans are for the Ruhr. He indicates that as far as the American Government is concerned it does not favor an internationalization which would result in installing Russia, along with Great Britain, France and the United States

[97] For material which follows here on the question of the Levant, see enclosure to letter of October 2, 1945, from the Acting Chief of the Division of Near Eastern Affairs to the Minister to Syria and Lebanon, printed in vol. VIII, first section under Syria and Lebanon.

along the Rhine. He points out that at the same time Russia has indicated her irrevocable opposition to the creation of a Western European control system with Great Britain, France, the Netherlands and Belgium, over the Rhine-Westphalia area.[98] Since France rejects the idea of international control by the Organization set up at San Francisco because she is hostile to the idea of having an area so vital to her placed under the control of too many states most of whom have no real interest in the question, the American Government does not see what the practical solution is. Mr. Byrnes again brings up the plan Senator Vandenberg sponsored some months ago in a speech to Congress:[99] A 25-year guarantee by the United States, Great Britain, the USSR and France for the disarmament of Germany and for the delivery of a minimum amount of coal to countries, such as France, whose interest in such imports was recognized. M. Bidault indicates that he would be favorably inclined to such a plan.

In the course of the conversation M. Bidault emphasises once again the mistake made by the American Delegation to San Francisco when it contemplated submitting the Rhineland-Westphalian area to trusteeship. Mr. Byrnes replies that there is nothing in the San Francisco Charter which would prevent the realization of such a plan. M. Bidault makes the point that it would be inappropriate to apply this plan to the special case of the Ruhr. Mr. Byrnes pursues the subject no further.

In this connection M. Bidault recalled the reasons why France would like to be entrusted with the administration and control of an area stretching from Cologne to the Swiss border which has always been the route of German aggression. Mr. Byrnes does not disagree, but points out that the appearance of the atomic bomb has radically altered considerations of security. M. Bidault refers nonetheless to the desire of the military to have concrete guarantees of immediate security.

Mr. Byrnes concludes by saying that the creation of a regime in the Rhineland and in the Ruhr which was opposed to the wishes of the French people might well cause serious difficulties for General de Gaulle's Government if it took place on the eve of the October elections. He therefore advises against our insisting, as we have heretofore, on the urgency of this problem which in his opinion could better be postponed until another meeting, say, in November.

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[98] For documentation on the question of the separation of the Rhineland and the Ruhr areas from Germany, see *Conference of Berlin (Potsdam)*, vol. I, entries in index under Germany: Rhineland, p. 1068; and *ibid.*, vol. II, entries in index under Germany: Rhineland and Ruhr, p. 1618. For the Russian attitude, see especially the Soviet proposal of July 30, 1945, *ibid.*, p. 1000.

[99] Reference is presumably to Senator Vandenberg's Senate speech of January 10, 1945, in which he submitted a proposal for the permanent demilitarization of Germany and Japan; *Congressional Record*, vol. 91, pt. 1, pp. 164–168.

Joint Statement by President Truman and General Charles de Gaulle Regarding Cooperation Between the United States and France [1]

The visit of General de Gaulle, President of the Provisional Government of the French Republic, to the President of the United States of America has been marked by an important exchange of views between the two Chiefs of State, who, in the course of their first meeting expressed their sentiments of mutual high esteem.

The conversations, which began immediately after General de Gaulle's arrival in Washington, have made possible a thorough discussion of a wide range of subjects, among them those of most immediate interests to the two governments.

Subsequent to the second conversation between President Truman and General de Gaulle, and at their request, the Secretary of State, Mr. Byrnes, and Foreign Minister, Monsieur Bidault, had during two days a full and frank discussion of political and economic questions in which the two countries are deeply interested.

Following these discussions, both the Chiefs of State, and the Secretary of State and the French Foreign Minister, have fully recognized, in the course of a further meeting, the fundamental harmony between French and American aims in the construction of the post-war world and have expressed their readiness to act in accordance with this mutual understanding by establishing an even closer cooperation between the two countries.

REPRESENTATIONS TO THE FRENCH GOVERNMENT TO WITHDRAW ITS TROOPS FROM NORTHWEST ITALY [2]

740.0011 E.W./3-2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, March 24, 1945—3 p. m.
[Received March 25—7:31 a. m.]

1417. As I said I would in the final paragraph of my 1404, March 2, 3 p. m. [3] I spoke again to Bidault [4] about the rumored French designs on Val d'Aosta. Bidault repeated that the French Government has no annexationist designs on the Val d'Aosta but he admitted that there might possibly be representatives there of French Government agencies who might be causing "complications." He said, "certainly for 40 or 50 thousand people we are not going to upset the apple cart.

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[1] Released to the press by the White House, August 25, 1945; reprinted from Department of State *Bulletin*, August 26, 1945, p. 281.

[2] For a further account, see C. R. S. Harris, *Allied Military Administration of Italy, 1943–1945* (London, H.M. Stationery Office, 1957), pp. 317–328, in the United Kingdom military series, *The History of the Second World War*.

[3] Not printed.

[4] Georges Bidault, French Minister for Foreign Affairs.

However, he added "if the populations there, without any exterior influence whatsoever, begged to be annexed and there were no complications involved, we would not refuse to take them."

Sent Department as 1417 and repeated to Rome and Caserta.

CAFFERY

740.0011 EW/3-2445 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, March 31, 1945—10 a. m.

1262. The information contained in your 1417, March 23 [*24*] concerning your talk with Bidault on Val d'Aosta is far from reassuring and the opportunity for mischief will be enhanced by the military decision reported to you in Caserta's 48, March 27,[5] permitting employment of French forces on the Italian side of the border.

Lest there be any misunderstanding on the subject please make it clear to Bidault (in writing unless you perceive objection) that we are disturbed by reports which have been reaching us; that any effort by the French to precipitate the annexation or occupation of this area through the use of force or through the fostering of "separatist" tendencies could not fail to lead to undesirable complications; and that we trust the French authorities will give the matter very serious thought.

For your information we are orally informing the British and French Embassies here along the above lines.

Sent to Paris as 1262. Repeated to Caserta as 272.

STETTINIUS

740.0011 E.W./4-745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, April 7, 1945—5 p. m.
[Received April 8—3 : 02 a. m.]

1719. Department's 1262, March 31 and my 1614, April 2.[6] Bidault reiterated to me yesterday afternoon that France has no annexationist designs on the Val d'Aosta. He said also that France has no intention of fostering a plebiscite or anything of the kind calling for annexation.

When I reminded him of what he had said to me (second paragraph of my 1417, March 24) he said "I repeat what I have just said to you. Furthermore, it is not our intention to encourage the local population to ask to join us".

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[5] Not printed.
[6] Latter not printed.

He added "your Government seems to doubt our word; and I can understand that Bonomi [7] is anxious about this. I have had messages from him and from my friend Gasperi [8] on the subject. I have sent back assurances to them too. For various reasons we cannot make a public statement on this. It would only give rise to political discussions in our press.

But I repeat what I told you in the beginning: we have no annexationist designs, nor have we in view plans to rouse the population involved to ask for annexation to France".

Repeated Rome as 68 and Caserta as 25.

CAFFERY

740.0011 EW/4-745 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 26, 1945—8 p. m.

1700. Your 1719, April 7. British Embassy advises that Steel [9] has been instructed to impress on SHAEF [10] the importance which the British Government attaches to the political aspect of the employment of French troops in Italian territory. While feeling that in view of Bidault's assurances the Italians are unduly apprehensive, the British Government welcomes SACMED's [11] proposal (Caserta's 60, April 2 [12]) to request SCAEF [13] to withdraw French troops as soon as possible after the Germans cease fighting or French troops are no longer needed. It adds that undoubtedly SCAEF will take special care that French troops not be in a position to engage in independent activities.

Please make similar representation to SHAEF on behalf of this Government through your liaison.

GREW

740.0011 EW/5-645 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 6, 1945—7 p. m.
[Received 11:30 p. m.]

2417. I spoke this morning to General de Gaulle about the Val d'Aosta. He said that the French Government did hope at a later

[7] Ivanoe Bonomi, Italian Prime Minister.
[8] Alcide de Gasperi, Italian Minister for Foreign Affairs.
[9] Christopher Eden Steel, British Political Officer, Supreme Headquarters, Allied Expeditionary Force.
[10] Supreme Headquarters, Allied Expeditionary Force.
[11] Supreme Allied Commander, Mediterranean.
[12] Not printed.
[13] Supreme Commander, Allied Expeditionary Force.

date to take up amicably and through regular channels with the Italian Government the question of very minor adjustments of the tracing of the frontier in that region but that France had no other ambitions whatever in that connection.

He complained that troops from Alexander's [14] armies had yesterday (I believe) blocked the access to French forces in that region, cutting their lines of supply et cetera.

Sent Department; repeated Rome 84.

CAFFERY

740.0011 EW/5-645 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 9, 1945—2 p. m.

1947. It is understood that General Eisenhower has requested the French military authorities to instruct General Doyen [15] to coordinate the withdrawal of his troops into France with the arrival of American troops on the Italian border. When obtaining confirmation from SHAEF that General Eisenhower has made this request you should make similar representations to the French Government referring to the situation described in Rome's telegram of May 6 [16] repeated to you as 77 and if necessary recalling the recent assurances given you by General de Gaulle.

GREW

740.0011 EW/5-1745 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 17, 1945—6 p. m.
[Received 11 : 45 p. m.]

2712. For Matthews [17] from Murphy.[18] On May 15 General Eisenhower cabled General Marshall [19] personally that he is quite sure that until agreement has been reached on eventual occupation zones the French will not retire voluntarily from front line positions in Italy. General Eisenhower mentions that Devers [20] issued orders for a retirement to the Italian frontier but to no avail. General Eisenhower fur-

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[14] Field Marshal Sir Harold R. L. Alexander, Supreme Allied Commander, Mediterranean Theater, and Head of the Allied Military Government in Italy.

[15] Gen. Paul Doyen, Commander of the French Army in the Alps.

[16] Not printed.

[17] H. Freeman Matthews, Director, Office of European Affairs.

[18] Robert D. Murphy, United States Political Adviser for Germany, Supreme Headquarters, Allied Expeditionary Force.

[19] Gen. George C. Marshall, Chief of Staff, United States Army.

[20] Gen. Jacob L. Devers, U.S.A., Commanding General, Sixth Army Group, Allied Expeditionary Force.

ther states that the principle which de Gaulle is applying in this instance is incidentally similar to that embodied in instructions from the CCS [20a] regarding our dealings with the Russians namely that all troops retain the ground won during operational phase until various matters are mutually and finally agreed upon.

I suggest you also see signal SCAF 393 to Agwar from SHAEF forward. [Murphy.]

CAFFERY

740.0011 EW/5-1745 : Telegram

Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State [21]

CASERTA, May 17, 1945—10 p. m.
[Received May 17—9:40 p. m.]

2213. Situation on Franco Italian border still reported by G-2 [22] as very serious with French continuing to infiltrate troops and others (re our 2187 of May 15 midnite [23]) under military cover who change to civilian clothes and parade as Italians favoring French annexation. French claim 30,000 in valley have declared for autonomy for valley and move is regarded by most persons as method adopted by French to avoid criticism and still convert population to favor France.

French publishing clandestine newspaper in Aosta called *Le Libre Val d'Aosta* designated as organ of local Committee of Liberation, a non-existent organization but similar enough to be confused with NCL [24] for Aosta.

Prefect for Aosta has complained to French General Mell about infiltration of French in valley and was told these people were not French but Italians who wished to be annexed to France.

In Cavanese District there are still armed Germans waiting to be sent to concentration areas, stealing from local population and forcing them from their homes. Fascist bands still roaming hills terrorizing farmers. Local Italian Government of city of Aosta has resigned in protest against French interference.

French apparently desperately trying to convey to population that it is Allies' intention that population of border valley should vote to join the French.

Sent Department; repeated Paris as 126.

KIRK

[20a] Combined Chiefs of Staff.
[21] Mr. Kirk was also Ambassador in Italy.
[22] Intelligence (Army).
[23] Not printed.
[24] National Committee of Liberation.

740.0011 EW/5-1945 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 19, 1945—midnight.
[Received May 20—6:09 a. m.]

2820. From Murphy. In reply to SHAEF request of May 7 that instructions be given to French Commander to withdraw his troops to French side of 1939 Franco-Italian frontier, Genl. Sevez [25] wrote on May 18 that he desired to present as follows the French Government's point of view on this subject:

Operations in Mediterranean Theater as in the Western Theater being now completed, movements and stationing of French troops of the Alps are henceforth questions which no longer fall within the strategic sphere but which should be examined by the interested governments.

Consequently question of withdrawal of the army detachment of the Alps to the Franco-Italian frontier of 1939 can no longer be handled directly between the Supreme Command and the French Command and should be dealt with on the diplomatic plane.

While awaiting study by the interested governments the army detachment of the Alps will continue to remain in the area which it is now occupying. (End of message from Sevez).

In the meantime, SHAEF cabled Sixth Army group May 18 that in expectation that agreement of French zone may be reached soon, First French Army and Alpine detachment will for the present remain under Sixth Army group command. [Murphy.]

CAFFERY

740.0011 EW/5-2045 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 20, 1945—2 p. m.
[Received 2:50 p. m.]

2252. Re our 2245 of May 19, 7 p. m.[26] In a personal report to Field Marshal Alexander Gen Clark [27] has recommended that Allied Govts should make strong representations to French Govt to have French troops withdrawn from northwestern Italy at earliest possible date.

Gen. Doyen explained to Clark on May 18 that French troops were seriously disappointed when required to stop advance in Italy just as they were about to exploit victory; that prestige and honor of French army require that French not be required to withdraw at

[25] Gen. François Sevez, Acting Chief of Staff for France.
[26] Not printed.
[27] Gen. Mark Clark, Commanding General, 15th Army Group, Mediterranean Theater of Operations.

this time; and that he felt certain question of annexation of Italian territory was not involved. When Doyen suggested that American troops should fall back to allow French to occupy a larger area, Gen Clark told Doyen this would never be agreed to.

Clark feels French troops will remain generally in present positions in Italy while situation is being discussed at governmental level, but in meantime situation of two commanders of mixed troops in same area is unsatisfactory. Until problem is settled at governmental level, Gen Clark suggested that French troops now in Italy be placed under operational command of 15th Army group which in turn would attach them to 5th Army. In this event French troops would be assigned by Clark to a definite sector of responsibility to avoid large-scale mixing of French and American troops.

AMG [28] activities throughout whole area would continue to function under 5th Army Command as at present. Gen Doyen considered Gen Clark's suggestion logical, but was careful to avoid committing his Senior Commander. Clark did not discuss AMG angle with Doyen and the whole change of command proposal was presented to him as Gen Clark's suggestion subject to SAC's [29] approval and orders.

Sent Dept; repeated Paris as 130.

KIRK

740.0011 EW/5-645 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, May 21, 1945—8 p. m.

2220. In my conversation with M. Bidault on Saturday [30] morning I brought up the problem of French penetration in the Val d'Aosta. I said that we were much disturbed over the situation prevailing along Italy's northwest frontiers as a result of French troops and occupation there, and reviewed briefly the background of this situation including Eisenhower's order for their withdrawal and de Gaulle's assurances to you (your 2417 May 6, 7 p. m.). I emphasized our anxiety over these developments, particularly coming at the time of the Venezia Giulia dispute,[31] and referred to our position as set forth in my public statement of May 12.[32] The French Government should instruct French forces in northwest Italy to withdraw into France, I said, and should endeavor to terminate the activities of any irresponsible French annexationists.

Bidault replied that France was invaded through these valleys in 1940 and that the question was one largely of "amour propre". He

[28] Allied Military Government.
[29] Supreme Allied Commander.
[30] May 19. For memorandum of conversation, see p. 691.
[31] For documentation relating to the dispute, see pp. 1103 ff.
[32] For text of statement, see Department of State *Bulletin*, May 13, 1945, p. 902.

was in entire agreement with de Gaulle that France should have no annexationist claims to the area with the exception of a minor rectification affecting two villages but not the Val d'Aosta, itself. Normal channels would be used to adjust any claims the French may have since it is French policy to establish friendly relations with Italy. In an attempt to make light of the present situation he spoke of the habits of intelligence officers of all nationalities who circulated all kinds of rumors. He implied that such reports should not be exaggerated. When I repeated that all that was needed to solve this tense situation was an order from the French Government for its troops to withdraw into France, he promised to look into this question right away.

Bidault and the French Ambassador saw the President this morning.[33] After Bidault had thanked him for the press statement made after their last conversation, the President said that he wished to speak candidly to the French Foreign Minister on the unfortunate effect on French-American relations being created by the continued occupation of northwest Italy by French forces contrary to General Eisenhower's orders. The President drew a parallel between French occupation of northwest Italy and Yugoslav occupation of northeast Italy and said that such action gave ammunition to those in our country who like to cause trouble between our two countries. If the Foreign Minister would take steps to overcome this situation, the President said he would be very happy, and referred to other incidents of a similar nature, particularly the French occupation of Stuttgart.

Bidault listened attentively to the President's remarks and replied that he himself knew nothing about the situation except from press reports; that immediately upon his return to France he would take the matter up.

Bidault plans to return to Paris within the next two days. Suggest you pursue this question with him immediately upon his return.

Sent to Paris; repeated to Caserta.[34]

GREW

740.0011 EW/6-545 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery) [34a]

WASHINGTON, June 5, 1945—noon.

2527. 1. From your telegram 3296, June 4[35] and previous reports regarding the situation along the Franco-Italian frontier it is clear

[33] See memorandum by the Acting Secretary of State, May 21, p. 698.
[34] As telegram 506.
[34a] Repeated to Moscow as No. 1223 and to Caserta as No. 549.
[35] Not printed.

that oral representations to the French Government have been unsuccessful. We are of the opinion that the time has come when our position must be clearly set forth in a formal communication to the French Government on this subject. You are therefore requested to present the following communication to the French Minister for Foreign Affairs on behalf of this Government:

2. "Under instructions from my Government, I have the honor to inform you of its concern regarding the situation which may be expected to arise as a result of the continued presence of French forces in certain areas in northwestern Italy.

3. "As you are aware, early in May the Supreme Allied Commander requested the French military authorities to instruct General Doyen to coordinate the withdrawal of his troops into France with the arrival of American forces on the Italian border. Up to this time, this withdrawal has not taken place and, although 2 weeks ago General Doyen gave oral assurances that he would not interfere with Fifth Army Missions in northwestern Italy, it is now understood that he has indicated in writing the unwillingness of the French Government to agree to the requested action. General Doyen's letter is also reported to have said that insistence upon French withdrawal would assume a definitely unfriendly and even hostile character and could have 'grave consequences'.

4. "My Government is reluctant to believe that the position taken by General Doyen can represent the considered view of the French Government.

5. "As you know, the situation in northwestern Italy has in recent weeks been discussed on several occasions and, in the most frank but friendly spirit, was drawn to your personal attention by President Truman and the Acting Secretary of State during your visit to Washington. General de Gaulle has assured me that all France requires is a slight rectification of the frontier. He had previously indicated that this could be brought about through normal diplomatic channels.

6. "The French Government is aware of the general policy of the United States with regard to the question of territorial changes, which was most recently enunciated in a statement issued on May 12, last, by the Acting Secretary of State. At that time, Mr. Grew's remarks had special reference to the situation in northeastern Italy and he expressed the view long held by my Government that the best way to avoid hasty and precarious territorial solutions in the Mediterranean theater of operations would be to establish and maintain an Allied Military Government in the disputed areas pending settlement by the orderly processes to which the United Nations are pledged. My government is convinced that this policy is as much in the interest of France as it is in the interest of all the United Nations, whose representatives are now engaged in working out together at San Francisco a charter for future international cooperation and the solution of international problems by peaceful means.

7. "My Government feels that the position now taken by General Doyen will inevitably serve to arouse new fears in a situation which is already highly inflammable and will foster the belief that the

French Government is exerting military pressure for the accomplishment of political ends.

8. "My Government therefore hopes that the French Government will reexamine the situation in northwestern Italy and will recognize that it is in the interest of France and of inter-Allied relations to order the withdrawal of French forces from Italian soil. Such action on the part of the French Government would eliminate a possible source of serious friction and the impression that France might be endeavoring to obtain territorial accessions through the use of force. Far from prejudicing any legitimate French interest, such voluntary withdrawal would be regarded as evidence of Frence's desire to contribute to the peaceful settlement of international problems."

9. For Moscow you are requested to inform Soviet Government of contents of foregoing note.

GREW

740.0011 E.W./6-645 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, June 6, 1945—5 p. m.

2565. 1. Please deliver to General de Gaulle immediately the following communication to him from President Truman:[36]

2. "My dear General: You have by this time no doubt seen the message from this Government which was communicated to your Foreign Minister yesterday.[37] I wish to appeal to you directly in this matter and to notify you with what great concern and how seriously I view the action of the 1st French Army in the Province of Cuneo in northwest Italy.

3. This Army, under the command of General Eisenhower, the Supreme Allied Commander on the Western Front, ignored orders issued to it to withdraw to the frontier in keeping with the arrangements for the occupation and organization of Allied Military Government in Italy under Field Marshal Alexander, the Allied Commander in Italy. More recently the following events have taken place: On May 30 General Doyen, commanding the French Army in the Alps sent a letter to General Crittenberger, commanding the U.S. IV Corps in Northwestern Italy, referring to an attempt to establish Allied Military Government in the Province of Cuneo. The letter ends with the following paragraph:

4. 'France cannot consent that a modification against her will would be made in the existing state of affairs in the Alps Maritimes. This would be contrary to her honor and her security. I have been ordered by the Provisional Government of the French Republic to occupy and administer this territory. This mission being incompatible with the installation of an Allied military agency in the same region, I find myself obliged to oppose it. Any insistence in this direction would assume a clearly unfriendly character, even a hostile character and could have grave consequences.'

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[36] The message was delivered the afternoon of June 7, 1945.

[37] See *supra*.

5. On June 2 General Crittenberger received another letter from General Doyen referring to his previous letter. Following is the text:

6. 'I have sent to General Juin simultaneously copy of the letter I asked Major Rogers to deliver to you. I beg to let you know that I have just been notified of the full approval given by the Chief of the Provisional Government of the French Republic.

7. 'General de Gaulle has instructed me to make as clear as possible to the Allied Command that I have received the order to prevent the setting up of Allied Military Government in territories occupied by our troops and administered by us by all necessary means without exception.'

8. This constitutes a very blunt statement of the intention of the French Government to maintain its forces contrary to the order of the Allied Supreme Commander and in direct contravention of the principles which I accept, and I know you will agree, as representing the best interests of all Allied Governments in preserving a hard won peace, namely the avoidance of military action to accomplish political ends.

9. The messages above referred to also contain the almost unbelievable threat that French soldiers bearing American arms will combat American and Allied soldiers whose efforts and sacrifices have so recently and successfully contributed to the liberation of France itself.

10. Indeed, this action comes at the time of the very anniversary of our landings in Normandy which set in motion the forces that resulted in that liberation.

11. The people of this country have only the friendliest motives and feelings toward France and its people, but I am sure that they would be profoundly shocked if they were made aware of the nature of the action which your military officers, presumably with your personal approval, have threatened to take. Before I acquaint the people of the United States with this situation, I beg of you to reconsider the matter, withdraw your troops from the area and await an orderly and rational determination of whatever ultimate claims your Government feels impelled to make. Such action cannot fail to advance rather than reduce the prestige of France and at the same time operate to the immediate advantage and welfare of the French people.

12. While this threat by the French Government is outstanding against American soldiers, I regret that I have no alternative but to issue instructions that no further issues of military equipment or munitions can be made to French troops. Rations will continue to be supplied. Signed. Harry S. Truman."

GREW

740.0011 EW/6-745

The Italian Embassy to the Department of State

MEMORANDUM

No. 3726

The recent events at the Italian western border have caused a very serious—and, unfortunately, justified—alarm in Italian public opinion. The decided unfriendly propaganda activity and administrative action

which the French troops are carrying on in the occupied zone, may in fact lead to believe that France might be induced, with false strategic pretexts, to claim "ex novo" territorial vindications.

In this regard the Ministry of Foreign Affairs has just communicated to the Embassy the following official specifications:

1. General De Gaulle has given to the Italian Government explicit assurances that France wanted to respect, and to have others respect, Italian territorial integrity.
2. In such a spirit the negotiations concerning Tunis were carried out and concluded. The status of the Italians in Tunis was always recognized by the French as the only serious obstacle to the *rapprochement* between the two nations. The sacrifice of important positions in Tunisia, which belonged to Italy decades before the fascist regime, was made by Italy with honesty and loyalty in such a spirit.
3. The most simple rectifications of the frontier would meet with Italy's strongest opposition. It is a fact widely known that the western frontier is strategically very safe for France and unsafe for Italy. Further eventual acquisitions, even very modest ones, would open outright our valleys to the easy invasion of Northern Italy. Such rectifications would in no way whatsoever be justified by considerations of a defensive strategical character.

The Italian Embassy has the honor to communicate the foregoing to the Department of State for any use it may deem advisable to make of it, with the assurance that it responds to the utmost scrupulous truth.

WASHINGTON, June 7, 1945.

740.0011 E.W./6-845

The French Ambassador (Bonnet) to President Truman

[Translation]

WASHINGTON, 8 June 1945.

MR. PRESIDENT: General de Gaulle, President of the Provisional Government of the French Republic, has instructed me to transmit to you the following message sent from Paris on June 8:

"Your message of June 7 has just been handed me by Mr. Caffery. The note which he handed yesterday to Mr. Bidault in the name of the American Government has likewise been brought to my attention. Obviously, there has never been any intention either in the orders of the French Government nor in those of General Doyen, who commands the army detachment of the Alps, to oppose by force the presence of American troops in the small areas which French troops occupy at present to the East of the 1939 frontier between France and Italy. Besides, American troops are now in these areas side by side with French troops and here as elsewhere good comradeship prevails.

We only wonder why our Allies now wish to exclude from these areas the French forces which captured them from the German and Fascist Italian enemy. In France this withdrawal would be all the more resented as it would be from terrain that we have conquered. Further, as you know, the Italian army invaded France in June 1940 from this area.

I agree with you as to the need that frontier questions await settlement by treaty. But it is my duty to remind you that the populaion of several of the villages involved is of French origin. For this reason the matter is still more difficult for us. Finally, I must point out how unfortunate it would be from the standpoint of French public opinion if our exclusion from this region should coincide with that which the British are requiring from us in Syria.

In any case I intend to give you satisfaction in so far as that is possible for us.

Tomorrow morning General Juin [38] will proceed to Field Marshal Alexander's headquarters to deal with this matter in the broadest spirit of conciliation in order that a solution may be found."

Please accept [etc.] H. BONNET

740.0011 European War/6-945 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, June 9, 1945—noon.
[Received June 10—2:51 a. m.]

2538. Refer Paris 58, June 7 to Caserta. We have just participated in conference with Juin in SAC's office.

Juin stated he did not have authority from de Gaulle to settle norwest Ital question in accordance with our wishes.

He opened meeting by inquiring to what extent SAC would be willing in case French troops in norwest Italy were placed under his command to permit French to participate in AMG. SAC informed Juin there could be no question of placing French troops in Italy under AFHQ command. He had now been directed by CCS to arrange early withdrawal of French troops from Italy and he would like to have this done soon as possible.

French Chief of Staff replied that de Gaulle had come long way in changing his attitude on this question and that he had impression de Gaulle was looking for best way in which to save face. He suggested that withdrawal from Val d'Aosta and Val di Suse could be arranged quickly but de Gaulle would not agree to immediate withdrawal of French troops in southern part of French Ital frontier.

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[38] Alphonse Pierre Juin, Chief of Staff, French Army.

SAC then called on us to explain further to Juin his position as SAC in this matter and what he could and could not do. Broad [39] was not at AFHQ at time of meeting.

We asked Juin if he had kept abreast of representations which Amer. Amb. in Paris had recently made to French Govt on this matter and we added that we presumed he was familiar with rude and brusque nature of Doyen's communications to Amer. commanders in norwest Italy. Juin in response affirmatively and smilingly defended Doyen as "good soldier who carried out his orders". He said that Doyen had been member of French Armistice Commission who had gone to Wiesbaden in 1940 and had been so difficult and rude with Germans that they had ordered his withdrawal (Couve de Murville [40] told us same story last Sunday).[41] He said he could assure SAC that on same day that Doyen had written his note to Crittenberger (our 2473 June 4 [42]) he had sent him (Juin) personal cable saying that of course he had taken every precaution that there should be no incidents with Amers. or Brit.

We reviewed entire matter more or less as set forth in Dept's 506 May 21 [43] and 564, June 8 [44] and added that SAC was obliged to consider behavior of French in norwest Italy in same light as conduct of partisans in refusing to withdraw from Venezia Giulia. We informed him that Tito had agreed to signature of agreement on Trieste and Ven. Giulia and this would be done at 9 o'clock this morning. We stated that had French kept their promise present situation would not have arisen and SAC would not have been obliged refer matter to higher authorities. Matter was now on Govtal level and SAC must insist on withdrawal of French troops.

We went on to say that we deplored French position in norwest Italy all the more because recent visits to US of Bidault and Juin had improved matters considerably and prolongation of dispute over norwest Italy served only to worsen relations between Fren and Brit and Amer.

We added that Alexander, Clark and other high Brit. and Amer. officers in this theater had always done everything possible to cooperate with French. Too the Pres. of US, Sec. State and other Amer. Amb. Paris out of friendliest motives and from consideration of French had made our position on this matter very clear. We had adopted very important principle in this question and we intended stick to it.

In our opinion no fair minded person could say US and Brit. wished to do anything to diminish French prestige. Record speaks

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[39] Philip Broad, of the staff of the British Resident Minister at Allied Force Headquarters.

[40] Maurice Couve de Murville, French Delegate to the Consultative Council for Italy.

[41] June 3.

[42] Not printed.

[43] Same as telegram 2220 to Paris, p. 731.

[44] Same as telegram 2565, June 6, to Paris, p. 734.

for itself. What we have done for French and would like to do in future to help France regain her former position was well known.

Action taken by Pres. of [the United States?] in stopping further deliveries of military equipment to French Army was regrettable but in view of our efforts to arrive at amicable settlement of this question there was no other alternative.

We then asked Juin whether he could devise some formula where we could achieve our objective and at same time "save face" for de Gaulle. He stated he felt confident de Gaulle would agree to immed. withdrawal of French troops from Val d'Aosta and Val de Suse but there would be difficulty re withdrawal from area of Ligurian Alps and southern Ital. frontier. He thought that if SAC would accept his offer to withdraw immediately from Val d'Aosta and Val de Suse and would permit him to withdraw French troops progressively from rest of border area he might be able win over de Gaulle to such arrangement. At SAC's suggestion we asked him what he meant by "progressive withdrawal" and how long time he envisaged to accomplish this. Juin replied he would try get de Gaulle to agree to effect this in about a month. SAC stated he might be able work out some such arrangement if Juin could obtain de Gaulle's approval. We commented that in our opinion important thing in this matter would be to obtain agreement of French Govt. to such arrangement immediately so that simultaneous statement might be made in Washington, London and Paris that de Gaulle had agreed to withdrawal of French troops from norwest Italy.

Alexander stated he appreciated difficulties of Juin's position and wished to do everything he could to assist him. He said he would be glad when de Gaulle agreed in principle to withdrawal of French troops in near future to issue public statement in which he would set forth "magnificent cooperation given him by French troops on Fren. Ital. border" and their success in holding important German forces in that area which contributed in no small part to victory in Italy. Juin reminded meeting that he of course was not at all certain he could put thru such proposal but that de Gaulle was leaving tomorrow morning for Normandy and he thought it would be best rather than communicate by telegraph for him to proceed at once to Paris in order to see de Gaulle this evening. Alexander kindly offered to place fast plane at Juin's disposal and Juin is departing at 1 p. m. today for Paris.

In an aside after meeting Juin stated to us that de Gaulle's position in this situation had been most unreasonable and that he had been very impetuous. Almost everyone in French Cabinet including Pleven[45] was out of sympathy with him on this question. We asked

[45] René Pleven, French Minister of National Economy.

Juin how in his opinion French people felt about this matter and he said he felt certain that if full facts were made known and matter were put to vote French people would decide overwhelmingly against de Gaulle's position. In leaving meeting Juin stated to SAC "I know from days when I fought Ital. campaign with you that you have always been good friend and I feel certain you will do everything you can to help me arrive at peaceful settlement of this matter. I for my part regret profoundly that things have come to such a pass between France and Great Brit and US because France needs Brit and Amer very badly. We must settle this question quickly. We must settle Levant affair. Only Russians will profit if we are to remain divided".

Atmosphere of meeting was easy and cordial.

We assume Dept has seen msg which Churchill addressed day before yesterday June 7 to Truman [45a] in which he set forth in no uncertain terms that in his opinion it will be impossible in long run for US to deal with de Gaulle. Alexander showed this msg this morning and commented that while he could not agree with Churchill more he felt that if de Gaulle is to be thrown out it has to be done by French people and not by outsiders.

Sent Dept, rptd Paris 169. KIRK

740.0011 EW/6-1045 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, June 10, 1945—midnight.
[Received June 11—1:22 a. m.]

3456. I took Bidault and Pleven to task this evening on subject of northwestern Italy having in mind Caserta's 2538, June 9, noon.

An hour later Bidault telephoned me that "there has been a misunderstanding and French troops will be prepared to evacuate this area as you desire." [46]

If this is sincere (or rather if de Gaulle is sincere) real efforts are being made to meet our requirements both in Italy and insofar as French zone of occupation in Germany is concerned (my 3455 June 10, 8 p. m.[47]) under these circumstances I feel that it would be definitely inadvisable to issue at this time any such statement about evacuation of French troops from northwestern Italy as envisaged in Caserta's 2538, June 9, noon.

[45a] Not found in Department files and not available from the Harry S. Truman Library, Independence, Missouri.

[46] On June 11, 1945 arrangements were agreed to by Gen. W. D. Morgan and Gen. Marcel Carpentier for the withdrawal of French forces from the area. For substance of the Morgan–Carpentier agreement, see C. R. S. Harris, *Allied Military Administration of Italy, 1943–1945*, p. 327.

[47] Not printed.

If we obtain our objective in Italy a statement from us or them unless French themselves desire it would place us in the position of trying to humiliate them further at time when they are still feeling both frustrated and humiliated over what has happened in the Levant.

Sent Dept, rptd Caserta 64.

CAFFERY

740.00119 Control (Italy)/8-645

Memorandum of Conversation, by the Acting Secretary of State

[Extract]

[WASHINGTON,] August 6, 1945.

The French Chargé d'Affaires, Mr. Lacoste, called on me this afternoon and took up the following matters:

1. *Rectification of the Franco-North Italian Frontier*

Mr. Lacoste left with me a note [48] covering this subject urging that the transfer of the authority of AMGOT [49] to the Italian administration should not prejudice the Morgan-Carpentier agreements concerning the demilitarization of a zone of fifteen miles to the east of the frontier and to the pasture land of Mont-Cenis and of the Haute Maurienne. Mr. Lacoste went back into the history of the matter and explained how in 1860 at the time of the establishment of the Franco-Italian frontier Napoleon III had been unduly generous with the King of Italy by giving to Italy certain territory where the King and his associates were in the custom of hunting, and this generosity had sadly penalized the French when Italy came into the present war because it gave the Italians certain high ground dominating French territory. In other words, the 1860 demarcation was not a strategic frontier. As things now stand many French farmers who have their houses and live on the French side of the frontier have their pasture land on the Italian side and during the present war the Italians were very hard on these people and refused to allow them to cultivate their fields. For this reason the French and allied military authorities had come to an agreement concerning the fifteen-mile demilitarized zone and this is the area which the French do not wish to see prejudiced by the turning over of the administration of that territory to the Italian Government. I said I presumed that this was one of the problems which would naturally be considered in the eventual peace settlement, but that in any case I would see that the French representations were conveyed to the competent authorities.

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JOSEPH C. GREW

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[48] *Infra.*

[49] Allied Military Government of Occupied Territory.

740.00119 Control (Italy)/8-645

The French Chargé (Lacoste) to the Acting Secretary of State

[Translation]

No. 525 WASHINGTON, August 6, 1945.

The French Chargé d'Affaires in the United States presents his compliments to His Excellency the Acting Secretary of State and has the honor to communicate to him as follows:

The French authorities have been advised unofficially that beginning September 1, 1945 AMGOT will relinquish its office in North Italy to Italian administration.

This news has especially engaged the attention of the French Government. If the substitution envisaged were applied to territories adjoining the French-Italian frontier it could not in effect fail to interest France directly.

The French Embassy is instructed under these conditions to intervene with the Department of State in order that in no case the replacement of AMGOT by the Italian administration should infringe upon the Morgan–Carpentier agreements or the local Doyen–Truscott [50] agreements relating to the demilitarization of a zone of fifteen miles to the east of the frontier and to the pasture lands of Mont-Cenis and Haute Maurienne.

The Delegate of the Provisional Government of the French Republic at Rome has received instructions to act in the same sense with the Advisory Council for Italian Affairs and with the Allied Control Commission.

Mr. Francis Lacoste is happy to take advantage of the opportunity of this note to renew to the Honorable Joseph C. Grew the assurances of his very high consideration.

740.00119 Control (Italy)/8-1145: Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, August 11, 1945—8 p. m.

1351. Aug. 6 note from French Embassy referring to unofficial advice that North Italy will return to Ital administration Sept. 1 states (1) AMG withdrawal from Ital-French frontier territory would directly interest France; (2) in no case should AMG replacement by Ital administration "infringe on Morgan–Carpentier agreements or local Doyen–Truscott agreements relating to demilitarization

[50] Lt. Gen. Lucian K. Truscott, Jr., was commander of the U.S. Fifth Army.

of zone of 15 miles to east of frontier and to pasture lands of Mont Cenis and Haute Maurienne"; (3) French representative in Rome has been instructed to make similar representations to ACI [51] and Alcom.[52]

Dept's views are as follows:

Any representations on this subject should be addressed to Alcom. Agreements cited are purely military, relate only to withdrawal of French forces and establishment of AMG, and make no commitment on duration of AMG or obligation extending beyond period of AMG. Ital northwest border territory should be returned to Ital administration at same time and on same terms as the rest of North Italy.

BYRNES

740.00119 Control (Italy)/8–2345: Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, August 28, 1945—3 p. m.

781. Commenting on French representations for special measures in the event of AMG withdrawal from Northwest Italy Dept attitude as stated in 1358 [*1351*], Aug. 11, to Rome is that the Morgan–Carpentier and Doyen–Truscott agreements are purely military, relate only to withdrawal of French forces and establishment of AMG, make no commitment on AMG duration or obligation extending beyond period of AMG. Article 8 of agreement cited in your 3350, Aug. 23,[53] provides among other details of French troop withdrawal from Italian territory that no Ital army troops will be stationed within 15 miles of the frontier as long as Allied troops are available. Dept does not understand that provision to be a commitment to maintain Allied troops beyond the period of AMG or the basis for any special regime in Northeast Italy.

For your guidance, we would welcome maintenance of liaison officers in NE Italy in order to have complete information on developments. However, we are opposed to any special arrangements after the handback of North Italy which either Italians or French would interpret as encouraging French claims to Ital territory or affording protection to annexionist activities.

BYRNES

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[51] Advisory Council for Italy.
[52] Allied Commission.
[53] Not printed.

740.00119 Control (Italy)/11-2845: Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 28, 1945—1 p. m.
[Received 3:14 p. m.]

6847. Bidault told me last night he is much concerned over a report they have received that our troops in the Tende region on the Franco-Italian frontier are to be withdrawn on December 1. He said that if our troops are withdrawn and the Italian *carabinieri* enter the Tende region, there will inevitably be conflict between the French "Partisans" in that region and the Italian *carabinieri*. He said that they had understood that under an agreement (he could not remember the date) signed between SAC and the French military authorities, our troops were to remain there for some further time. Bidault makes a strong appeal to retain at least a token force of American troops in that region.

Sent Dept 6847, repeat Rome 226.

CAFFERY

740.00119 Control (Italy)/11-2945: Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 29, 1945—7 p. m.
[Received November 30—6:35 a. m.]

6883. Part 1. In connection with what Bidault told me last night (my 6847, November 28), he handed me an *aide-mémoire* reading in translation as follows:

Part 2.

"Under date of November 21 the Executive Commissioner of the Allied Commission in Italy informed the French representative on the said commission that following a decision of AFHQ, Allied troops would be withdrawn from the frontier of the Alps. AFHQ considered, in effect, that because of the recent reductions in personnel, the conditions on which the agreement of June 11, 1945 was based according the terms of which a zone of 15 miles from the Franco-Italian frontier was forbidden to Italian troops 'as long as Allied troops were available' no longer existed.

Part 3.

At that time there appeared no doubt that Allied forces would not be withdrawn before the conclusion of a peace treaty or in any case before the preliminary negotiations were already far advanced. It was furthermore in this spirit that on different occasions each time there was a question of the withdrawal of the AMG (American Military Government) and in particular at the end of the month of August the Allied authorities gave the French representatives assurances which led the Provisional Government to believe that the zone of 15

miles would remain under their (Allied) control until a decision could be taken concerning the future tracing of the frontier of the Alps.

Part 4.

The decision of AFHQ, whatever may be the motives, could be considered as a breach if not of the letter, at least of the spirit of the Caserta agreement.

Part 5.

It has been noticed that Italian behavior in the regions in question, especially during the past several months, has shown itself unfavorable to our interests: On several occasions it has been brought to the attention of the French Government that the carabineers molest the inhabitants of these regions who are favorable to our views. Under the circumstances and especially on the eve of the elections which are being organized in Italy, the departure of Anglo-American troops could not fail to be interpreted as the adoption by the Allies of a definite position vis-à-vis French claims.

Part 6.

Italian opinion has been prepared notably by the recent declarations of M. de Gasperi for rectifications in the frontier. To take measures today which might create certain illusions would risk causing a resentment which would then turn against the Allies themselves when the rectifications take place.

Part 7.

For this reason the Ministry of Foreign Affairs in drawing the special attention of the Embassy of the United States to the foregoing would be grateful if the Embassy would urge its government to have the decision of AFHQ rescinded and Allied troops maintained until further orders in the 15-mile zone from the Franco-Italian frontier."

Sent Department as 6883; repeated to Rome as 229.

CAFFERY

740.00119 Control (Italy)/11-2845: Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, November 30, 1945—8 p. m.

5625. Dept view re Morgan–Carpentier and Doyen–Truscott agreements of June last, relating to withdrawal of French forces from Ital border territory and establishment of AMG therein, is that accords are purely military and make no commitment on AMG duration or obligation extending beyond AMG period, but provide merely that no Ital troops would be stationed within 15 miles of Italo-French frontier as long as Allied troops are available.

AFHQ has now informed Gen Juin that consequent to redeployment Allied troops are no longer available and must be withdrawn from frontier Dec. 1. You may inform Bidault (urtel 6847 Nov 28 and 6883 Nov 29) of sense of foregoing, adding that while territory in question is shortly being returned to Ital administration it is expected

that Allied Commission liaison officers will remain there for some time and will in our opinion constitute adequate guarantee for safeguarding of Allied interests.

Sent Paris, rptd Rome as 2246.

BYRNES

740.00119 Control (Italy)/12–145

The Secretary of State to the French Ambassador (Bonnet)

The Secretary of State presents his compliments to His Excellency the Ambassador of France and has the honor to acknowledge the receipt of the Embassy's note of December 1, 1945,[54] requesting that the withdrawal of Allied forces from Italian territory along the French frontier be deferred.

The Department of State has given the fullest consideration to the views of the French Government, which have also been brought to the attention of the Joint [*Combined?*] Chiefs of Staff by the Supreme Allied Commander, Mediterranean. General Morgan has pointed out that Allied forces have been maintained in Italian border territory in accordance with the Morgan–Carpentier agreement of June 11, 1945, which provided *inter alia* that no Italian forces would be stationed within fifteen miles of the French frontier as long as Allied forces are available, but that consequent to the redeployment of forces under his command Allied forces are no longer available and he can therefore no longer defer their withdrawal from the frontier region. It is understood, however, that Allied Commission liaison officers will remain in the region for some time, and it is the opinion of the Department of State that their presence will constitute an adequate guarantee for the safeguarding of Allied interests. In addition, General Morgan has stated that in discussions with General Juin he has agreed in deference to the latter's views not to allow Italian troops other than *carabinieri* to enter a fifteen-mile belt along the frontier pending the discussion of this matter by the Governments concerned.

The Department of State has indicated its concurrence in General Morgan's action in this regard and is prepared to recommend to him that this arrangement be continued as long as the territory remains under his jurisdiction. As the French Embassy is aware, however, it is expected that the northern provinces will be returned to Italian administration in the near future, and while the Supreme Allied Commander will be directed to inform the Italian Government that the return of the territory is without prejudice to any possible rectification of the Italo-French frontier in the final peace settlement, the Department of State ventures to hope that it may be possible for the French

[54] Not printed, but see telegram 6883, November 29, from Paris, p. 744.

and Italian Governments to reach agreement on a mutually satisfactory settlement of this matter.

WASHINGTON, December 5, 1945.

740.00119 Control (Italy)/12-745: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, December 7, 1945—6 p. m.
[Received 8:38 p. m.]

4225. Reference our 4222 of December 7. SAC has informed Broad[55] and us he agrees with proposed communication to Italian Government but feels question of public announcements up to Italian Government. He himself is opposed to making one. General Morgan has stressed to ResMin that difficulties will arise at time when northern provinces are handed over to Italian Government. Until that point, SAC's order will remain in force to effect that not [no?] Italian troops should enter 15-mile belt along frontier. Morgan considers that it would be illogical and undesirable for him to insist on continuation of this order [when?] area is handed back to Italian Government, moreover, he points out that when handover takes place and Italian administration is substituted for AMG only a few American observers will remain in northern Italy except in Venezia Giulia and Udine. In SAC's opinion French will probably find this very unpalatable.

SAC therefore considers it essential that understanding should be reached with French Government between now and time of handing over of northern provinces. He also considers it would be helpful if British and US Ambassadors in Rome at time of handover impress upon Italian Government vital necessity in its own interest of avoiding any action in this area which might lead to difficulties with French. ResMin is telegraphing foregoing views of General Morgan to Foreign Office.

Repeated to Rome No. 49 and Paris as 235.

KIRK

JCS Files

The Combined Chiefs of Staff to the Supreme Allied Commander, Mediterranean Theater (Morgan)

WASHINGTON, December 8, 1945.

Book message to Morgan for action, to AMSSO[55a] pass to British Chiefs of Staff for information. This message is Fan 634 to Morgan

[55] Philip Broad, Acting Counselor, Office of the British Minister Resident, Allied Force Headquarters, Caserta.

[55a] Air Ministry Special Signals Office.

from the Combined Chiefs of Staff. Reurads Naf 1069, Naf 1071, Naf 1073, Naf 1092 and Mat 905.

1. All areas in Italy, including the Province of Bolzano and the communes of Colle Salvetti, Livorno, Naples and Pisa, and the fortress islands of Lampedusa, Linosa, and Pantelleria, but excepting Udine Province and that portion of Venezia Giulia west of the Morgan Line, will be returned to Italian administration as soon as possible and in any case no longer than 21 days after receipt of this directive.

2. Simultaneously, in respect of any territories which may be retained under AMG, all command functions of Alcom over AMG will be performed by XIII Corps, reporting directly to AFHQ. Military personnel detached from duty with Alcom will not be utilized as AFHQ Liaison to Alcom.

3. At time of handover you should inform Italian Government and make public announcement to include statements that:

a. Udine is retained solely for military reasons and not because it is considered a disputed area.

b. Return of Bolzano is without prejudice to final disposal of Province under peace treaty at which Italian rights will receive full consideration.

4. As regards Lampedusa, Linosa, and Pantelleria, handback of these Provinces should be made at the same time, subject to your obtaining agreement of Italian Government to:

a. Their demilitarization.

b. Your retaining right of inspection to ensure that demilitarization is maintained. You should provide, if you think it necessary, for Allied Officers to be stationed there, as in other parts of Italy administered by Italian Government, to ensure that immediate Allied military interests are safeguarded.

5. Reference Mat 881. You are completely relieved of Italian supply responsibility except for Venezia Giulia, and Province of Udine. Supplies will be the concern of the civilian departments of the United States and United Kingdom Governments or the Italian Government through its own resources for the areas covered by the Italian Government programs. Pending further instruction, you should, as President of the Allied Commission, continue to advise and assist the Italian Government in the preparation of programs of supplies for the areas covered by its programs and, when such programs have been established by the Italian Government review and transmit them with appropriate comments and recommendations to the Combined Civil Affairs Committee which will transmit them to the Combined Liberated Areas Committee for action by the appropriate civilian agencies of the United States and British Governments. You may also give assistance to the Italian Government in connection with the preparation of bids for transportation for the supplies when received in Italy.

In addition, as Military Commander, you will have the right to communicate with the United States and United Kingdom Governments on supply matters affecting the security or redeployment of your troops.

6. Your channel of communication to the United States and United Kingdom Governments, both with respect to Allied Force Headquarters and Allied Commission matters will continue through the Combined Chiefs of Staff and the Combined Civil Affairs Committee in appropriate cable series. It is contemplated that necessary Italian civil supply arrangements will be handled between Allied Commission and Combined Liberated Areas Committee and use of Com-Moc cable series has been authorized for this purpose. However, you may submit any matters you deem appropriate to the Combined Chiefs of Staff or Combined Civil Affairs Committee through existing channels. Combined Chiefs of Staff or Combined Civil Affairs Committee will, where appropriate, communicate with responsible civilian agencies of the United States and United Kingdom Governments.

740.00119 Control (Italy)/12–1045: Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, December 10, 1945—8 p. m.

5761. In concert with your British colleague, pls inform FonOff that this Govt has recommended to SACMED that he endeavor insofar as possible to limit Ital forces in frontier area claimed by French to *carabinieri* (Deptel 5625 Nov 30) and that in handing back territory to Ital administration he inform Ital Govt return is without prejudice to question of frontier rectification. SACMED will also make public statement to this effect.

You should add that this Govt would be happy to see French and Ital Govts reach mutually satisfactory settlement of frontier problem.

Sent Paris as No. 5761, rptd to Rome as No. 2315.

BYRNES

740.00119 Control (Italy)/12–1145: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, December 11, 1945—3 p. m.
[Received 5:31 p. m.]

4231. At SAC special meeting this morning to consider provisions of Fan 634,[56] decision was reached that Italian Govt would be notified

[56] Message of December 8 from the Combined Chiefs of Staff to the Supreme Allied Commander, Mediterranean Theater, p. 747.

immediately by Admiral Stone[57] of contents in CCS directive and arrangements for public announcement would be undertaken with Italian Govt through AC.

SAC instructed Admiral Stone that at time of notification to Italian Govt of Fan 634 he should warn De Gasperi informally and orally that SAC, at time of handover of northern provinces to Italian Govt may have to obtain undertaking from Italian Govt that Italian troops other than *carabinieri* will not be stationed anywhere within 15 miles of the Franco-Italian frontier. Meanwhile General Morgan is proposing CCS that he will obtain this undertaking from Italian Govt at time of handover. Admiral Stone was also instructed by SAC to warn De Gasperi in some manner that a public announcement at time of handover might have to be made to the effect that such handover is without prejudice to any rectification of Italian frontier.

At meeting Broad read telegram from Foreign Office stating that State Dept agreed that SACMED should be instructed:

a. Thus [*That*] on the withdrawal of Allied troops no Italian troops other than *carabinieri* should enter a 15-mile belt along the frontier.

b. That in handing over territory to Italian Govt administration a communication to the Italian Govt and public announcement should be made stating that this is without prejudice to any frontier rectifications which may subsequently be decided.

2. State Dept thinks words "frontier rectifications" should be used rather than "final settlement of the frontier".

3. Halifax[58] is concerting with Joint Staff Mission draft directive to SACMED on the above lines.

We stated that in absence of instructions in foregoing sense from Dept we could not regard that message as a directive, and that we should have to ask for instructions with regard to any plan which did not contemplate handback without restriction of all northwestern Italian territory up to 1939 Franco-Italian frontier on same basis as other northern provinces. We pointed out that Dept's position as communicated to us was that Italian northwestern border territory should be returned to Italian administration at same time, and on same terms, as rest of Northern Italy. (Deptel 1351, August 11 to Rome.)

It also was decided that SAC message to CCS reporting foregoing would state [that] handover of northern provinces be effected about December 31, and urge that question of Franco Italian frontier zone be settled with French Government by that date (see our 4225, Dec 7, 1945). SAC stated that he intended personally to inform General

[57] Adm. Ellery W. Stone, Chief Commissioner, Allied Commission, Rome.
[58] Lord Halifax, British Ambassador in the United States.

Laparra (head of French Military Mission here) regarding Admiral Stone's informal warnings to Italian Govt.

Dept's 1016, December 10 [59] received after meeting this morning. This appears to be in conflict with British understanding of Department's position as reported by Broad.

It also was decided at meeting that query be sent to CCS regarding interpretation of paragraph 2 of Fan 634. SAC intends to assume that there will be an AMG headquarters in Rome for Udine and Venezia Giulia. KIRK

740.00119 Control (Italy)/12-1145: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, December 11, 1945—7 p. m.
[Received 8:36 p. m.]

4235. Re our 4231, December 11, 3 p. m. After SAC's (Supreme Allied Commander) meeting Broad received copy of telegram from Foreign Office to Halifax sent December 10 informing him that Foreign Office had advised British Chiefs of Staff instruct Joint Staff Mission to seek US concurrence to despatch of instructions to SACMED (Supreme Allied Commander, Mediterranean) that last eight words of paragraph 3*b* in Fan 634 should be omitted.

Resident Minister also received after meeting copy of telegram from British COS to Joint Staff Mission, Washington sent December 10 in which Joint Staff Mission has requested to seek US Joint Chiefs of Staff concurrence in instructions to SACMED along following lines:

1. Italian Govt should be informed that withdrawal of Allied Troops from Franco Italian frontier area is without prejudice to final settlement of frontier.
2. At time transfer is authorized of territory in question to Italian Govt administration, US communication to Italian Govt and public statement should be framed so as to make clear that withdrawal of AMG involves no prejudice to French final claims in Northwest anymore than to Austrian claims in Bolzano.
3. Even after present argument with French is finished, SACMED should continue to keep Italian troops excepting *Carabinieri* as far as possible out of areas which French actually claim. SACMED intervention would be covered by directive in Fan 487 [60] as Allied Commissioner.
4. Instructions to SACMED should not be sent until Foreign Office and State Dept have had opportunity to inform French.

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[59] Not printed.

[60] Not printed, but see *aide-mémoire* of February 24, 1945, from the Acting President of the Allied Commission to the Italian Government, p. 1244. This *aide-mémoire* was based on Fan 487.

At Broad's request SAC suspended Admiral Stone's instructions to proceed as indicated in our 4231 under reference and held further conference late this afternoon at which it was decided that Stone will be directed to proceed tomorrow afternoon in accordance with instructions given him this morning. He will be directed at his discretion to request Italian Govt to withhold publication regarding his interview until Thursday morning (December 13) papers. Broad stated Foreign Office would want time to convey to French substance Admiral Stone's informal warning to De Gasperi. Admiral Stone will also be instructed not to inform De Gasperi specifically with regard to wording of paragraph 3*b* in Fan 634.

Sent Secretary State; repeated to Rome as 51.

KIRK

740.00119 Control (Italy)/12-1245 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 12, 1945—5 p. m.
[Received 6:21 p. m.]

4014. Stone saw Prime Minister at noon today and communicated to him pertinent portions of Fan 634 (see my 3989 Dec 10 [61]). Acting on instructions from SAC he also warned De Gasperi informally that at time of handback Italian Govt might be required to give undertaking not to station Italian troops other than *carabinieri* within 15 miles of Franco-Italian frontier and that public announcement might have to be made at that time, that handback does not prejudice any rectification of Italian frontiers.

Prime Minister stated he understood and accepted all conditions and expressed in general appreciation for action taken.

Short press announcements will appear tomorrow.

Sent Dept 4014 repeated Caserta 1247.

KIRK

740.00119 Control (Italy)/12-1245 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 12, 1945—7 p. m.
[Received 10:38 p. m.]

4018. Prior to receipt of Dept's 2315 December 10 [62] the French representative here told me that in connection with matter of French Ital frontier he has found a certain discrepancy in info received from Paris and views expressed in AFHQ as well as in AC and asked

[61] Telegram 3989 not printed.
[62] Same as telegram 5761, to Paris, p. 749.

me to clarify. I replied that I thought it would be more satisfactory for his Govt to sound out Washington and London on the subject.

He went on to say that his Govt was much interested in the maintenance of the 15 mile zone free from Ital troops not out of fear of border incidents but because the presence of Ital troops in an area which the French regarded as in dispute constituted more of a "symbol" of sovereignty that Ital administration of the area and policing by *Carabinieri* and although the French did not claim all the 15 mile zone they did not want any arrangements there to prejudice an ultimate rectification of frontiers.

I merely pointed out that granted the principle of maintenance of the 1939 boundaries until altered by international settlement there was school of thought to effect that any preliminary disposition in a so-called disputed area which impaired the recognized sovereignty in that area pending an ultimate solution might be regarded as inconsistent with the foregoing principle and asked if his Govt was contemplating direct negotiation with Itals on frontier matter. To that inquiry he replied in affirmative.

Sent Dept 4018, repeated Paris 279.

KIRK

740.00119 Control (Italy)/12–1345 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 13, 1945—6 p. m.
[Received December 14—4:58 p. m.]

4038. Prior to seeing Prime Minister yesterday, (see my 4014 of December 12) Admiral Stone received a letter of instructions from SACMED's chief of staff along following lines:

(*Begin Summary*) With reference to communication to Italian Govt, Admiral Stone's instructions, which will be confirmed in minutes of SACMED's meeting December 11, are as follows:

(1) Italian Govt should be informed that territories mentioned in Fan 634 will be returned about December 31 to Italian Govt control.

(2) Prime Minister should be notified informally at time of making this communication that (*a*) there may be imposed at time transfer documents are signed condition that Italian troops other than *Carabinieri* should not be stationed within 15 mile zone of French-Italian boundary (*b*) Public announcement may be necessary to effect that return AC territories are without prejudice to any rectifications of Italian frontiers.

(3) No publicity shall be given to possible rectification of Italian frontiers or to exclusion of Italian troops from French-Italian frontier zone.

"Full consideration of Italian rights" mentioned in paragraph 3 (*b*) of Fan 634 should not be referred to specifically since 2 (*b*) above adequately covers future action re Italian frontier provinces.

No announcement should be made about hand back of northern provinces before morning of December 13. Meanwhile SAC will inform Chief of French Liaison Mission AFHQ that:

(1) Hand over of Italian territories is without prejudice to any rectifications of Italian frontier which may be later agreed.

(2) Hand over of territory will not affect existing restrictions of employment of Italian troops other than *Carabinieri* in frontier zone pending outcome of diplomatic negotiations between French Govt and UK and US.

(3) SAC desires that no publicity should be given at present to conditions set out in (1) and (2) above in order to avoid embarrassment to Italians. (*End of Summary*).

Sent Dept 4038, repeated Caserta 1260.

KIRK

740.00119 Control (Italy)/12-1845

The French Ambassador (Bonnet) to the Acting Secretary of State

[Translation]

No. 999 WASHINGTON, December 18, 1945.
AB/AC

The Ambassador of France in the United States presents his compliments to the Acting Secretary of State and has the honor to bring the following matter to his attention.

As a result of the Deputy Commissioner's letter of November 21 to the French representative to the Allied Commission in Italy, according to which the Allied Forces Headquarters would have made the decision to withdraw the Allied troops from the Alps frontier and at the same time would have proceeded with the evacuation of all of Northern Italy except Venezia Giulia, the French Government found it necessary to protest against this decision, which it considered contrary, if not to the letter, at least to the spirit, of the Caserta agreement of June 11, 1945. Mr. Georges Bidault sent an *aide-mémoire* on this subject to the Ambassador of the United States in Paris, and the Embassy of France made similar representations to the Department of State in its note No. 954 of December 1.[63]

During the talks on December 3 with the competent office of the Department of State, the Embassy of France was given a number of verbal assurances, including the assurance that, if the reduction of occupation forces resulting from the redeployment did not permit the Allies to maintain troops in the 15-mile frontier zone, this zone would

[63] See telegram 6883, November 29 from Paris, p. 744.

at least remain demilitarized, the police forces allowed to enter it would be reduced to a minimum, and the liaison officers of the Allied Commission would still be able to carry out inspection tours. It was added that the Embassy would promptly receive a written answer regarding this matter.

The answer was sent to the Embassy on December 5. It states that the Allies are not able to maintain troops in the 15-mile frontier zone after the imminent evacuation of Northern Italy, but that the liaison officers of the Allied Commission will remain in this region for some time. The Italian Government would be informed that its renewed jurisdiction over the provinces in Northern Italy would not prejudice the definitive tracing of the frontier and should not interfere with any rectifications of the Franco-Italian frontier. The Department of State expressed, at the same time, the hope that the Governments at Paris and Rome would be able, through bilateral agreement, to come to an understanding on these rectifications. While the Department's reply was positive on the matter of the commitments made by General Morgan not to let Italian troops other than *Carabinieri* enter this zone so long as it is under his jurisdiction, it gave no assurance regarding the continued demilitarization of the zone after the evacuation of the Allied troops from Northern Italy.

The insufficiency of the guarantee given on this point by the American Government was brought to the attention of the competent office of the Department of State on December 7.

The Embassy of France has been directed to inform the Department of State as follows in this connection.

The French Government naturally cannot oppose the evacuation of Allied troops from Northern Italy, including the 15-mile zone along the Franco-Italian frontier. It is prepared, furthermore, acting on the suggestions of the American Government, to commence negotiations with the Government at Rome concerning the frontier rectifications which it is requesting. But the French Government cannot renounce the guarantees given to it by the agreement of June 11 in return for the evacuation of its troops from the territory in question. Under these conditions it asks that, pending a satisfactory conclusion of its negotiations with the Government in Rome or, failing that, pending the signing of the peace treaty, the 15-mile frontier zone remain demilitarized and that formal commitments on this matter be obtained from the Italian Government. It thinks that these commitments should be more specific than those discussed in the meetings which Admiral Stone had with Mr. de Gasperi a few days ago.

Mr. Henri Bonnet is happy to avail himself of this occasion to renew to the Honorable Dean Acheson the assurances of his very high consideration.

740.00119 Control (Italy)/12-1845

Memorandum by the Assistant Secretary of State (Dunn)

[WASHINGTON,] December 19, 1945.

The French Ambassador came in this morning and left with me the attached note[64] on the subject of the fifteen-mile demilitarized zone along the Franco-Italian border.

He said the French Government were anxious to establish the length of time the Supreme Allied Commander would be functioning in Italy, as the assurances of the Supreme Allied Commander for the maintenance of this demilitarized zone free of all Italian troops was one of the most important factors in the French attitude toward this situation. He said the main preoccupation of the French Government was to ensure that until the signing of the definitive peace treaty between the two countries, no Italian forces other than the *Carabiniere* would enter this zone.

The Ambassador said that early clarification of this matter would be most helpful in promoting the friendly relations between the Governments of Italy and France.

JAMES CLEMENT DUNN

740.00119 Control (Italy)/12-1845

The Acting Secretary of State to the French Ambassador (Bonnet)

The Acting Secretary of State presents his compliments to His Excellency the French Ambassador and in reply to the Embassy's *note verbale* of December 18, 1945 regarding the withdrawal of Allied forces from Italian territory along the Franco-Italian frontier, has the honor to state that as previously set forth this Government does not consider that the withdrawal of Allied forces from this territory is in any sense contrary to the military agreements of June last. As also previously explained, in deference to the French Government's views, as expressed by General Juin, the Supreme Allied Commander, Mediterranean, has undertaken, however, not to permit the use of Italian troops other than *carabinieri* in the border zone pending the return of the territory to Italian administration.

On December 15 the American Embassy in Paris informed the French Government that the Supreme Allied Commander had made it clear to the Italian Government that the forthcoming transfer of the territory in question to Italian administration would be without prejudice to any frontier rectification in the final peace settlement. A public statement to this effect was made by the Allied Commission on December 13. The Supreme Allied Commander has also recommended

[64] *Supra.*

to the Italian Government that in so far as possible Italian troops other than *carabinieri* should not be used in the boundary territory. It is this Government's understanding that the Italian Prime Minister has expressed full understanding of the necessity for this recommendation. Further arrangements putting this understanding into effect can no doubt be made through direct conversations with the French and Italian Governments.

It is the view of the American Government that these measures, together with the presence of Allied liaison officers in the frontier districts, will insure that all Allied interests will be safeguarded.

WASHINGTON, December 26, 1945.

DISCUSSIONS BETWEEN THE UNITED STATES AND FRANCE REGARDING THE REESTABLISHMENT OF NORMAL TRADE RELATIONS FOLLOWING THE END OF WORLD WAR II

611.5131/1–1145

The French Minister for Foreign Affairs (Bidault) to the American Ambassador in France (Caffery) [65]

[Translation]

[PARIS,] January 9, 1945.

MR. AMBASSADOR: As you know, informal conversations have taken place in Paris between French and American experts with respect to the possibility of adapting the Franco-American agreement of May 6, 1936 [66] to the situation of the French market, disarranged by the war and by four years of enemy occupation.

The rates of duties which were consolidated in that agreement which, in due time, had the happy effect of contributing to the establishment of a more liberal policy between our two countries are specific rates of duty. The French Government must therefore envisage the possibility of an adjustment of certain of these duties, having regard for the serious changes which have occurred in the value of merchandise, and, in a general manner, to proceed to a reform of the French customs tariff.

I desire to emphasize to Your Excellency that in doing this the French Government has in no way the intention of creating obstacles to the development of trade between our two countries. It is in no way prompted by motives which would not be in conformity with the basic spirit of the policy which our two Governments pursue by com-

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[65] Copy transmitted to the Department in despatch 645, January 11, from Paris; received January 19.

[66] For text, see Department of State Executive Agreement Series No. 146, or 53 Stat. (pt. 3) 2236; for documentation regarding negotiations, see *Foreign Relations*, 1936, vol. II, pp. 85 ff.

mon accord with a view to promoting international trade, in conformity with the principles which have been publicly stated by the United Nations both in the Atlantic Charter [67] and in the provisions of Article VII of the master lend-lease agreement.[68]

The general circumstances in which France finds herself do not yet permit the Government to specify definitively the new arrangements which we intend to make in tariff matters. When that time comes, our experts will be able to meet with your experts and examine, in the general spirit which animates our two Governments[,] in the field of economic policy, the means of replacing the provisions of the Franco-American agreement of May 6, 1936 with new clauses in harmony with the new French tariff. When these conversations are begun, the French Government will give notice to the Government of the United States under the provisions of Article XII of the Franco-American agreement; that agreement would cease to have effect in case these conversations were not successful.

I would be very obliged if Your Excellency would inform me if this method of negotiation is satisfactory to the Government of the United States.

I take this occasion, etc. BIDAULT

611.5131/1-1145 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, February 21, 1945—7 p. m.

697. 1. Department has considered Foreign Minister Bidault's note of January 9, 1945 transmitted with your despatch no. 645 of January 11 and requests, if you perceive no objection, that you reply substantially as follows:

"My Government has been informed of your note of January 9 concerning proposed conversations between experts of our two countries when your Government shall have formulated the new arrangements which it intends to make in tariff matters because of the unsettled situation of the French market brought about by the war and by four years of enemy occupation.

"In these conversations, the experts of both countries would examine the proposed new tariff measures in relation to the provisions of the Franco-American trade agreement of May 6, 1936 with a view to reaching a mutually satisfactory basis for continuation of the trade agreement in force.

[67] Joint statement by President Roosevelt and British Prime Minister Churchill on August 14, 1941; for text, see *Foreign Relations*, 1941, vol. I, p. 367. This statement was incorporated in the United Nations Declaration, signed January 1, 1942, *ibid.*, 1942, vol. I, p. 25.

[68] Apparently the reference is to the agreement between the United States and the United Kingdom regarding principles applying to mutual aid in prosecution of the war, signed February 23, 1942; for text, see Executive Agreement Series No. 241, or 56 Stat. (pt. 2) 1433.

"It is the hope of my Government that if your Government gives notice under the provisions of Article XII of the trade agreement, no definite date will be fixed for termination of the agreement, in order that ample opportunity may be afforded for the proposed conversations to reach a successful conclusion.

"My Government wishes me to express its satisfaction at the emphasis you have placed on the common pursuit by our two Governments of the policies designed to expand international trade in accordance with the principles expressed in the United Nations Declaration, to which your Government has adhered, and in Article VII of the master lend-lease agreements.

"In this connection, my Government has requested me to inform you that it may, at an early date, propose that representatives of our two Governments enter into exploratory discussions with a view to seeking an agreed basis for the implementation of the objectives set forth in Article VII."

2. In delivering the above note, please find opportunity to express informally your hope that you will be informed sufficiently far in advance of the approximate date when the French experts will be ready to begin the conversations regarding the trade agreement so that our experts may be designated and be prepared. It is assumed here that the conversations will be held in Paris.

3. ReDeptel no. 177, January 16,[69] paragraph one, please advise French reaction and endeavor to obtain agreement that neither government will give publicity to this matter without prior consultation with the other.

Repeated to London for Hawkins [70] as Department's 1330.

GREW

611.5131/2–2145 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, February 21, 1945—midnight.

709. 1. Charlois of the French Embassy [71] and Zuber of French Supply Council called at the Department at their request on February 19 to inquire regarding Article VII discussions and plans for post-war commercial policy arrangements generally.

2. They were informed in general terms that we were hopeful that international agreement might be reached regarding measures designed to mitigate trade barriers after the war and that we were still exploring the possibility of action on such measures by means of a multilateral agreement.

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[69] Not printed; in paragraph 1, Department stated it felt that publicity of any kind should be avoided (611.5131/12–2844).

[70] Harry C. Hawkins, Counselor of Embassy for Economic Affairs in the United Kingdom.

[71] Maurice J. Charlois, Commercial Attaché.

3. In response to an inquiry, it was stated that we did not expect any detailed discussion of trade policy at the San Francisco conference in April;[72] furthermore, that before a trade conference could be called, it would be necessary for the principal trading nations to reach tentative agreement on matters to be considered at such a conference and that we wish to have exploratory discussions at an early date with French officials in this connection.

4. Charlois agreed that it was highly desirable to reach international agreement on post-war economic policies before reconversion to peace-time production got under way on a large scale in the various countries.

5. Charlois said that he would report the conversation to his Government. He gave the impression, although he did not explicitly so state, that the French Government is interested in undertaking discussions on these subjects at an early date. Have you any information which would confirm this impression?

GREW

611.5131/3-3145 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, March 31, 1945—midnight.
[Received April 1—6:58 p. m.]

1601. ReDeptel 709 February 21. In conversation with officials of Embassy on March 30 Marjolin[73] expressed interest in initiating at an early date article VII discussions concerning post war commercial policy.

He stated that the French Embassy in Washington had reported that the Department was in agreement with this plan. He also stated that in his opinion these preliminary conversations should be held before the general international trade conference which according to his information was planned for later on this year. He said that he would communicate with the Embassy next week with reference to discussions for the purpose of agreeing upon a tentative agenda or list of subjects which might be included in the article VII discussions. When agreement had been reached on this tentative agenda he said that he would set up committees to explore the subjects from the point of view of the French Government.

Unless the Department perceives objection the Embassy proposes to discuss with Marjolin and other French officials a tentative list of

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[72] For documentation regarding the United Nations Conference at San Francisco, April 25–June 26, 1945, see vol. I, pp. 1 ff.

[73] Robert Marjolin, Office of Foreign Economic Relations of the French Ministry of National Economy.

subjects based on the British American agreed statement of October 16, 1943 [74] and on the memorandum entitled "post war international trade relations." At the same time Marjolin will be told that the discussions with respect to agenda are of course subject to instructions from the Department with respect either to the inclusion or deletion of items.

We do not feel that Marjolin has in mind the drawing up of a rigid and formal agenda but rather arriving at a mutual list of subjects on the basis of which he can begin work.

Marjolin also stated that it would be most helpful if we could make available to him copies of studies or memoranda on various commercial policy problems. He mentioned specifically studies concerning the operation of commodity agreements. The Embassy would be glad to receive copies of any such studies for transmission to Marjolin which the Department feels are appropriate for this purpose.

Sent Department 1601; repeated London for Hawkins 198.

CAFFERY

611.5131/3-3145 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, April 10, 1945—3 p. m.

1421. Department approves the steps proposed in third paragraph reurtel 1601 March 31.[75]

2. Appropriate studies that may be transmitted to Marjolin as requested last paragraph your reference telegram will be forwarded airmail as soon as possible.

3. Regarding report of French Embassy mentioned in second paragraph of your reference telegram, we assume reference is made to the discussion of this subject here with Charlois and Zuber (reDeptel no. 709, February 21, 1945). In this general connection, your attention is called to the statement in the address of the Secretary of State in Chicago on April 4 [76] that this Government will do everything possible to convene a conference within the next year to consider means to deal effectively with international trade barriers, restrictive cartel prac-

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[74] Statement resulting from conversations between representatives of the United States and the United Kingdom under article VII of the Lend-Lease Agreement with a view to reaching a tentative agreement on a post-war commercial policy; for related documentation, see *Foreign Relations*, 1943, vol. I, pp. 1054 ff.

[75] *Supra*. In telegram 2160, April 27, 6 p. m., (not printed), the Ambassador in France reported that informal discussions with Marjolin on agenda as here authorized took place on April 20.

[76] Address on "The Economic Basis for Lasting Peace", Department of State *Bulletin*, April 8, 1945, p. 593.

tices, and chronic world-wide commodity surpluses. (Department's press release no. 290, April 4, 1945)

Repeated to London for Hawkins.

STETTINIUS

611.5131/6-845 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, June 15, 1945—1 p. m.

2763. Urtel 3806, June 8, 3 p. m.[77] Department concurs that a visit to Washington by De Fouchier [78] in the near future to discuss trade problems between our two countries might serve a useful purpose, such discussions to be entirely informal at the technical level. We would also prefer that no publicity attach to such a visit.

Within your discretion you may inform the appropriate French officials that we would welcome an opportunity to discuss with De Fouchier trade problems of mutual interest.

GREW

611.5131/7-3045

Memorandum of Conversation, by Mr. Arnold H. Quirin of the Division of Commercial Policy

[WASHINGTON,] July 30, 1945.

Participants: M. de Fouchier, Assistant Director, Bureau of Foreign Economic Relations, French Ministry of National Economy, Paris
M. Tixier, Assistant Director, Bureau of Prices, French Ministry of National Economy, Paris
M. Treuil, French Commercial Counselor, New York
M. Charlois, Commercial Attaché, French Embassy
M. Valensi, Financial Counselor, French Embassy
M. Charles-Roux, Second Secretary, French Embassy
M. Leroy-Beaulieu, French Supply Mission
Mr. Wilcox,[79] ITP
Mr. Bonbright,[80] WE
Mr. Cameron, American Embassy, Paris
Messrs. Brown, Phelps and Quirin, CP [81]

Mr. Wilcox opened the meeting by expressing pleasure at having this opportunity to discuss our common problems with M. de Fouchier

[77] Not printed.
[78] Assistant Director, Bureau of Foreign Economic Relations, French Ministry of National Economy.
[79] Clair Wilcox, Director of the Office of International Trade Policy.
[80] J. C. H. Bonbright, Assistant Chief, Division of Western European Affairs.
[81] Winthrop G. Brown, Chief, Division of Commercial Policy; Vernon L. Phelps, Assistant Chief, Division of Commercial Policy.

and M. Tixier. He suggested that M. de Fouchier outline the matters which he would like to discuss with our government representatives in Washington.

M. de Fouchier replied that there were three principal problems which he would like to discuss. First, the question of OPA [82] ceiling prices in relation to possible French exports to the United States. He indicated that in general, OPA ceiling prices were too low to permit the sale of French products in this country. These products, he went on to say, were chiefly luxury products such as wines, cognac and champagne, perfumes, gloves, and jewelry. Second, M. de Fouchier said that even if the OPA removed its price ceilings on imported French products, the prices of such products in this country would still be too high. He indicated that he would not wish to reopen trade under conditions where prices would be so high as to limit sales to a comparatively small number of units of each product. He hoped that French products would have a wider sale. Therefore, the second problem was that of seeking some adjustment of the disparity between the present high prices in France and prices in the United States (at the present exchange rate). Third, there was the question of resuming private trade between the United States and France. M. de Fouchier indicated that he would like to discuss returning, initially, a small portion of French imports from the United States to private trade channels. In this connection he mentioned the recent agreement concluded between France and the U.K. which returned a limited group of French imports from the U.K. to private trade.

Mr. Wilcox commented briefly on the three topics which M. de Fouchier had presented. Regarding the first, he said that the responsibility for price control in this country rested with the OPA and that we had arranged for M. de Fouchier to discuss this problem with that agency.

With respect to the second problem mentioned by M. de Fouchier, Mr. Wilcox indicated that we would be glad to have the French program of "equalization" explained to us and that we would consider French problems sympathetically in the light of our own laws and regulations.

In respect of the third topic, Mr. Wilcox said that one of our basic policies was to return our foreign trade to private channels and to remove our wartime restrictions on trade as rapidly as circumstances would permit. In this way we hoped to see multilateral international trade on a private basis gradually resumed.

Mr. Wilcox admitted the urgency of the problems M. de Fouchier had mentioned but said that there were other problems which we felt should also be presented to him. These are problems of longer-term commercial and economic policy which we felt should be considered

[82] Office of Price Administration.

now in order that short-run transitional measures should insofar as possible facilitate the achievement of our long-range objectives. Mr. Wilcox then outlined the main subjects which had been studied by this Government.

1. *Commercial Policy.* He said that it was our feeling that a reduction of both tariff and non-tariff barriers to international trade was very necessary for a healthy and prosperous world economy. In addition, it was our belief that this trade should be conducted on a non-discriminatory basis.

2. *Private business practices which restrict international trade.* Mr. Wilcox expressed this Government's belief that the commercial and economic policy of a government should be in the hands of its public officials and not in the hands of private individual organizations. He had in mind particular restrictive cartel practices. He indicated that it was our belief that these practices should be closely restricted by international agreement.

3. *Commodity agreements.* Mr. Wilcox said that we were studying the position of commodity agreements in the post-war world. We were considering the possibility of commodity agreements for certain primary commodities in chronic world surplus. On the other hand, we felt that these commodity agreements should be concluded only in cases of real necessity, in accord with internationally agreed rules, and in the light of a policy directed towards an expansion of multilateral international trade.

With these things in mind Mr. Wilcox referred to the Secretary's speech of last April in which it was suggested that an international trade conference be called to consider these problems. He indicated that we were studying the possibility of setting up an international trade organization paralleling the Monetary Fund and that we thought that the international trade organization might have sections concerned with the three main subjects referred to above. At the same time, Mr. Wilcox said, our whole thinking on international trade was based on the policy of full employment in the individual countries. In addition, we are also considering the need for certain exceptions to our general principles, designed to meet particular circumstances in particular countries.

M. de Fouchier expressed keen interest in what Mr. Wilcox had said and indicated that there might be points on which French and American policy might not coincide. He mentioned, as illustrations, the French belief in the usefulness of regional economic agreements and cited the agreement for economic consultation which had been signed earlier in the year between France, the Netherlands and the Belgo-Luxemburg Economic Union. He also referred to France's economic problems in relation to her colonies. M. de Fouchier said that he

would report Mr. Wilcox's remarks to his Government which he was sure would find them extremely interesting and useful.

It was suggested that on the return of M. de Fouchier and M. Tixier from Canada in mid-August, it would be possible to go into some of these long-range problems in more detail.

611.5131/8-145

Memorandum of Conversation, by Mr. Arnold H. Quirin of the Division of Commercial Policy

[WASHINGTON,] August 1, 1945.

Participants: M. de Fouchier, Assistant Director, Bureau of Foreign Economic Relations, French Ministry of National Economy, Paris
M. Treuil, French Commercial Counselor, New York
M. Leroy-Beaulieu, French Supply Mission
Mr. Cameron, American Embassy, Paris
Mr. Domeratzky, Department of Commerce
Messrs. Hannigan and Sheldon, FEA
Mr. Bonbright, WE
Mr. McVey,[83] LA
Mr. Hayes,[84] LP
Messrs. Brown, Phelps, and Quirin, CP

Mr. Brown opened the meeting by explaining that the problem for consideration was the extent to which American exports to France might be restored to private commercial channels. At the present time practically all American exports to France are under the French national import program and are being purchased through government channels. French exports to the United States, on the other hand, are to be handled through private channels. Mr. Brown emphasized that we recognize the exchange problems of France and consequently acknowledge the need for regulating French foreign trade by a system of exchange control and licenses, but that we would like M. de Fouchier to discuss with us the possibility of restoring at least a part of American exports to France to private commercial channels.

M. de Fouchier replied that in principle France was anxious to resume private trade, but that it was his feeling that this resumption must be both gradual and within strict limits. He said that one of the chief reasons is that it is not practicable to have private imports of goods into France which are subject to allocations by the various

[83] Camden McVey of Liberated Areas Division.
[84] Presumably Lewis W. Hayes of the Division of Lend-Lease and Surplus War Property Affairs.

Combined Boards, for private importers might not take up the entire allocations to France.

However, he felt that the possibility should be explored of establishing a short list of French import items which would be handled through private trade channels. He mentioned in this connection the informal arrangement concluded recently between France and the United Kingdom and indicated that it might be possible in a similar agreement with the United States to expand somewhat the number of items to be restored to private trade channels. He pointed out, however, that any purchases which would be restored to commercial channels must be carried on within the French Civil Import Program.

If it were possible to work out an agreement similar to that concluded with the British, M. de Fouchier indicated that he felt it would be useful to issue a press release emphasizing the limited scope of this type of trade.

Mr. Brown reiterated that we understand the necessity for exchange control and limiting imports to necessities, but we feel that this could be accomplished under a licensing system whereby trade would be restored to private channels.

M. de Fouchier replied that the need for more direct participation on the part of the French Government can be explained basically by the economic dislocation which exists in France at the present time. He said that the French industrialists fear the future and in general, are unwilling to assume the risks of private trading without government assistance. In fact, he expressed his opinion that, if left to private initiative, France's essential import needs would not be filled. He also mentioned the French national program for industrial and agricultural modernization and said that he felt that Government purchases are necessary to carry out this program.

M. Leroy-Beaulieu commented that at the present time American exports to France were being financed under the lend-lease agreement and that in consequence public procurement through the French Supply Mission in the United States was necessary. Mr. Hannigan suggested that this problem might be solved if it were possible to transfer items appearing in the lend-lease schedules to a credit arrangement with the Export-Import Bank. He stated that he understood that this problem was under consideration.

Reverting to the need for government imports to implement the distribution system by government allocation in France, M. de Fouchier stressed the urgent necessity for keeping imported goods and raw materials out of the black market. For that reason, he said he doubted whether an agreement could be reached with the United States on a much broader basis than that contained in the agreement concluded recently with the U.K.

Mr. Brown remarked that the U.K. agreement seemed to us to include a very small list of private trade items which were even further restricted by many exceptions to the list. M. de Fouchier replied that these exceptions in the British agreement had come from the British side as well as the French. In fact, the only exceptions which had been asked by the French were those relating to industrial equipment, machine tools, agricultural machinery, and trucks. He suggested that the list might be subject for consideration on his return to Washington. At the same time he spoke of the possibility of introducing as suitable for private trade those items which would go into reexports from France; i.e., principally raw materials and semi-manufactured goods.

In conclusion, M. de Fouchier stressed his belief in the usefulness of concluding even a narrow agreement which would restore a few items to private trade. He felt that this would be an initial step in starting France back in the direction in which he hopes it will go, that is, to private trade. In addition, it would afford the French Government an opportunity to try out private trade channels and see whether French needs could be filled in this way. He suggested that if the initial experience proves to be successful, the list of items under private trade could be gradually expanded.

[For a press release of September 7, regarding the restoration to private channels of certain United States exports to France, see Department of State *Bulletin*, September 9, 1945, page 358. This was an agreed press release. A simultaneous press release was issued by the French Government.]

611.5131/9-1945 : Airgram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, September 19, 1945.
[Received September 25—6 p. m.]

A-1327. Reference is made to the Embassy's despatch no. 3199 of September 12, 1945 [85] concerning the partial return to private import trade. The Embassy understands that a meeting was held yesterday by a group of high officials of the Ministry of National Economy in the course of which it was informally agreed that the French Government control of imports would be further relaxed, possibly almost entirely dispensed with, in about another six months. In the

[85] Not printed.

meantime the recent Government Notice to Importers issued on September 8 providing for a partial resumption of private trade between the United States and France would be given as liberal an interpretation as practicable.

It was brought out in the meeting that the present form of import control which has been closely interrelated with the operations of the purchasing missions abroad, should be relaxed in very substantial degree inasmuch as it is becoming increasingly clear to officials of the Ministry of National Economy that Government purchasing missions cannot adequately replace private firms in the procurement of items such as machinery etc., which have to be bought on the basis of rigid and sometimes complicated specifications; also, because the Government wishes to avoid the already fairly vociferous criticism which very likely will increase, on the part of French firms etc. on whose behalf equipment and manufactured goods are purchased in the United States which are not in accord with the customers precise needs and desires.

The Embassy's informant stated that the Ministry of National Economy would shortly be reorganized to conform with the expected reduction in size of the purchasing missions (recent press reports on the other hand have tended to indicate that the purchasing mission staff would be increased).

CAFFERY

611.5131/11-845 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 8, 1945—5 p. m.
[Received 7:15 p. m.]

6495. Bidault this morning gave me copies of two sets of letters on commercial policy to be exchanged in Washington [86] in connection with completion of arrangements for Export-Import Bank loan. Their delivery was accompanied by a lengthy exposition of the importance which French Govt attaches to its undertaking promptly to participate in broad negotiations looking toward fostering of multilateral trade. Bidault as well as Monnet [87] and Alphand [88] who were also present underscored necessity for France in conforming to this

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[86] See notes of November 8, pp. 769–771; these notes were exchanged in Washington, November 20, 1945.
[87] Jean Monnet, President of the French Supply Council.
[88] Hervé Alphand, Director of Economic Services.

choice of policy not merely to reconstruct but broadly to modernize its national economic machine.

CAFFERY

Paris Embassy Files: Lot 55F-139
Box 2, File 631

The French Chargé (Lacoste) to the Secretary of State[89]

[Translation]

WASHINGTON, November 8, 1945.

MR. SECRETARY OF STATE: With reference to our recent conversations relative to Article VII of the Master Lend-Lease Agreement entered into between the Government of the United States and the Provisional Government of the French Republic and signed on February 28, 1945, I have the honor to make the following statement to you in the name of my Government:

(1) With a view to ensuring greater production, exchange and consumption of products and the full employment of labor, the Government of the United States and the Provisional Government of the French Republic undertake by the terms of the present declaration to open negotiations in the very near future with a view to reaching an agreement between themselves and with the countries which are of a like disposition in regard to the mutually advantageous measures which would lower customs tariffs and other barriers to international trade and would eliminate all discriminatory treatment in international trade, payments and investments.

(2) While awaiting the outcome of the negotiations contemplated in the preceding paragraph, the Government of the United States and the Provisional Government of the French Republic declare that their policy consists in avoiding the adoption of new measures on a long-term basis pertaining to international trade, payments and foreign investments which would be contrary to the objective of the negotiations in question, account being taken of the application of the provisions of the agreement on international monetary funds drawn up at the United Nations Monetary and Financial Conference, held in Bretton Woods from July 1 to July 22.[90]

(3) The two Governments will not fail to consult each other whenever necessary regarding all measures to be applied which would come within the field defined by the preceding paragraph.

Please accept (etc.) FRANCIS LACOSTE

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[89] Copies of note and translation transmitted to Paris as enclosures to instruction 1658, December 6, 1945 (not printed).

[90] For documentation relating to the Conference, see *Foreign Relations*, 1944, vol. II, pp. 106 ff. For text of Articles of Agreement of the International Fund, formulated at the Conference in July and signed at Washington December 27, 1945, see Department of State, Treaties and Other International Acts Series No. 1501.

Paris Embassy Files: Lot 55F-139
Box 2, File 631

The Secretary of State to the French Chargé (Lacoste) [91]

WASHINGTON, November 8, 1945.

SIR: I acknowledge the receipt of your note of today's date concerning the understanding reached during our recent discussions pursuant to Article VII of the Master Lend-Lease Agreement between the United States of America and the Provisional Government of France dated February 28, 1945, and I hereby confirm your statement of the understanding reached as therein set out.

Accept [etc.] [File copy not signed]

Paris Embassy Files: Lot 55-F139
Box 2, File 631

The French Chargé (Lacoste) to the Secretary of State [92]

[Translation]

WASHINGTON, November 8, 1945.

MR. SECRETARY OF STATE: The Provisional Government of the French Republic and the Government of the United States have just entered upon an exchange of notes relative to the measures which it would be expedient to take by common accord to assure the development of world production, the maximum employment of available labor and, generally, the increase in the purchasing power of the masses. On entering upon this exchange of notes, the French Government wished to re-affirm its full agreement with the Government of the United States concerning the policy which it is expedient to pursue in the matter. It merely recalled its intention, already expressed through the provisions of Article VII of the Agreement of February 28, 1945,[93] of seeking with the Government of the United States the proper means for putting this common action into operation. I wish, however, to point out that the effective contribution of France to an expansion of world trade will depend chiefly upon the opportunities given her to undertake and to accomplish the reconstruction and the modernization of her agricultural and industrial economy. The French Government therefore proposes that, before entering into negotiations relative to customs barriers and commercial policy, our two Governments undertake together an inquiry into the total needs of France and the resources which are at present available, or may be rendered available,

[91] Copy transmitted to Paris as enclosure to instruction 1658, December 6, 1945 (not printed).

[92] Copies of note and translation sent to Paris as enclosure to instruction 1658, December 6, 1945 (not printed).

[93] Lend-Lease Agreement between the United States and France; for text, see Department of State Executive Agreement Series No. 455, or 59 Stat. (pt. 2) 1304.

to place France in a position to participate in the orderly development of international trade.

I should appreciate it if you would be good enough to inform me as soon as possible of your Government's consent to this proposal.

Please accept [etc.] FRANCIS LACOSTE

Paris Embassy Files: Lot 55F-139
Box 2, File 631

The Secretary of State to the French Chargé (Lacoste) [94]

WASHINGTON, November 8, 1945.

MY DEAR MR. CHARGÉ D'AFFAIRES: I acknowledge the receipt of your note of today's date which refers to our exchange of notes, also of today's date, concerning the negotiations to be undertaken in the immediate future pursuant to Article VII of the Master Lend-Lease Agreement between the United States of America and the Provisional Government of France signed February 28, 1945.

You state that the effective contribution of France to a world of expanding production and trade will depend primarily on the opportunities that will be given her to undertake and achieve the reconstruction and modernization of her agricultural and industrial economy. For this reason, you propose that prior to the negotiations contemplated by the aforementioned exchange of notes, our two Governments review together the total requirements of France and the means presently available, or which may be made available, to enable France effectively to participate in the orderly development of international commerce.

In reply, I am happy to inform you that my Government is prepared to discuss with the French Government at an early date the matters mentioned above.

Sincerely yours, [File copy not signed]

611.5131/11-1445: Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 14, 1945—noon.
[Received 10:30 p. m.]

6586. In connection with the projected comprehensive negotiations with the French on financial questions and on commercial policy I believe the Dept will find useful the following summary of views expressed to me and members of my staff in past week by Bidault, Pleven,[95] Monnet, Alphand and other French officials.

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[94] Copy transmitted to Paris as an enclosure to instruction 1658, December 6, 1945 (not printed).

[95] René Pleven, French Minister of Finance.

1. The French regard substance of top set of letters exchanged on commercial policy in connection wth Ex-Im Bank loan (see my 6495 November 8) as decision of major import. They have stated that it was reached by de Gaulle [97] and Cabinet in full knowledge that it involved long range orientation away from self containment and toward multi-lateral trade with all its domestic economic implications.

2. The French are desirous of comprehensive full dress bilateral negotiation with US comparable to current British negotiation. Time is visualized as late winter (see my 6561 November 13 [98]).

3. They regard successful conclusion of such negotiation as indispensable to any constructive United Nations conference on world trade. Their argument runs that France's decisions rather than the UK's will predominately control the foreign trade policies of western Europe. "It is not enough to have secured only England's advance agreement to a policy, etc, etc"

4. French imply with delicacy that question of US credits to France must be viewed in terms of enabling a major partner to join our great endeavor to swing world trade away from blocs, bilateral deals, etc. Moreover, new partner will bring family business with him. For these reasons one should infer that the discussion of credits should be maintained on high plane unrelated to mundane *quids pro quo*.

5. I believe French strategy emerges from foregoing as seeking to establish 2 tenets. First, is recognition of France by US as economic power entitled to same consideration as the UK. Second, is effort to substitute generalities as the *quid pro quo* for loan rather than specific actions or concessions which we desire and which by linking to credit negotiations I believe we can secure (see my A–1494 October 31 [98] and previous messages on same subject).

6. On first point I support French desire for bilateral talks prior to United Nations Conference, not for prestige considerations but because we should not delay settlement of open issues with the French. Furthermore, French adherence in advance to our general objectives (their adherence I believe can also be obtained in bilateral negotiation) will be useful support to carry into United Nations Conference.

7. On second point I again urge that as *quid pro quo* for any further loans to France we should present the entire list of specific benefits actions and concessions which we wish to obtain from France including in the list, if interim efforts are fruitless, a reasonable settlement

[97] Gen. Charles de Gaulle, Head of the French Provisional Government.
[98] Not printed.

on surplus property. Accordingly, I recommend that discussions envisaged in second set of letters reported by the French to have been exchanged (my 6495 November 8 and final paragraph of your 4957 October 25 [99]) be scrupulously limited to the technical examination of the credit needs of France in terms of reconstruction and modernization. It would, of course, be fatal to give a commitment for a loan during the preliminary negotiation and as a result enter our commercial policy negotiation stripped of that bargaining power.

Phelps [1] has seen this telegram and concurs fully.

CAFFERY

611.5131/11-2545 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, November 25, 1945—3 p. m.
[Received 11:45 p. m.]

6803. Embassy's 6659, November 17, 3 p. m.[2] Fonoff has informed Embassy that appointment of Billoux as Minister of National Economy has required modification of time schedule re preparation of agenda for Franco-American financial and commercial discussion.

Monnet has been called back from London instead of proceeding to Washington as reported in Embassy's 6569, November 13, 6 p. m.[2] Fonoff pointed out that there might be some difficulty in reconciling Monnet's economic liberalism with views held by Billoux and that situation is further complicated by fact that Paul, new Minister of Industrial Production, Tillon, Minister of Armaments and Croigat, Minister of Labor are also Communists. Foreign Office referred to de Gaulle's statement of government policy of yesterday [3] in which he said that import program would be implemented to fullest extent possible under financial agreements, particularly with US, as evidence that new Cabinet wanted to go ahead with massive imports financed by US credits. On other hand, it is clear that the program of the "Delegation des Gauches" has so many closed economy aspects that it will be extremely difficult to reconcile it either with our broad commercial policy objectives or with the specific concessions which we need from French Government.

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[99] Latter not printed; it reported tentative agreement with the French to enter discussions with them with respect to their needs for reconstruction and modernization of their agricultural and industrial economy prior to the initiation of commercial policy negotiations (851.50/10-1645).

[1] Vernon L. Phelps, Assistant Chief, Division of Commercial Policy.

[2] Not printed.

[3] For text of statement in speech of November 23, 1945, to the French Assembly, see de Gaulle's *Discours et Messages*, p. 703.

I desire to emphasize my conclusion from foregoing that recent political developments have multiplied dangers inherent in any procedure which would permit Franco-American financial discussions to take place unless there was discussion simultaneously of commercial policy and specific trade problems. See my 6586 November 14, noon.

Phelps concurs in foregoing.

CAFFERY

DISCUSSIONS WITH THE FRENCH GOVERNMENT REGARDING THE ESTABLISHMENT BY THE UNITED STATES AND THE UNITED KINGDOM OF A PETROLEUM SUPPLY ARRANGEMENT WITH FRANCE

800.6363/3-245 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, March 2, 1945—6 p. m.

847. The Department is sending to you a circular airgram [4] requesting you to discuss with the French authorities an arrangement which has been agreed to between the American and British Governments for supplying petroleum products to France and other countries. We know that the French are concerned over problems of immediate supply and that their attention is focused for the moment on the requests which they have put forward for lubricating oils and crude. When you discuss the supply arrangement with the French, you should inform them that the American Government is fully aware of the present very difficult situation in France and that, through the combined British and American machinery, current questions concerning crude supplies and lubricating oils are being considered as expeditiously and as sympathetically as possible. In associating these several matters, you will of course avoid giving to the French any impression that we are bargaining with them to secure their participation in the supply arrangement. This arrangement has been drawn up by the American and British Governments to provide machinery under which France will be assured of receiving equitable supplies of petroleum products; hence participation in it is primarily in France's interest rather than ours. The purpose which we have in asking you to mention the other questions when you present the supply arrangement is so that the French may have no ground for feeling that we are asking them to consider a general supply system while failing to appreciate their pressing concern over immediate supplies.

GREW

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[4] Circular telegram of March 3, 9 a. m., 1945 (not printed), for action by the Embassy in Paris and for information of the Missions to the Netherlands, Belgium, Norway, Italy, Yugoslavia, and Greece.

800.6363/3-2245

The Ambassador in France (Caffery) to the Secretary of State

No. 1411 PARIS, March 22, 1945.
[Received March 29.]

The Embassy has the honor to enclose herewith the wording of the Petroleum Supply Agreement as submitted to the French Foreign Office on March 15, 1945.[5]

[Enclosure]

The American Embassy to the French Foreign Office

MEMORANDUM

1. Experience of war conditions has shown that the demands for petroleum products or for tanker tonnage with which to move such products, are consistently greater than the supplies of oil or the number of tankers available. For this reason it was found necessary to set up in the early days of American-British military cooperation special organizations in the United States and Great Britain which are responsible for the centralization of all demands for petroleum products and which allocate, according to the availability of products and of tanker tonnage, such supplies to each individual consuming country as the exigencies of war permit.

The organizations in question work in the closest collaboration and harmony. Any decisions as to the source of supplies are made by the American and British authorities together in the light of their joint war oil supply program and on the basis of the short-haul principle, that is, the utilization of nearest available sources of supply in order to effect the greatest shipping economy.

2. Insofar as can be foreseen, these heavy demands for petroleum products will persist after the end of the war in Europe and the quantities of oil available to importing countries will continue to be limited on account of direct war demands for transportation and supply.

3. In these circumstances it is essential that such quantities of petroleum products as are available shall be equitably distributed between importing countries, and with this end in view it is proposed to ask the European oil importing countries to participate with the United States and Great Britain in the arrangements set out below. It should be clearly understood, however, that in areas where there is military responsibility for the supply of petroleum products these arrangements will only come into effect when that responsibility termi-

[5] Submitted simultaneously to the French Government by the British Embassy.

nates and that they will only last as long as limitations arising from the war with respect to supplies and ocean transportation continue.

4. It is accordingly suggested that the French Government, acting in consultation with the local petroleum industry, or such other agency as can best advise on the particular grades of oil required, should prepare, with full information and justification, the program of requirements for petroleum products. Such programs would be transmitted simultaneously to the United States and British Governments through their respective Embassies in Paris and would be considered by the Anglo-American Oil Allocating Board. The Anglo-American Oil Allocating Board would know at all times the amount of oil and transportation available for importing countries. It would be the Board's function to assure an equitable distribution of available supplies as between importing countries, and to authorize the supply through the normal channels of the quantities allocated. Upon authorization being given for the supplying of a petroleum allotment, notice thereof would be transmitted promptly through the American and British Embassies to the appropriate authorities of the French Government.

5. The United States and Great Britain would undertake to make available oil supplies and transportation facilities and for that purpose supply committees would be established in the United States and Great Britain to deliver to each importing country oil supplies authorized by the Oil Allocating Board and to coordinate shipping therefor. These two supply committees would be advised of all authorized allotments and would be instructed concerning the sources of supply upon which they are to draw.

6. To effect distribution of supplies within the importing participating countries, it is further suggested that each such country would establish, if it has not already done so, a national pool committee, consisting of representatives of all the companies operating in the market prior to the war in order that all distribution facilities and organizations would be utilized to the common benefit of all participants. The national pool committee would deal directly with the supply committees mentioned above on all operating details and, within the limits of authorized allotments, would nominate to the supply committees deliveries desired by ports. The pool committee would receive quantities delivered by the supply committees and would divide them among distributors on the basis of an equitable sharing formula established by the Government of the importing country. Distribution within the country would then be made in accordance with the regulations of the rationing authorities. It would be the duty of the national pool committee to advise the local rationing authorities, the supply committees, and the Embassies concerning the receipt of supplies, civilian stocks on hand on first of each month, rate of consumption, and any other in-

formation required by the responsible authorities. The national pool committee would, of course, be kept currently informed by the supply committees concerning the scheduling of delivery of all authorized supplies. It is understood that the French Government has already set up an organization which is more or less in line with the above proposals.

7. All participating importing countries would undertake that all available supplies and facilities are utilized on the basis of the principles governing the operation of the arrangement. This means that any indigenous supplies, or supplies imported into a participating country from any source, must be considered a part of authorized allotments. Should supplies be obtained by any participating country from sources other than those of the American and British supply committees, deliveries by the supply committees would be reduced by equivalent amount. It is only in this way that equitable distribution and the most efficient utilization of all available supplies can be effected. Moreover, any tanker or transportation facilities becoming available to a participating importing country must be operated within the framework of the supply arrangement.

8. The arrangement contemplates, insofar as supplies furnished on a cash basis are concerned, that payments should be made through regular commercial channels. In the case of such supplies, it is understood that the French Government will agree to make available promptly the requisite amount of exchange.

9. The Embassy of the United States has been instructed to invite the French Government to participate in the foregoing proposals. In the event they are found agreeable to the Government, the Embassy would appreciate receiving a reply to the present communication, together with an indication of the agency of the Government which will centralize data regarding the oil requirements of France and to which information concerning available supplies can be sent.

PARIS, March 15, 1945.

800.6363/5–2445 : Telegram

The Ambassador in France (Caffery) to the Secretary of State

PARIS, May 24, 1945—6 p. m.
[Received 9:40 p. m.]

2943. 1. The following is a translation of the response of the French Govt to the memorandum of March 15 submitting the petroleum supply agreement.

2. "The Minister of Foreign Affairs[6] begs to acknowledge receipt of the note from the Emb of the US dated Mar 15 with regard to the organization of distribution of oil products during the period which will follow the end of hostilities.

3. It will be undoubtedly necessary, during a certain period of time after the war, to centralize offers and requests for oil products and to rule their distribution according to quantities available and to means of transport.

4. However, if the French Govt is in agreement with these principles, it could not be kept apart from organizations which will be in charge of such operations. In fact, the policy foreseen for distribution of oil products is apt to bind importing nations for a very long time after the end of the war. It seems, therefore, difficult to confirm the absence of France from the Anglo-American Oil Allocating Board which seems to be created as a combined board and which will rule the distribution of oils in the world.

5. In fact, France is one of the main oil products importing countries: its consumption, in 1938, came after that of Russia and Great Brit in the order of European importing nations. During the Hot Springs conference in June 1943,[7] the signing nations had acknowledged the importance for the consuming nations to participate to distribution organizations of essential raw materials.

6. Not only is France an important consuming nation but it has a part in production and controls about one million tons raw oil per year; this figure will soon be trebled when exploitation schemes of the [apparent omission] will fully be carried out. Its refining capacity is more than 1,500,000 tons per year and will, after certain repair work has been carried out, reach 3,000,000 tons. Moreover, it disposes of 200,000 tons of ships which it has placed at the disposal of the world pool of tankers, this tonnage will increase as and when damaged ships will be repaired and new ships completed.

7. The French Govt is therefore of opinion that, if France has willingly accepted to submit to the requirements rendered necessary by the war effort, in view of the important amount of its consumption, its dispensabilities in raw oil and refining, and the tonnage of the oil fleet which she is placing at the disposal of the pool, she should not be kept apart from organizations which will, in future, decide of the distribution of a raw product which is of essential importance to its economy and that of its empire.

8. The French Govt therefore requests participation to the Anglo American Allocating Board as well as to the local allocating boards which will ensure distribution of oil products in districts which interest France.

9. It will then agree to submit to suggestions of the memorandum dated March 15, to assemble and transmit to the Govts of the US and Great Brit through their Embassies in Paris, the programs of the various needs of France in oil products and to agree with provisions of pgh seven, regarding the utilization of products, the eventual supply from another source and utilization of oil fleet."

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[6] Georges Bidault.

[7] United Nations Conference on Food and Agriculture, Hot Springs, Virginia, May 18–June 3, 1943; for documentation concerning this conference, see *Foreign Relations*, 1943, vol. I, pp. 820 ff.

10. We believe we should reply to the French request for participation in the Anglo American Allocation Committee along the lines set forth in item No. 5 of petroleum report No. 2 from this office March 26, 1945 [8] agreeing, however, that France should be informed of civilian petroleum program for other European nations. We would appreciate very much your suggestions and instructions on our reply.

CAFFERY

851.6363/6–145 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, June 7, 1945—6 p. m.

2598. Believe line Embassy should take in reply to French is that request for membership on allocation committee is being considered in light of facts presented but that this question is one of such broad policy that it cannot be settled before the petroleum supply arrangement must come into operation (reurtels 2654, May 15; 2943, May 24; 3182, June 1 [9]).

The French apparently have recognized this in presenting their requirements as submitted in your 3184, June 1.[8]

U.S. members of CCAC [10] are proposing to CCAC that military responsibility for provision and distribution of petroleum products for civilian use be terminated September 1 for both bulk and packaged products in France, Belgium, Holland, Luxemburg, Denmark, and Norway, and it is believed SHAEF will agree. As September 1 is termination date in the theater, preparation must be made to load products for civil account on assumption September 1 will officially be established as changeover date. Assume this date satisfactory on that side. Will confirm it as soon as possible. Urgent that French complete all steps necessary for supply arrangement to begin functioning without further delay, including any action which might be required to place local pool organization on an operating basis. Having presented their requirements, the French should be willing, with whatever reservations they feel they must make, to take any remaining steps necessary to this end since they have not questioned the procedures or the machinery contemplated by the supply arrangement. Please advise name and address of local pool committee with which supply committees in New York and London will communicate.

In establishing French import requirements of petroleum products for last four months 1945 following data will be required unless al-

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[8] Not printed.
[9] Telegrams 2654 and 3182 not printed.
[10] Combined Civil Affairs Committee.

ready sent airmail with requirements program mentioned in your 3164 [*3184?*]:

(1) Stocks in hands of groupment or other large holders as of September 1.
(2) SHAEF stocks to be turned over September 1.
(3) SHAEF stocks in transit September 1 for civil account.
(4) Product yields from Iraq crude to be imported.
(5) Indigenous supply of products or substitutes.

As this message indicates, Department does not believe that specific answer should be given to French request for membership on allocation committee at this time.

For your consideration relative to the reply which eventually must be made, the Department believes the most valid arguments against it are military security reasons and the fact that the primary function of the committee is to ensure that best use is made of Anglo-American petroleum products while at the same time treating oil consuming countries equitably in regard to their oil requirements. Despite the statements of the French regarding their petroleum resources and facilities the second argument nonetheless holds as France is and will continue a deficit oil country. The French might be informed that we appreciate the reasonableness of their having a voice in what is done with their Iraq crude and that as a matter of fact the agreement which has been reached with them regarding it will of course continue in force. Regarding the military security argument, it probably should be couched in broad terms which convey the thought that the allocation committee will be concerned with coordinating the world petroleum situation with military operations directed by the Combined Chiefs of Staff and therefore its membership is limited to the same Governments. Other arguments given in the Embassy's Petroleum Report No. 2 dated March 26, 1945 [12] seem less convincing than these, but Embassy's views and suggestions after discussion with British as to the timing and the type of reply which should be made to the French will be appreciated.

British Embassy will receive similar instructions.

GREW

851.6363/8–3045 : Telegram

The Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, August 30, 1945—4 p. m.

4098. Following summarizes status French petroleum program this date:

[12] Not printed.

1. Straight lend-lease will terminate V–J day and U.S. military supply responsibility for both civil and military requirements of French terminates 1 Sept 1945.

2. Transfers to the French out of stocks in the theater will therefore continue as straight lend-lease up to V–J day or Sept 1 whichever is earlier and by agreement with ANPB will consist of regularly scheduled Aug requirements plus such excess stocks as the French can accommodate in their storage up to the limit of 60 days bulk supply and 90 days lubes and greases.

3. On 1 Sept French national program assumes full responsibility for French civil and military imports. USFET [13] interested only in avoiding conflict in discharge where common use is made of port facilities.

4. ANPB has advised USFET Frankfort of above.

5. For procurement of Sept civil and military requirements French are requesting and FEA [14] is extending government procurement under cash reimbursement requisitions. U.S. Government procurement assistance under cash reimbursement requisitions will be available to French for 60 days after V–J day.

6. Our estimate of purchase cost of total Sept requirements as per column 6 of slate attached to your despatch no. 2541 of July 16 [15] is about $10,000,000. French Mission state they are authorized to spend only $6,885,120, equal to total cost at estimated prices indicated by Paris. In order to avoid delay in initiating procurement and shipment French Mission is preparing preliminary cash requisition for 50 per cent of above mentioned quantities product by product. Meantime Mission will ascertain if Paris wishes to remit further dollars and/or arrange sterling purchases for balance of requirements.

7. As products are procured under this requisition European Petroleum Supply Committee will request assignment of tankers by London which will check with French regarding desired discharge ports each cargo. Individual bulk shipments will also be coordinated with ANPB in connection with paragraph 3 above.

8. Reurtel 5095 [16] Arabian crude cargoes shipped or commenced loading prior to V–J day will be lend-leased. Seller discussing with French payment terms for all subsequent shipments.

BYRNES

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[13] United States Forces, European Theater.
[14] Foreign Economic Administration.
[15] Not printed.
[16] Dated August 23, 1945, not printed.

851.6363/10–3145

The Ambassador in France (Caffery) to the Secretary of State

No. 3652 PARIS, October 31, 1945.
[Received November 13.]

The Ambassador has the honor to enclose, herewith, a copy of the memorandum forwarded to His Excellency M. Bidault, Ministère des Affaires Etrangères, on the subject of the termination of the Petroleum Supply Agreement. This memorandum was drafted in accordance with the instructions from the Department sent to the Embassy under cable No. 4919, October 23, 1945.[17]

[Enclosure]

The American Ambassador (Caffery) to the French Minister for Foreign Affairs (Bidault)

The United States Ambassador presents his compliments to the Minister of Foreign Affairs and has the honor to draw His Excellency's attention to the following matters:

1. By memorandum of March 15, 1945,[18] the French Government was invited to participate in a Petroleum Supply Arrangement with the governments of the United Kingdom and the United States, an arrangement rendered necessary by the exigencies of war.

2. With the termination of hostilities and the consequent reduction in military requirements, petroleum and petroleum products have now come into free supply; moreover, it is understood that it is the intention of the United Maritime Authority shortly to return to their respective nations the petroleum tankers belonging to nationals of the member governments.

3. In view of the foregoing, the United States Government believes that the necessity for continuing the limitations described in the memorandum of March 15, as well as the arrangements proposed therein for programming and coordinating supplies and transportation, will cease to exist after October 31, 1945.

4. With the end of the war, the agencies of the United States Government concerned with petroleum matters have reduced the scope of their operations and, in certain cases, have been dissolved. Accordingly, procurement through United States governmental channels of petroleum and petroleum products will shortly cease.

5. It is the view of the United States Government that with the relaxation of war-born controls the most desirable and efficient means

[17] Not printed.
[18] *Ante*, p. 775.

of meeting the petroleum requirements of France and its territories will be through normal commercial channels.

6. It is hoped that the French Government will agree with the United States Government that the mutual interests would best be served by the restoration of the principles of competitive free trade in this important industry.

7. It is desired to take this occasion to express the appreciation of the United States Government for the unfailing cooperation of the French Government under the terms of the Petroleum Supply Agreement. It is felt that the effective operation of this Agreement has contributed materially to the successful termination of the war.

PARIS, [undated].

DISCUSSIONS REGARDING ESTABLISHMENT BY THE UNITED STATES NAVY OF AN ARMED OBSERVATION PARTY AND WEATHER REPORTING STATION ON CLIPPERTON ISLAND

812.79600/12-1944

Memorandum of Conversation, by the Ambassador to Mexico (Messersmith), Temporarily in the United States

[WASHINGTON,] December 19, 1944.

During a conversation with the President today I said to him that he would recall that when he and President Avila Camacho had had their visit in Monterrey and Corpus Christi,[19] he had mentioned to Dr. Padilla, the Foreign Minister of Mexico, his own thought that Clipperton Island should be given to the Mexicans. The President said that he recalled his conversation with Dr. Padilla very well. He said that Clipperton now belonged to the French. He said that the British seemed to be very anxious to get hold of it. He said the French would probably not want to give it up. This was not the time to take the matter up with the French but it remained his opinion and his intention that Clipperton should return to Mexican sovereignty. He said that at the appropriate time he would take this up with the French.

The President said that in his opinion Clipperton should be under Mexican sovereignty. Of course, when it was returned to Mexican sovereignty, the appropriate arrangements should be made so that we and the British and others could use Clipperton as a base for commercial air operations. He knew Clipperton very well. He had been there several times. It had real importance in connection with certain air routes. It should be Mexican and he repeated that at the appropriate time he would take this up but that, of course, the Mexican

[19] President Roosevelt visited President Avila Camacho in April 1943.

Government would have to agree to certain privileges in connection with air navigation.

I told the President that the matter had been raised only most informally with me by the Mexican Foreign Minister and that I would be most reserved in what I would say to the Foreign Minister on this matter, confining myself at the most to saying that President Roosevelt had not forgotten this conversation.

812.79600/1-145

President Roosevelt to the Secretary of State

WASHINGTON, January 1, 1945.

MY DEAR MR. SECRETARY: On December 11, 1944, the Commander, Western Sea Frontier [20] established an armed observation party and a weather reporting station at Clipperton Island. This action was taken as a matter of military urgency concurrently with an increase in Japanese operations in the waters of the Western Sea Frontier. The Navy has notified the head of the French Naval Mission, Vice Admiral Fenard, orally, of the establishment of this station on the above date.

Please inform the British Ambassador [21] of the establishment of this station and of the fact that Admiral Fenard has been notified. Also please let the Mexican Government know of the action we have taken. It should be brought to the attention of the British and Mexican Governments that the aerological station has been provided with armament in view of possible Japanese raids, and that proposed visits by British and Mexican vessels or aircraft should be cleared with the U.S. Navy Department in order that there may be no incidents resulting from mistaken identity.

My message to the Prime Minister dated 27 November [22] requested him to cancel any instructions to the Royal Air Force about a further survey at Clipperton until the matter can be discussed between us. This he has agreed to. The ownership and development of Clipperton Island are matters which I regard of significance to the United States because of the strategic location with respect to the Panama Canal. Mexico has long contested the claim of France to this island and the Mexican argument has not been without substance. It would be to our advantage that the United States, in the absence of direct ownership, should obtain base rights on Clipperton Island on long-term lease through Mexican ownership.

Sincerely yours, FRANKLIN D. ROOSEVELT

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[20] Adm. Royal E. Ingersoll.
[21] Lord Halifax.
[22] Not printed.

812.79600/1-245 : Telegram

The Secretary of State to the Ambassador in Mexico (Messersmith)

WASHINGTON, January 2, 1945—7 p. m.

12. Personal for the Ambassador. In the month of December 1944, the Commander, Western Sea Frontier, U.S. Navy, established an armed observation party and weather reporting station at Clipperton Island. This action was taken as a matter of military urgency concurrently with an increase in Japanese operations in waters of the Western Sea Frontier. The United States Navy notified the French Naval Mission in Washington informally of the establishment of this station.

Please get in touch with the Mexican authorities, preferably with President Camacho, at the earliest possible moment and inform them of the establishment of this station. You should inform the Mexican authorities that this aerological station has been provided with armament in view of possible Japanese raids and that any proposed visits of vessels or aircraft to the island should be taken up in advance of departure with the Commander, Western Sea Frontier, U.S. Navy, San Francisco in order that there may be no possibility of incidents resulting from mistaken identity.

In view of the fact that a British plane has been at Acapulco for some time in connection with a survey which was at one time contemplated by the British authorities of a possible air route via Clipperton, we think it might be desirable for you to suggest to President Camacho or to whatever Mexican official you discuss the matter with that it might be well for a special notification in this regard to be sent at an early date to the Mexican authorities in Acapulco who would clear vessels or planes departing for Clipperton.

STETTINIUS

812.79600/1-145

Memorandum by the Acting Secretary of State to President Roosevelt

[WASHINGTON,] January 15, 1945.

I refer to your letter of January 1, 1945 in regard to the establishment on December 11, 1944 of a United States Naval armed observation party and a weather reporting station at Clipperton Island.

Immediately upon receipt of your letter on January 2nd, we asked the British Ambassador to send an officer to the Department and we conveyed orally to him the information which you directed us to give to the British Ambassador. This information was confirmed in a memorandum which was sent to the British Embassy on January 3rd.[23]

[23] Not printed.

On January 2nd, a telegram was sent to our Ambassador in Mexico City instructing him to convey to the Mexican authorities the information which your letter directed us to give to the authorities of that Government.

On January 11th, we had a telephone inquiry about the United States Naval establishment on Clipperton Island from Mr. Baudet of the French Embassy. We gave him, in response to his inquiry, the same general information which we had given the British and the Mexican Governments, adding that the United States Navy had notified Vice Admiral Fenard, Head of the French Naval Mission in Washington, of the establishment of this station. Mr. Baudet inquired whether the French flag was still flying over Clipperton Island. We told him frankly that we did not know here whether or not the French flag is flying over Clipperton Island but that if one was flying when our forces arrived, he could be sure it was still there. Mr. Baudet appeared to be satisfied with this and although he had spoken of a note to us, we have heard nothing further from the French Embassy on the subject.

In your letter of January 1st you refer to the fact that Mexico has long contested the claim of France to this island. Our information is that Mexico did for a great many years contest the French claim but has not done so since the award of the King of Italy on January 28, 1931,[24] giving the island to France. At that time the Mexican Government indicated that it wished to study the opinion underlying the decision but the Mexican Minister of Foreign Affairs urged its acceptance on the ground that it involved the good faith of Mexico which had agreed, in the convention submitting the matter to arbitration, to accept the decision without appeal. Later the award was accepted by Mexico. Evidence of such acceptance lies in a decree dated January 10, 1934, published in the *Diario Oficial* of January 18, 1934 stating that "the Congress of the Mexican States, and with the approval of the majority of the State Legislatures, declares amended Article 42 of the Political Constitution" by excluding Clipperton Island from that document, which specifies the territory comprised within the Republic of Mexico.

You will recall that the United States Joint Chiefs of Staff have recommended that the United States obtain rights to establish a postwar military base on Clipperton Island and that in a letter dated January 7, 1944[25] to the Secretary of State you approved this and certain other similar recommendations of the Chiefs of Staff. It is our view that it would be much easier for the United States to obtain

[24] Arbitral award of the King of Italy settling the dispute between France and Mexico regarding the sovereignty of Clipperton Island, January 1931, *British and Foreign State Papers*, 1931, vol. CXXXIV, p. 842.

[25] *Foreign Relations*, 1944, vol. VII, p. 546.

military base rights on Clipperton Island from the French Government than it would be for us to obtain such rights from the Mexican Government. This view is strengthened by the attitude which the Mexican Government has taken during the present war in which Mexico is, of course, a co-belligerent, in respect to similar questions.

In these circumstances we feel that it would be better for us to stand on Mexico's recognition of the award of Clipperton Island to France and not to bring the Mexican Government into the post-war military base situation at all in respect to Clipperton Island. Will you let me know whether you agree?

JOSEPH C. GREW

812.79600/1-1145

Memorandum of Telephone Conversation, by the Deputy Director, Office of European Affairs (Hickerson)

[WASHINGTON,] January 18, 1945.

Admiral Davidson [26] called me on the telephone on January 17th and referred to the attached memorandum of January 16th [27] which deals with the refusal of the Navy Department to approve the visit of a Mexican vessel, the *Pez de Plata*, to Clipperton Island. Admiral Davidson said that Admiral Fenard was coming in to see him that afternoon and he inquired whether I saw any objection to his telling Admiral Fenard perfectly frankly that the Navy Department did not wish to have civilians unnecessarily visit Clipperton in view of the military installation there. He said that he would make it clear that this was the policy that the military authorities followed everywhere and that although the military installation was confined to a weather station and observation post, they did not think it a good idea for civilians to go there unless it was necessary and they frankly did not think this at all necessary. He said that he would like to say further to Admiral Fenard that the Navy would of course have no objection to the visit of a bona fide French military man if a French officer wished to visit the island.

I told Admiral Davidson that I saw no objection whatever to his talking to Admiral Fenard in the foregoing sense.

This afternoon Admiral Davidson called me again and said that yesterday he talked to Admiral Fenard in the sense which he had indicated to me and that that appeared to have satisfied him. He said that Admiral Fenard came back to see him this afternoon and appeared unhappy over the Clipperton Island matter. He said that the Admiral inquired whether the Navy Department would be prepared to

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[26] Adm. L. A. Davidson of the Office of the Chief of Naval Operations.
[27] Not printed.

instruct the U.S. Naval officer in command at Clipperton to erect a small flag pole and run up a French flag and also to provide accommodations for a French officer to be stationed on the island.

Admiral Davidson said that he replied to Admiral Fenard that he would, of course, if the the Admiral wished, take this up with his superiors and the Commander in Chief but that he hoped very much that the Admiral would withdraw his request since it might be interpreted as casting doubt on the intentions of the United States Government and he was sure that Admiral Fenard did not wish to do this. Admiral Fenard said that in those circumstances he withdrew his request, and after a brief chat left Admiral Davidson's office but obviously in an unhappy state of mind.

Admiral Davidson inquired whether I had any suggestions as to anything that could be done to make the French feel better about the situation. I replied that I personally felt that it would be a good idea if he offered to provide transportation to Clipperton for any French army or naval officer they wish to send out to look the island over briefly and return, perhaps by plane. I told the Admiral that I thought their position was perfectly reasonable about not wanting civilians to visit the island unnecessarily, but that I believed that the French were entitled to send an officer out there if they wished and that I understood the Navy would be willing to have him go. He said that was correct. I continued that I understood further that there was not much chance of a French army or naval officer getting transportation unless the Navy provided it. Admiral Davidson said that also was correct. He said he would think the matter over and we would discuss it further.

JOHN HICKERSON

812.79600/1-2245 : Telegram

The Ambassador in France (Caffery) to Secretary of State

PARIS, January 22, 1945—8 p. m.
[Received January 23—11:40 p. m.]

304. Bidault handed to me this afternoon an undated note a translation of which reads as follows.

"The Provisional Government of the Republic has recently learned of the installation, at Clipperton, of a meteorological station of the United States Navy. From information furnished by the French Ambassador at Washington, it appears that notification of this installation was amply made, on December 22 last, by the American Navy Department, to the Chief of the French Naval Mission in the United States, no previous authorization having been requested of the French Government.

On the other hand, having been advised of the departure from a Mexican port, for Clipperton, of the French Military Attaché at

Mexico, the American Ambassador replied, on the 13th of this month, to the French representative in that capital, that in view of the objections raised by the American Navy, the Mexican Government had been invited to refuse an exit permit for the vessel which had been chartered for the purpose.

The French Government finds itself compelled to protest against such methods so contrary to international usage and to which it is all the more sensitive since they are employed by a friendly nation.

It is, of course, understood that the French Government reserves the right to send to Clipperton, by the means at its disposal, such personnel as it may appear useful to it to send and maintain there.

The Government of the United States is aware of the extent to which the French Government is desirous to cooperate, in all domains, to the success of the Allied Armies, in Europe as well as in the Pacific. It will understand, however, its concern that French sovereignty be not disregarded in any part of the empire.

In the circumstances, the military interest of the Allies is entirely reconcilable with the respect of French sovereignty.

The French Navy is, as a matter of fact, capable of organizing in the island, in liaison with the United States Navy, the meteorological services necessary to the war effort. It would be all the more happy to cooperate in this region with the American Navy because France has the strongest desire to take, at the side of the United States, its part in the defense of French possessions in the Pacific and to contribute to the struggle against Japan to the full measure of its possibilities."

Bidault remarked: "This is very humiliating to us. We are so anxious to cooperate with you, but sometimes you do not make it easy."

CAFFERY

812.79600/1-2645

The Acting Secretary of State to President Roosevelt[28]

WASHINGTON, January 26, 1945.

TELEGRAM FOR THE PRESIDENT

Clipperton Island situation deteriorating rapidly. French have (1) made formal protest of our acting without requesting prior authorization and suggested that French Navy capable of organizing necessary meteorological services in liaison with ours; and (2) requested assurances that we will not molest vessel which they have ordered to Clipperton from Mexico with French Military Attaché on board.

We believe it would be easier to obtain post-war military base rights from French than from Mexicans because of latter's attitude on similar questions.

[28] President Roosevelt was aboard the U.S.S. *Quincy* en route to Malta to meet Prime Minister Churchill prior to flying to Yalta for the conference with Marshal Stalin.

I therefore strongly urge that:

(*a*) We stand on Mexican acceptance of international award of Clipperton to France and leave Mexicans out of question.

(*b*) We refuse to permit vessel to proceed to Clipperton from Mexico but offer to take French officer designated by French Naval Mission here on visit of inspection. This should materially ease present tension.

(*c*) In replying to French note we ignore suggestion for joint meteorological service, stress emergency character of our station on Clipperton, indicate that our action does not affect question of sovereignty over Island and that we will expect to enter into discussions later regarding use of Island in connection with post-war security.

I regard the above matter as extremely urgent since the present situation may easily lead to an incident which, because of the basic weakness of our position, could seriously and needlessly impair our relations with the French, at a time when they are exceptionally sensitive to all matters affecting their sovereignty, and provide our enemies with an additional propaganda weapon.

JOSEPH C. GREW

812.79600/1-2645

Memorandum of Conversation, by the Assistant Chief of the Division of Western European Affairs (Bonbright)

[WASHINGTON,] January 26, 1945.

Mr. Lacoste, Counselor of the French Embassy, called this afternoon at my request.

I told him that since he had impressed on me yesterday the urgency with which his Government viewed the Clipperton Island problem, I had been asked to give him an interim report. I said that as he knew, we had received a formal note from his Government on the subject and that this note and their specific request for a vessel to proceed to Clipperton Island from Mexico had to be considered together. I told him that the whole question was under review and that I hoped we would be in a position to give him something more definite within the next few days. I expressed the hope that in the meantime he would keep the lid on his own people so that we would not be faced with an incident. He fully agreed, and assured me that this would be done.

Lacoste was very friendly throughout. He told me personally that he had been disappointed when he learned that his Government had written us a formal note on the subject. He felt that a note was unnecessary and that in any event it might have been worded somewhat differently. He took the line that the whole matter was a result of excessive zeal on the part of the military, and that he did not for-

a moment believe we had ulterior motives or any designs on French territory.

812.79600/1-2245 : Telegram

The Acting Secretary of State to the Ambassador in France (Caffery)

WASHINGTON, February 3, 1945—11 p. m.

437. Your 304, January 22. Please address note in following form to Bidault.

Pursuant to instructions from my Government, I have the honor to refer to the note which you handed to me on the afternoon of January 22, 1945 [29] on the subject of the security measures taken by the United States Navy on Clipperton Island. It is hoped that the following observations will help to correct any misunderstanding which may have arisen in the minds of the French authorities concerning the scope and purpose of the measures taken by the American Naval authorities.

In December 1944, an increase in the Japanese operations in the waters of the Western Sea Frontier suggested the desirability of of establishing a weather reporting station and armed observation party on Clipperton Island. In as much as this was regarded as a purely military matter and since the island was uninhabited, the necessary action was taken by the United States Navy without prior consultation with any civilian agency of my Government. Information regarding the matter was, however, conveyed in great confidence by the Navy Department to the Chief of the French Naval Mission in Washington.

As a natural precaution, the United States Navy took the position that no one should visit Clipperton Island without obtaining the consent of the Commander, Western Sea Frontier. This order, which remains in effect, is necessary for reasons of military security and for the purpose of avoiding any incident which might arise through mistaken identity. In view of the military situation, the American Naval authorities are unwilling to have civilians approach or land on the island and it was for this reason that permission could not be granted for the visit of the vessel which was chartered by the French authorities in Mexico for a shark fishing expedition. The Chief of the French Naval Mission has been informed, however, that the Navy Department will be happy to furnish transportation for a French officer, designated by the Naval Mission in Washington, for a visit to Clipperton Island. If this offer is accepted, the French officer will be afforded every opportunity to familiarize himself fully with the measures taken by the United States Navy.

The steps to which I have referred have at all times been regarded by the authorities of my Government as having an emergency character and as being based solely on military considerations. They have no bearing whatever on the question of sovereignty over Clipperton Island.

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[29] See telegram 304, January 22, 8 p. m. from Paris, p. 788.

It is hoped that the above statement will serve to place this entire question in its proper perspective.

GREW

812.79600/3-1545

Memorandum by the Secretary of State to President Roosevelt [30]

[WASHINGTON,] March 15, 1945.

The Department telegraphed Mr. Caffery on February 3 the text of a note to present to the French Foreign Minister in reply to his communication on the subject of security measures taken by the United States Navy on Clipperton Island. Our note, the text of which is enclosed, was drafted in conformity with your telegram of January 28 [31] and contained no commitment with respect to the eventual sovereignty of Clipperton Island—a subject which you indicated you wished to discuss upon your return.

During your absence we also arranged through the United States Navy at the request of Admiral Fenard, transportation for a French Officer, Lieutenant Louis Jampierre, to visit Clipperton Island. He returned about two weeks ago. While there are various indications that the French are still unhappy over this situation, we have thus far heard nothing further from them.

We have given further study to the question of the eventual sovereignty of Clipperton Island and I cannot urge too strongly that we handle the question of obtaining the right to establish a post-war military base on the Island solely with the French, and leave the Mexican Authorities out of the picture entirely.

As indicated in my memorandum to you of January 15, Mexico has not contested the French claim to Clipperton Island since the Island was awarded to France by the King of Italy on January 28, 1931. In this connection I am enclosing two brief memoranda,[32] one showing the changes made in Article 42 of the Mexican Constitution in order to exclude "La Pasion" (Clipperton Island) from the national territory of Mexico, and the other excerpts from a note from the Mexican Minister of Foreign Affairs to the Senate on this subject. It is of interest to note that the legislative action taken was in large part due to the firm stand of the Minister for Foreign Affairs who urged acceptance of the Award on the ground that it involved the good faith of Mexico which had agreed in submitting the matter to arbitration to accept the decision without appeal. For us at this late date to take a different view would, in my opinion, show an unfortunate disregard of an in-

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[30] Returned to the Secretary by President Roosevelt with the marginal notation, "O.K., F.D.R."

[31] Not printed.

[32] Not attached to file copy of this document.

ternational award. Furthermore, I feel that we should bear in mind that while the Mexican authorities have shown a cooperative attitude during the course of this war, in which they are a co-belligerent, it has not been possible for them for political reasons to go so far as even to discuss our having bases in Mexican territory.

From the purely practical side, it is my belief that we can successfully negotiate an agreement with the French for the post-war military base on Clipperton Island, recommended by the United States Joint Chiefs of Staff, and that by restricting ourselves to dealing solely with the French we can obtain an agreement which will provide the necessary safety to the Panama Canal over a long period of years, and at the same time avoid offending French susceptibilities and showing a disregard of an international award.

Do you agree?

E. R. STETTINIUS, JR.

812.79600/3-1545 : Telegram

The Secretary of State to the Ambassador in Mexico (Messersmith)

WASHINGTON, March 21, 1945—noon.

605. With reference to my letter to you of March 16 [33] concerning Clipperton Island, the President has approved Department's suggestion that we should not endeavor to obtain any change in the present sovereignty of the island, and that we should handle the question of a post-war military base solely with the French.

STETTINIUS

812.79600/8-2745

The Acting Secretary of State to the Secretary of the Navy (Forrestal)

WASHINGTON, September 19, 1945.

MY DEAR MR. SECRETARY: I regret the delay in replying to your letter of August 27, 1945,[33] indicating the intention of the Navy Department to withdraw naval personnel from Clipperton Island at an early date. This delay was due to clerical error, as a result of which your letter did not come to the attention of the appropriate officers of the State Department until September 18.

In compliance with your request, the Ambassador of the French Republic [34] is being immediately informed of the Navy Department's

[33] Not printed.
[34] Henri Bonnet.

intention to withdraw naval personnel from Clipperton Island at an early date in view of the changed military situation in the Pacific.

In requesting the State Department to inform the Navy Department concerning the time when naval personnel can appropriately be withdrawn from Clipperton Island, I assume that you have in mind the effect which the maintenance or withdrawal of these men might have on any future negotiations with the French concerning the ultimate use of the Island. As you are aware, the presence of American naval forces has been a source of friction with the Provisional Government of the French Republic, and the State Department is of the opinion that any future negotiations would be aided rather than harmed by the immediate withdrawal of our forces now that their military mission has been accomplished. In the circumstances, I would strongly recommend that all American naval personnel be withdrawn from Clipperton Island as quickly as possible, and I shall appreciate being informed when this has been done.

Sincerely yours, DEAN ACHESON

812.79600/9–1945

The Acting Secretary of State to the French Ambassador (Bonnet)

The Acting Secretary of State presents his compliments to His Excellency the Ambassador of the French Republic and has the honor to refer to previous correspondence concerning the security measures taken by the United States Navy on Clipperton Island.

The Acting Secretary of State takes pleasure in informing the Ambassador that, in view of the changed military situation in the Pacific, instructions are being issued by the Navy Department for the withdrawal of American naval personnel from Clipperton Island.[36]

WASHINGTON, September 19, 1945.

812.79600/10–645

The French Ambassador (Bonnet) to the Secretary of State

[Translation]

No. 814 WASHINGTON, October 6, 1945.

The French Ambassador to the United States presents his compliments to His Excellency the Secretary of State and, with reference to the note which the Acting Secretary of State, Mr. Acheson, was good enough to send him on September 19th regarding Clipperton

[36] In a note of November 7, 1945, the Secretary of State informed the French Chargé that the Navy Department had reported that on November 1 it was informed that all personnel had been withdrawn from Clipperton.

Island, has the honor to inform him that he has reported the contents of this note to the French Government.

Mr. Henri Bonnet is happy to inform His Excellency, Mr. James F. Byrnes, that the French Government welcomes the decision taken by the American authorities and has duly appreciated the communication which has been made to it on this subject.

Mr. Henri Bonnet is happy to avail himself [etc.]

DISCUSSIONS REGARDING THE FUTURE STATUS OF FRENCH INDOCHINA AND FRENCH PARTICIPATION IN ITS LIBERATION FROM JAPANESE OCCUPATION

[For documentation on this subject, see volume VI, section on French Indochina.]

AGREEMENTS BETWEEN THE UNITED STATES AND FRANCE REGARDING LEND LEASE

[For texts of agreement between the United States and France relating to principles applying to mutual aid and the prosecution of the war against aggression and agreement relating to supplies and services signed at Washington February 28, 1945, and agreement relating to principles applying to the provision of aid to the armed forces of the United States, effected by exchange of notes signed at Washington February 28, 1945, and accompanying memorandum and exchanges of letters signed February 28, 1945, see Department of State Executive Agreement Series No. 455 or 59 Stat. (pt. 2) 1304. For documentation regarding negotiation of agreements, see *Foreign Relations*, 1944, volume III, pages 748 ff.]

PROVISIONAL ARRANGEMENT BETWEEN THE UNITED STATES AND FRANCE RELATING TO AIR SERVICES BETWEEN THEIR RESPECTIVE TERRITORIES

[For text of arrangement effected by exchange of notes signed at Paris December 28 and 29, 1945, see Department of State, Treaties and Other International Acts Series (TIAS) No. 1679, or 61 Stat. (pt. 4) 3474.]

GERMANY

(See Volume III, pages 697–1606.)

GREECE

(See Volume VIII.)

HUNGARY

ARMISTICE BETWEEN THE UNITED STATES, THE SOVIET UNION, THE UNITED KINGDOM, AND HUNGARY, SIGNED JANUARY 20, 1945

[For text of the agreement, signed at Moscow, see Department of State Executive Agreement Series No. 456, or 59 Stat. (pt. 2) 1321. For negotiations leading to signature of agreement, see *Foreign Relations*, 1944, volume III, pages 847 ff.

EFFORTS BY THE UNITED STATES TO BRING ABOUT THE ESTABLISHMENT OF DEMOCRATIC GOVERNMENT IN HUNGARY

740.00119 Control (Hungary)/12-1844: Telegram

The Secretary of State to Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta [1]

WASHINGTON, January 10, 1945—9 p. m.

26. The Department has agreed to a proposal of the Soviet Government that tripartite discussions be resumed in Moscow with a view to reaching agreement on armistice terms [2] to be communicated to representatives of the "Provisional National Government of Hungary" recently formed at Debrecen.[3] Although the United States Government has not yet recognized this group as the provisional government of Hungary, our participation in the presentation of Allied armistice terms to it would of course constitute acknowledgment of it as the *de facto* authority and would probably entail its recognition as a provisional government.

The status and functions of the American representation on the Control Commission for Hungary (reurtel 1803 December 18 [4]) are

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[1] Mr. Kirk was also Ambassador in Italy.

[2] The agreement concerning an armistice between the Soviet Union, the United Kingdom, and the United States on the one hand and Hungary on the other was signed in Moscow on January 20, 1945. For text of the agreement, see Department of State Executive Agreement Series No. 456, or 59 Stat. (pt. 2) 1304. For documentation regarding the negotiations leading to the signing of the agreement, see *Foreign Relations*, 1944, vol. III, pp. 847 ff.

[3] The Provisional National Government was elected by the Provisional Hungarian National Assembly on December 22, 1944, at Debrecen in Soviet-occupied Hungary.

[4] Not printed.

now under discussion at Moscow. Major General Key [5] (reurtel 34 January 4 [6]) will head the American delegation on that body. Captain William F. Dietrich, who is now in Washington and expects to leave for Caserta about January 15, will be the ranking American naval officer in the delegation.

As in Rumania and Bulgaria it is expected that our political representation will be set up independently of the Control Commission (Reurtel 1803 December 18). Mr. H. F. Arthur Schoenfeld has been appointed to head our political mission, with the personal rank of Minister. Moscow has been instructed to inform the Soviet Government of Schoenfeld's appointment. He is now in the Department and will proceed to Italy within a few weeks.

Schoenfeld will probably have on his staff a senior officer of the rank of Counselor, who has not yet been named. According to present plans, the staff will include several persons now in or en route to Italy, namely Merrill,[7] Leslie A. Squires (Foreign Service Officer transferred from Istanbul where he did reporting on Hungarian affairs), Miss Patricia Foster (Vice Consul, Foreign Service Auxiliary), and John J. Ronto (clerk).

L. Ecker-Racz, Foreign Service Auxiliary Officer and a former employee of the Treasury Department recently released from the Army, will do economic work in Hungary. He is now in the Department and will leave soon for Italy. Harry LeBovit has just been assigned to Rome (Department's airgram A–31, December 29, 5 p. m., to Ameri-

[5] Maj. Gen. William S. Key, Chief of the United States Military Representation on the Allied Control Commission for Hungary, who arrived in Debrecen on February 18, 1945. General Key's letter of instructions, dated December 30, 1944, reads in part as follows:

"4. The task of the Allied Control Commission will be the regulation and control, under the general direction of the Soviet High Command, acting on behalf of the Allied Powers, of the fulfillment of the Armistice with Hungary. Your duties and responsibilities in this connection will be conducted in accordance with policies communicated to you from time to time by the Chief of Staff, acting in an executive capacity for the Joint Chiefs of Staff.

"5. The composition of the United States representation on the Control Commission, in addition to yourself, will be two Army Officers in the grade of Colonel or Lieutenant Colonel (one of the two to be from the Army Air Forces), and one Naval Officer in the grade of Captain or Commander; who will be appointed by the War and Navy Departments.

"6. You will work in close cooperation, by frequent consultation and interchange of information, with the United States Representative for Hungary. The United States policy in regard to Hungary will be enunciated by the State Department from time to time and will be communicated to the United States Representative. Your functions on the Allied Control Commission will be subject to the supervision of the United States Representative insofar as they concern political matters, as distinguished from those matters primarily military, affecting United States foreign policy." (Budapest Legation File: 711.9 Allied Control Commission)

[6] Not printed.

[7] Frederick T. Merrill, Auxiliary Foreign Service Officer, on the staff of Mr. Kirk.

can Consul, Rome [8]) as Agricultural Economist in the Foreign Service Auxiliary, for later assignment to Budapest.

STETTINIUS

740.00119 Control (Hungary)/5–1445

The American Ambassador in the Soviet Union (Harriman) to the People's Commissar for Foreign Affairs of the Soviet Union (Molotov) [9]

Moscow, January 20, 1945.

DEAR MR. MOLOTOV: I have been instructed to advise you that my Government, in accepting the terms of the Armistice as presented to the Hungarian Delegation in Moscow on 18 January, 1945 is of the opinion that there should have been included in Article 18 an additional provision reading as follows:

"Upon the conclusion of hostilities against Germany and until the conclusion of peace with Hungary, the Allied Control Commission will regulate and supervise the execution of the Armistice according to instructions of the Governments of the United States, the Union of Soviet Socialist Republics and the United Kingdom."

In view of the fact that such a clause has not been included, I desire to inform you at this time that my Government may consider it necessary at some later date to confer with the Soviet and British Governments regarding the detailed manner in which Article 18 should be implemented during the period following the cessation of hostilities with Germany.

I am addressing a similar communication to my British colleague.

Sincerely yours, W. A. HARRIMAN

740.00119 Control (Hungary)/5–1445

The British Chargé in the Soviet Union (Balfour) to the American Ambassador in the Soviet Union (Harriman) [10]

(8/80/45) Moscow, January 20, 1945.

MY DEAR AMBASSADOR: I have been instructed by my government to confirm to you their view, which I expressed to you during the course of our discussions regarding the terms of the armistice agreement with Hungary, that during the second period of the armistice, that is from the cessation of hostilities against Germany until the conclusion of peace with Hungary, the Allied Control Commission

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[8] Not printed.

[9] Copy transmitted to the Department as enclosure 25 in despatch 1713, May 14, 1945, from Moscow, not printed.

[10] Copy transmitted to the Department as enclosure 23 in despatch 1713, May 14, 1945, from Moscow, not printed.

which will regulate and supervise the execution of the armistice terms as specified in Article 18 of the agreement, should function on a tripartite basis, under Soviet chairmanship, and issue instructions only with the concurrence of the Soviet, British and American representatives.

2. As no provision has been made either in the armistice agreement or in the Statutes of the Commission itself regarding the workings of the Commission during this second period, my government wish to make it clear that they will consider it necessary at some later date to discuss and reach agreement with the Soviet and American Governments regarding the detailed manner in which the Commission should function after the end of hostilities with Germany. My government also consider that it will be necessary to reach a similar agreement when the time comes in regard to the Allied Control Commission in Bulgaria.[11]

I have addressed a similar letter to the People's Commissar for Foreign Affairs.

Yours ever, JOHN BALFOUR

740.00119 Control (Hungary)/5–1445

The People's Commissar for Foreign Affairs of the Soviet Union (Molotov) to the American Ambassador in the Soviet Union (Harriman) [12]

[Translation]

Moscow, January 20, 1945.

DEAR MR. AMBASSADOR: Under instructions of the Soviet Government I am sending you herewith the Statutes of the Allied Control Commission for Hungary, the text of which was previously agreed upon with you.

At the same time I wish to state that as was previously agreed upon by us the attached Statutes of the Allied Control Commission for Hungary will be regarded as approved by the Governments of the Soviet Union, Great Britain and the United States and will enter into force immediately after the signing of the Hungarian Armistice Agreement.

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[11] For documentation regarding the participation by the United States in the work of the Allied Control Commission for Bulgaria, see pp. 135 ff.

[12] Copy transmitted to the Department as enclosure 26 in despatch 1713, May 14, from Moscow, not printed.

In a letter dated January 21, 1945, to Molotov, Ambassador Harriman replied as follows:

"I wish to acknowledge the receipt of your letter of January 20, 1945, enclosing the Statutes of the Allied Control Commission for Hungary.

"I hereby wish to confirm my Government's approval of these Statutes, as transmitted in your letter under reference." (740.00119 Control (Hungary)/5–1445)

I am sending a letter of similar contents to the Chargé d'Affaires ad interim of Great Britain, Mr. Balfour.

Please accept [etc.] V. M. MOLOTOV

[Enclosure]

STATUTES OF THE ALLIED CONTROL COMMISSION IN HUNGARY

1. The functions of the Allied Control Commission in Hungary shall consist of the regulation and control, for the period up to the conclusion of peace, over the exact fulfillment of the armistice terms set forth in the agreement concluded on January , 1945,[13] between the governments of the Soviet Union, United Kingdom and the United States of America on the one hand and the Provisional Government of Hungary on the other.

2. The Allied Control Commission shall be headed by a Chairman who shall be the representative of the Soviet armed forces. Attached to him there shall be: a vice-chairman of the Commission; a political adviser; two assistants to the Chairman; a chief of staff of the Commission.

Representatives of the United Kingdom and the United States of America will be included in the composition of the Allied Control Commission.

The Allied Control Commission shall have its own seal.

The seat of the Allied Control Commission shall be Budapest.

3. The Allied Control Commission shall be composed of:

(*a*) a staff
(*b*) a political division
(*c*) an administrative division
(*d*) a military division
(*e*) an air force division
(*f*) a river fleet division
(*g*) an economic division

4. During the first period, i.e. from the moment of the entry into force of the armistice to the end of hostilities against Germany, the Chairman (or Vice-Chairman) shall call meetings and inform the British and American representatives of policy directives (i.e. directives involving matters of general principle) prior to the issuance of such directives to the Hungarian authorities in the name of the Commission, and also take note of such observations as the British or American representatives may desire to make.

5. During this first period, the representatives of the United Kingdom and the United States of America shall have the right:

[13] The armistice agreement was signed January 20, 1945.

(*a*) to receive oral and written information from Soviet officials of the Commission on any matters connected with the fulfillment of the armistice agreement.

(*b*) to put forward for the consideration of the Commission proposals of their governments on questions connected with the fulfillment of the armistice agreement.

(*c*) to receive copies of all communications, reports and other documents which may interest the governments of the United Kingdom and the United States of America.

(*d*) to make journeys to the provinces. For this purpose they shall apply to the Vice-Chairman regarding the arrangements to be made.

(*e*) to participate in general conferences or meetings of the chiefs of divisions of the Commission.

(*f*) to communicate through the Chairman of the Commission, the Vice-Chairman, or the chief of the appropriate division, with the organs of the Hungarian Government.

(*g*) to determine the size and composition of their own delegations.

(*h*) to communicate directly with their respective governments by cipher telegram and by diplomatic mail, for which purpose they shall have the right to receive and despatch diplomatic couriers by air at regular intervals, by agreement with the Allied (Soviet) High Command.

(*i*) to determine the amount of money required from the Hungarian Government for the expenses of their respective staffs and to obtain such funds through the Commission.

6. The Allied Control Commission shall have its representatives in the provinces, districts, ports, and at the most important enterprises for the organization of local control.

7. The Vice-Chairman and assistants to the Chairman of the Allied Control Commission and also the chiefs of divisions shall have the right, through the local military command, to call in specialist-officers for consultation, for making surveys or for working out special questions which arise during the work of the Allied Control Commission.

8. Liaison with the Hungarian Governmental authorities shall be effected by representatives of the Allied Control Commission not lower than a chief of division of the Commission and in the provinces, districts and ports by the appropriate representatives of the Commission.

[President Roosevelt, British Prime Minister Winston S. Churchill, and Iosif Vissarionovich Stalin, Chairman of the Council of People's Commissars of the Soviet Union, with their advisers, met in conference at Yalta, February 4–11, 1945. The three leaders agreed upon a "Declaration on Liberated Europe" providing for joint action by the three powers in meeting political and economic problems of liberated Europe, in accordance with democratic principles. For text of the Declaration, see item V of the Report of the Crimea Conference, February 11, 1945, *Foreign Relations*, The Conferences at Malta and Yalta, 1945, page 971. Regarding the consideration of the Declara-

tion at the Conference, see *ibid.*, index entry on "Declaration on Liberated Europe" page 1002. Regarding the consideration of other issues related to Hungary, see *ibid.*, index entry on "Hungary" page 1006. For the undated Briefing Book Papers on the United States position on Allied Control Commissions in Rumania, Bulgaria, and Hungary, and United States policy regarding Hungary, prepared for President Roosevelt and the Secretary of State for use at the Yalta (Crimea) Conference, see *ibid.*, pages 238–240 and 242–245.]

740.00119 Control (Hungary)/2–2745 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, February 27, 1945—5 p. m.
[Received 5:35 p. m.]

720. Following is No. 2 from Squires[14] for Department:

In process of making known our arrival to Provisional Government of Hungary, Merrill and I had the opportunity of talking with Bela Miklos[15] for some time and the Prime Minister made the following comments during the conversation:

1. He stated that slow progress is being made in equipping the Hungarian divisions to be activated under the armistice terms.[16] 10,000 POWs have already been released from a total of 40,000 said to be fit for active duty and he has been promised equipment for two divisions. Discussions are taking place regarding the release of 10,000 additional POWs.

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[14] Leslie Albion Squires, Secretary of the American Mission in Hungary, arrived in Debrecen, Hungary, the seat of the Hungarian Provisional Government, on February 21, at the head of an advance party of the American Mission. Telegram 111, February 8, midnight, to Caserta, for Squires, instructed him in part as follows:

"Upon your arrival in Hungary you should seek immediately to notify your presence to the appropriate Soviet authorities, presumably the President of the Allied Control Commission or his deputy, and make clear to them that you are members of the staff of United States Representative Schoenfeld, who will arrive in Hungary in the near future, and that you are instructed meanwhile to confine yourselves to questions of quarters and other purely administrative matters without engaging in any kind of official activities. You may mention that the United States representation in Hungary is being established in agreement with the Soviet Government and that it will be set up and function independently of the Allied Control Commission as in the case of Rumania and Bulgaria." (740.00119 Control (Hungary)/2–445)

Telegram 293, April 3, 7 p. m. to Caserta, for Squires, said in part: "You may also regard political reporting as within your instructions. The information contained in your reports of conversations with Hungarian officials has been very useful." (124.646/4–345)

[15] Béla Dálnoki Miklós, Prime Minister of the Hungarian Provisional Government.

[16] Article I (*c*) of the Hungarian Armistice Agreement of January 20, 1945, provided that the Hungarian Government would make available not less than eight infantry divisions for service under the general direction of the Allied High Command.

It is known from other sources that Miklos considers the reequipping of the Hungarian Army to be of utmost importance, even though he has expressed no dissatisfaction at the slow progress being made in this matter, and in order to expedite action, he has even gone so far as to threaten resignation.

2. It has been confirmed by the Prime Minister that there have been some deportations of Hungarians of German origin, but he stated that to date the number has not exceeded 30,000. He does not object, and in fact approves, the deportation of those who were recruited for the SS,[17] or recently Germanized their names or were members of the Volksbund.[18] There have been presented to the Russians, with the request that they be returned, lists of other deported Hungarians of German origin.

It was made clear by the Prime Minister that he does not approve the deportation of "good Hungarians" simply because they have German names. He implied that the positions of the Russians and his Government on this point are capable of compromise and also he appeared to have confidence that this principle would be respected in the future.

3. It was estimated by Miklos that 60% of the people support the program of the Small Holders party and great hope was expressed in the future of same. He expressed the belief that the leadership of the party will come from Tildy,[19] Vargha [20] and such men as Nagy Ferenc,[21] and he depreciated the future influence of Eckhart.[22] He greatly regretted the loss of Bajcsy-Zslinsky,[23] who he states was executed by the Germans. Miklos stated that he had seen Count Bethlen [24] 2 days previously on his estate, and found him old and tired, with no evident intention of taking part in political activity.

4. Miklos gave the impression of exercising great care not to be put in the position of complaining about the Russians.

He commented on the cooperation received from the Russian chairman of the ACC [25] and referred to the decrees already promulgated

[17] Schutzstaffel; élite corps of the Nazi Party, used for military and political purposes.

[18] Volksbund der Deutschen in Ungarn; recognized representative body of the German minority in Hungary.

[19] Zoltán Tildy, Leader of the Independent Smallholders Party, the major Hungarian agrarian political party.

[20] Béla Varga, General Secretary, Independent Smallholders Party.

[21] Ferenc Nagy, General President, Independent Smallholders Party.

[22] Tibor Eckhardt, titular leader of the Independent Smallholders Party; in exile in the United States since 1941.

[23] Endre Bajcsy-Zsilinsky, leader in the Independent Smallholders Party and Hungarian resistance leader who was executed by the German puppet government of Hungary in December 1944.

[24] Count Stephen Bethlen, Hungarian Prime Minister 1921–1931; member of the Hungarian Crown Council; arrested and deported to the Soviet Union in 1945.

[25] Marshal of the Soviet Union Kliment Yefremovich Voroshilov, Chairman of the Soviet Element of the Allied Control Commission for Hungary; member of the Politburo of the Communist Party of the Soviet Union.

to implement the armistice. It is his apparent belief that the only course open to his Government is the total fulfillment of the armistice terms and that his Government will have Russian support so long as it follows this course. [Squires.]

KIRK

740.00119 Control (Hungary)/3-145: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 1, 1945—4 p. m.
[Received 5:10 p. m.]

763. In a message dated February 28 from Debrecen General Key [26] reported on a conference held on February 27 with Major General Levushkin,[27] executive officer of ACC in absence of Marshal Voroshilov.

Levushkin stated that the Russian component of the ACC has arrived only recently and it is not sufficiently staffed to do its work nor is it completely organized. The date for the first meeting of the commission has not yet been determined.

He stated that so far the Hungarian Government has done little to fulfill the armistice conditions with the exception of negotiations in process regarding the activation of Hungarian military units and POWs. The Hungarian Government's offer to furnish experts on Hungarian economy has been accepted by the Russians and their reports are to be studied before schedules of reparations payments are considered. These can not be fixed now without jeopardizing Hungarian economy.

Levushkin's statement regarding non payment of reparations thus far is at odds with reports given by the Hungarians to Squires to the effect that delivery this year of goods and supplies amounting to 60 million dollars has already been demanded by the Russians.[28] The

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[26] Maj. Gen. Key arrived in Debrecen on February 18, 1945.

[27] Maj. Gen. I. I. Levushkin, member of the Soviet Element on the Allied Control Commission for Hungary.

[28] Article XII of the armistice agreement provided that Hungary would pay reparations to the Soviet Union in the form of commodities worth $200 million over a 6-year period. Telegram 951, March 12, from Caserta, which was No. 14 from Squires in Debrecen, reported that the Soviet authorities had given the Hungarian Provisional Government a preliminary enumeration of the Soviet reparation demands for 1945; however, General Levushkin had assured American representatives on the Allied Control Commission that the Soviet authorities realized that the Hungarians could not then pay reparations and still maintain a workable internal economy, and no reparations discussions had yet gotten underway (740.00119 Control (Hungary)/3-1245). Telegram 773, March 2, 2 p. m., from Caserta, which was No. 8 from Debrecen, reported that Prime Minister Miklos had told Squires that the Russians had already demanded goods and equipment valued at more than $66 million; it reported further that this figure was probably explained by the fact that the Hungarian Government tended to combine the cost of war materials requisitioned by the Soviets under article XI of the armistice agreement with the cost of reparations (740.00119 Control (Hungary)/3-245).

probable explanation of this is that these demands in Russian opinion apply to article XI of armistice agreement on war materials and not article XII on reparations. The unofficial estimate of the number of Russian troops in Hungary is 2 million.

General Levushkin continued that so long as military operations continued in or near Hungarian territory military considerations must necessarily come before the work of the ACC. He stated that General Key might go direct to the Hungarian Government or its agencies for information and that Russian part of the Commission would give him all available information. With exception of front line area where clearance by military command would be required General Key and his group would be free to go anywhere in Hungary without permission. He said that additional personnel needed by the American group would be approved in Debrecen but that any civilian or military personnel not directly connected with the ACC would have to have approval come from Moscow.

KIRK

[The Department's expectations to see the full implementation of the Crimea Declaration on Liberated Europe with regard to the former Axis satellite countries, and the Department's views on the attitude to be taken with regard to this agreement by the American representatives in the Allied Control Commissions for Bulgaria, Rumania, and Hungary, are set forth in telegram 55, March 3, 6 p. m. to Sofia, sent also to Moscow, Bucharest, and Caserta, printed on page 169.]

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123 H. F. Arthur Schoenfeld

The Acting Secretary of State to the United States Representative in Hungary (Schoenfeld)

[Extracts] [29]

WASHINGTON, March 19, 1945.

MY DEAR MR. SCHOENFELD: With reference to your letter of appointment as United States Representative in Hungary,[30] there is given below certain information and guidance which may be of use to you in connection with the assumption of your functions in Hungary:

1. The President has, as you know, approved the Department's recommendation that you be given the personal rank of Minister. Your title will be "United States Representative in Hungary" and for administration purposes your Mission, when it is established in Buda-

[29] Omitted paragraphs are concerned with administrative details and regulations.

[30] On January 20, 1945, it was announced that H. F. Arthur Schoenfeld had been designated by the President as the United States representative in Hungary for the general protection of American interests.

pest, will be designated as "The United States Mission, Budapest, Hungary".

2. The Department should be informed as soon as possible after your arrival in Hungary regarding the communications facilities available and at as early a stage as possible arrangements should be made with the competent authorities for delivery to you of telegrams directed to the code address "AmRep, Budapest".

3. During the armistice period the basic purpose of your mission will be to provide American political representation in Hungary. You will appreciate the need for reporting fully all developments of political significance, internally and externally, and of keeping the Department informed during this critical period of the major trends. Provision is being made for the inclusion in your staff of economic officers to assist you in reporting economic developments.

4. The Provisional National Government of Hungary, with which you will maintain informal relations, is now functioning at Debrecen, Hungary, although it is expected to move to Budapest in the near future. Meanwhile an advance group of your staff has proceeded to Debrecen with instructions to restrict its activities to questions of an administrative character which may arise there.

. . . . . .

8. Your arrival in Hungary should immediately be made known to the appropriate Hungarian and Soviet authorities, as well as to your British colleague. You should make an informal call on the Minister of Foreign Affairs and state the nature of your mission in Hungary, leaving with him a copy of your letter of appointment.[31] You should follow the same procedure in calling on the President of the Allied Control Commission. You may also wish to call on the Chiefs of Mission in Hungary of neutral countries. You should explain on all these occasions the nature of your mission and make clear that your presence should not be construed as the opening of official diplomatic relations between the United States and Hungary.

9. Although you will not have diplomatic relations of a formal nature with the Provisional National Government of Hungary, it is expected that you will be afforded every facility for informal contact with that Government and with the Hungarian public and full freedom of movement to enable you to meet your responsibilities for the protec-

[31] In his telegram 14, May 16, 1945, from Budapest, Schoenfeld reported on his call on Hungarian Foreign Minister Gyöngyösi that same day. Schoenfeld had explained the nature of his mission, particularly the fact that his presence in Budapest did not constitute resumption of diplomatic relations between the United States and Hungary. While stating that he had no information as to when diplomatic relations might be resumed, Schoenfeld emphasized to Gyöngyösi that American policy in Hungary was based upon a firm understanding with the Soviet Union and the United Kingdom and that restoration of normal relations with Hungary was largely dependent upon the readiness of the Hungarian Government to cooperate within the framework of that understanding. (123 Schoenfeld H. F. Arthur)

tion and care of American interests in Hungary, including the privilege of confidential communications. You will, as Chief of the United States Mission, be governed in your relations with other American officials by the clarification and interpretation of the President's Executive Order No. 2128, April 13, 1942, issued by the White House on May 20, 1942, which states that "the Chief of the United States diplomatic mission in a foreign country is the officer of the United States in charge of that country under whose supervision are coordinated the activities there of all the official representatives of the United States". The American delegation on the Allied Control Commission shall, in its exercise of those functions which concern matters affecting American foreign policy, be considered as an agency of this Government.

10. Although your Mission is to be established entirely independently of the Allied Control Commission and you are not a member of the American delegation on that Commission, the text of the above paragraph has been sent to the War and Navy Departments in outlining your responsibilities as the principal representative of the United States Government and as the coordinating authority of the activities in Hungary of all representatives of agencies of this Government in that country.

. . . . . .

13. Specific instructions will be given to you separately regarding the manner and time of your taking over from the Swiss Legation in Hungary the protection of American interests (as well as any instructions which may be necessary with regard to the interests of other countries which were passed to the Swiss when our Mission was closed) and of your initiation of passport, visa, notarial and the other usual services. Please refer in this connection, in so far as it is applicable to Hungary, to Foreign Service Serial No. 188, dated June 9, 1944, regarding the re-opening of offices in liberated areas closed on account of the war.

I am glad to have this opportunity to wish you every success in the accomplishment of your Mission.

Sincerely yours, DEAN ACHESON

Budapest Legation Files: 711.9 Allied Control Commission: Telegram

The Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) to the War Department

[Paraphrase]

DEBRECEN, March 27, 1945.
[Received March 28—1 p. m.]

Z-729. With Marshal Voroshilov presiding a formal meeting of the ACC was held March 26. He stated that because of continued fighting

on Hungarian soil and because of his prolonged absence from Hungary, limited progress has been made in executing the armistice terms. He expressed hope that we could soon move to Budapest as the combat situation had improved recently.[32]

He advised that Hungarian Government had mobilized two infantry divisions which would probably be ready for the front lines in about three weeks, and in reply to a question he stated that a shortage of weapons and equipment made it problematical when the remaining six divisions called for under the armistice would be mobilized and equipped.

Paragraph by paragraph he discussed the armistice agreement and reported actions taken or contemplated under each. Paragraphs 2, 4, 5, 6, 8, 13, 14, 15, 16, and 19 were being implemented by 11 separate decrees issued by the Hungarian Government. Before their publication March 17 these decrees were submitted to and approved by him, he stated. Copies of the decrees were being furnished the British and US representatives.

ACC (Soviet) has representatives in ten separate districts in Hungary, and as personnel becomes available the chairman proposes establishing representatives in additional districts.

No deliveries whatever have been made under the reparation clause, Voroshilov stated. Preliminary discussions of reparation payments have been held with the Hungarian Government. As to the character or quantity of material to be delivered under article 12, he said that no agreement had been reached.

Seventy-eight displaced US Army personnel have been assembled in Debrecen during the past 15 days, and Voroshilov stated that the Commander in Budapest was providing for displaced and destitute American and British nationals.

Soliciting suggestions on procedure, the chairman received the suggestion that oral discussions between ACC (Soviet) and the Hungarians be put into writing and copies handed to the British and American representatives.

Regular meetings of the Commission twice monthly would be held, the chairman stated, and if important matters came up, special meetings would be called. In the meantime Voroshilov invited the Americans and British to feel free to call upon any member of his staff or upon himself for any desired information or action.

Frankness and cordiality continued throughout the meeting and

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[32] The Allied Control Commission and the Hungarian Provisional Government were transferred from Debrecen to Budapest at the beginning of April.

it is believed that increased mutual confidence and closer cooperation will result.

KEY

740.00119 Control (Hungary)/3–2745 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 27, 1945—midnight.
[Received March 27—9:12 p.m.]

1189. This is No. 31 from Squires. While the acceptance of the statutes as a basis for the organization of the ACC in Hungary gave some hope that the difficulties which occurred in Bulgaria and Rumania might be avoided, it is becoming increasingly clear that, although the exact pattern is not being retraced at Debrecen, many of the same problems are developing.

I have been impressed by the manner in which General Key and the members of his staff have approached their duties. They have exhibited a maximum desire to work out a satisfactory arrangement with the Russians. Anti-Soviet comment has been condemned, pro-Russian gestures approved and association with old line Hungarians held to a minimum. The temptation to report the flood of anti-Russian stories has been resisted even upon confirmation. Every effort has been made to play a straight game.

It seems clear that despite these efforts, the Russian attitude remains one of surface moderation combined with essential negation. The specific provisions of the statutes including consultation on directives, consideration of policies in general meetings and transmission of communications reports and documents have at best been half-heartedly fulfilled.

The first meeting of the ACC, for example, was held on March 26, more than a month after General Key's arrival. Even then matters of serious import were conspicuously absent from the agenda.

It is also known from first hand sources that messages dealing with specific armistice problems, have passed between the Russian and Hungarian authorities. Despite provisions of section 5 (*c*) of the statutes copies of these communications have not been made available to the American ACC and their existence was officially denied at the meeting on March 26.

As another instance the Hungarian *Official Gazette* of March 17 published eight decrees implementing certain sections of the armistice. It is known that the Hungarian Government forwarded draft copies of

these decrees to Voroshilov and that they were returned with alterations and corrections. The chairman of the ACC, however, did not submit copies of these documents to his American colleague even for his information. When this point was raised at the meeting on March 26, Voroshilov offered to circulate copies of the published decrees available to anyone in the Hungarian *Official Gazette.*

In administrative matters as well the Russians have failed to exhibit a policy of practical cooperation. Official communications remain unanswered or are carried informally in subsequent conversations. Each query calls for consultation with Moscow or the front line commander. Even the provision that each delegation may determine its own size and composition contained in section 5 (*g*) of the statutes has been made ineffective by the continuing delay in granting clearances.

In effect the Russians have not seen fit to permit the real work of the ACC to begin and have handicapped even its administrative functions by policies that give the effect of negation and delay.

Pessimistic as this outlook is the possibility remains that the difficulties are all [due?] more to Russian temperament and the military realities of the situation than to a specific program of Russian noncooperation. Whatever the cause, however, the result is to minimize the value and importance of the ACC. The effect is the same whether caused by Russian intent or Russian mentality.

Unless the policy of negation is replaced by one of active cooperation the ACC seems destined to minimum usefulness at least during the first period. This destiny, however, is not inevitable. It can easily be averted by an active and honest implementation of the statutes and the removal of the irritating road blocks in such matters as clearances. [Squires.]

KIRK

Budapest Legation Files: 711.9 Allied Control Commission: Telegram

The Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) to the War Department

[BUDAPEST,] May 6, 1945.
[Received May 7—2:24 a. m.]

Z-920. Armistice agreement with Hungary and statutes of Control Commission entitle American and British representatives to certain information during first period, namely prior to end of hostilities with Germany.

Refer to article 18 of agreement and paragraphs 4 and 5 of statutes. Notwithstanding cordial personal relations with Soviet personnel, many difficulties have been experienced during first period in obtaining information respecting actions contemplated or completed even

when operating under prescribed statutes—the Tungsram case [33] for example.

In view of approaching end of hostilities with Germany and consequent beginning of second period for Control Commission, I am apprehensive that there may be no change in Russian policy of unilateral action unless definite procedure is agreed upon to provide that Commission will function upon equal, tripartite basis during second period with equal right to participate in regulation and control as provided in article 18 of agreement and paragraph 1 of statutes. Would recommend a supplemental agreement at highest level fixing procedure, organization and functioning of Commission during second period.

See paragraph 2 of letter from British Minister Balfour to Molotov dated January 20.[34] Would welcome opportunity to amplify my views personally if so desired.

[KEY]

740.00119 E.W./5–1445 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

[Extracts] [35]

Moscow, May 14, 1945—noon.
[Received 1:07 p. m.]

1563. Personal for Ambassador Harriman.[36] There are several matters connected with our work which are causing me some concern.

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[33] During April and May 1945, the Soviet military authorities dismantled and removed from Hungary the plant of the United Incandescent Lamps and Electrical Company (Tungsram) in which there was alleged to be a substantial American interest. Major General Key protested to Marshal Voroshilov against the dismantling and removal of the plant to the Soviet Union. Telegram 917, April 19, 7 p. m., to Moscow, instructed the Embassy as follows:

"Please inform the Soviet Government of the American interest in this property and call attention to the protests against its removal which have been made by General Key. You may state our position in vigorous terms and say that we do not understand the failure of the Soviet authorities in Hungary to halt the dismantling and removal of the property after the receipt of General Key's communications, and request that instructions be sent at once to the ACC to stop further removals and to return what has been taken". (740.00119 EW/4–1645)

Telegram 1960, June 7, 10 p. m., from Moscow, reported receipt of a letter from the Soviet Foreign Commissariat dated June 7, 1945, which stated that the Tungsram factory was predominantly Hungarian and German and that American pre-war investment was insignificant, that the factory passed completely under German control during the war, and that the Hungarian Government, which voluntarily transferred the factory to the Germans, should reimburse American share holders for their losses (740.00119 EW/6–745).

[34] Same as letter of January 20 from Mr. Balfour to Mr. Harriman, p. 800.

[35] For the portion here omitted, dealing with the activities of the Moscow Reparations Commission and the Polish question, see vol. III, p. 1211, and vol. V, p. 295, respectively.

[36] Ambassador Harriman was in the United States at this time.

I am not wiring about them officially for fear that I might unwittingly put statements on record which are counter to your views. I hope you will not mind, however, if I put my thoughts frankly before you in this manner for whatever use you can make of them.

. . . . . .

4. Control Commissions in Bulgaria [37] and Hungary. Barnes [38] has already raised the question of the change in status of the Control Commission in Bulgaria with the termination of hostilities against Germany. The same question will doubtless arise in Hungary in the very near future. In my opinion, the Soviet Government will probably not take the initiative at all in this respect, and if pushed only by our usual methods, it will consent to no more than changes in form which would have no real effect in practice. I believe that our only hope of getting anywhere would be to make up our minds that if we do not get full tripartite treatment we will withdraw not only our participation in the Control Commissions but our political representatives as well. (Consular representatives might be left). If this threat works and causes the Russians to grant us equal participation, so much the better. If it does not, then I think it preferable that our people get out anyway. Their presence in those countries thus far has not had any appreciable influence on the course of events there, nor has it been effective in protecting American interests. On the other hand, it has been effective in misleading public opinion both in the United States and in the countries concerned and in saddling our government with a share of the responsibility for policies which have nothing to do with American ideals or American interests.

If we are not prepared to take a strong line and back it up with some such action as I have suggested, then it might be better not to press the matter at all beyond a certain point, since to do so would only constitute a further demonstration of our weakness.

KENNAN

864.6363/5-1545 : Telegram

The Acting Secretary of State to the Representative in Hungary (Schoenfeld) [39]

WASHINGTON, May 15, 1945—3 p. m.

27. The Department has received information from Standard Oil Company (New Jersey) concerning holdings of its Hungarian subsidiary Magyar Amerikai Olajipari R.T. (MAORT). These holdings

[37] For documentation regarding the post-armistice problems of occupation and control of Bulgaria and the setting up of the Allied Control Commission for Bulgaria, see pp. 135 ff.

[38] Maynard B. Barnes, United States Representative in Bulgaria.

[39] Schoenfeld arrived in Budapest on May 11, 1945.

are valued at approximately 58 million dollars and consist principally of oil wells, pipe lines, gasoline plants, warehouses, buildings, etc., all located in that part of Hungary south and west of the Danube River.

Standard reports its fear that crude oil, refined products and petroleum equipment may be taken from MAORT and removed to Russia either in payment of reparations under armistice or otherwise.

The Department would like to have information on whether the MAORT properties, which were taken over by the Hungarian Government in December 1941, are still in the hands of the Hungarian Government or have been returned to the Company's representatives.[40] Please report also any additional information you may receive (Reurtels 19 March 14 and 96 April 27 from Squires [41]) on the present condition of the property as well as description and value of MAORT-owned installations, if any, located in territories which Hungary was obliged to evacuate under the terms of the armistice.

If the Hungarian Government takes from the company crude oil, refined products or equipment for payment as reparation to the USSR, Czechoslovakia or Yugoslavia under Article 12 of the armistice, please report the extent and nature of goods taken and of payment made to the company.

If MAORT equipment is taken by Soviet authorities directly from the company as war booty or on any other grounds, you are authorized to ask General Key to make a preliminary request to Marshal Voroshilov to order the cessation of such removals pending clarification of American rights and interests involved and receipt of instructions from the United States Government.[42]

For your information, when the same issue was raised in Rumania by Soviet removal of goods as "war booty" from the premises of American-owned and other oil companies, the Department protested strongly both in Bucharest and Moscow, stressing primarily the need of maintaining Rumanian oil production at the maximum level in the interest of the war effort and secondarily the property rights of Ameri-

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[40] Telegram 77, May 26, 5 p. m., from Budapest, reported that the MAORT holdings were still in the hands of the Hungarian Government but that the enterprise was entirely under Soviet control (740.00119 Control Hungary/5–1645).

[41] Neither printed; telegram 19, March 14 from Squires, transmitted to the Department as telegram 976, March 14 from Caserta, reported on the condition of Shell Oil properties in Budapest and added that the Soviet authorities, through their complete monopoly of gasoline stocks in Hungary, exercised virtual control over all motor transport in the country and might to no small extent determine the country's short-term economic and political orientation through this control (864.6363/3–1445); telegram 96, April 27 from Squires, reported on the status of oil producing facilities in Hungary (864.6363/4–2945).

[42] Telegram 103, May 30, 9 p. m. from Budapest, reported that Major General Key had been asked to make representations to Marshal Voroshilov regarding MAORT properties to the effect that all removals be discontinued pending receipt of further instructions from the Department of State (864.6363/5–3045).

can nationals.[43] In the last communication received from the Soviet Government on the subject, a letter dated January 4,[44] it was stated that the Soviet Government agreed with us on the need for rapid rehabilitation of the Rumanian oil industry and accordingly had given orders for the cessation of removals. The Soviet Government maintained its position, with which we do not agree, that the equipment removed was German property and therefore war booty. No more equipment has been taken from American-owned companies, but despite a similar pledge given to the British Government, additional equipment was taken in April from a British-owned company in Rumania.

GREW

740.00119 Control (Hungary)/5–1645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, May 16, 1945—5 p. m.
[Received 10:40 p. m.]

18. British member ACC General Edgecumbe and British Minister Gascoigne[45] called on me yesterday. They expressed themselves in slightly different ways re attitude of Soviet authorities here during period preceding end of hostilities with Germany and with respect to forthcoming period or second stage in Hungarian armistice period.

Both felt that in first period there may have been justifiable reason for obstructionism of Russians here in small but irritating matters notwithstanding ACC statute including facilities for quarters of British Mission, supplies and transportation. In these matters British experience had been most unsatisfactory but General Edgecumbe believed Russian attitude was due to fact that this was active operational area and even Russian members of ACC here were regarded with indifference by Soviet High Command. Gascoigne's view, however, was that obstruction was deliberate in small as well as important matters.

Both felt strongly that their participation in work of ACC had been deliberately excluded. In fact, they were permitted to exercise no influence whatever in work of ACC although ACC under exclusive Russian control purported to act in name of three Allied Governments.

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[43] For documentation regarding the concern of the United States over the removal by the Soviet Union of American-owned oil equipment in Rumania, see vol. v, pp. 647 ff.

[44] For a report on the Soviet letter of January 4, see telegram 55, January 5, 1945, from Moscow, vol. v, p. 647.

[45] Alvary Douglas Frederick Gascoigne, British Political Representative in Hungary, with the rank of Minister.

British representatives expressed view that in now and second stage action should be taken by British and American Governments to insure their direct participation in work of ACC which had thus far had only one meeting since Hungarian armistice while Russian members took no account of statute of ACC in consulting or even informing other members. British Reps agreed that suppression of sources of public information in this country, drastic restrictions on communications and free movement of British and American Missions by control of air transport, confiscation of Hungarian owned radios, censorship of press and control of newsprint with other measures were calculated to black out informed public opinion in this country. At same time Hungarian Communist Party and to lesser extent certain other Hungarian Parties were receiving financial and other active support from Russians. This state of affairs British Reps believe foreshadows conditions which are not in accord with British understanding of Yalta Declaration affecting Hungarians.[46]

740.00119 Control (Hungary)/5–1945: Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, May 19, 1945—noon.
[Received 2:30 p. m.]

43. After waiting several days for an appointment I called today on Pushkin, Political Adviser to Voroshilov on ACC. I told him of our desire to keep together and to work harmoniously. I explained that we were known to Europeans as a rather impatient people and intimated that we were anxious about fact that representatives of all three Allies were not participating equally in the ACC. Am Rep on ACC and our Govt were particularly concerned when our Rep was not informed of proposed actions or even of decisions and this condition might require renewed discussion between our Govts.

Pushkin replied that we had perfect right to info that he was very familiar with armistice terms and ACC statutes as he had had part in working them out in Moscow. Unfortunately, there were "technical" reasons why info had not reached us mentioning disruption of work caused through transfer of ACC and Hungarian Gov from Debrecen to Budapest as one example and long absence of Voroshilov as another. I said there were also number of smaller

[46] For text of the Declaration on Liberated Europe, included as part V of the Report of the Crimea Conference, issued as a Communiqué at the end of the Crimea (Yalta) Conference between President Roosevelt, British Prime Minister Churchill, and Marshal Stalin, February 4–11, 1945, see *Conferences at Malta and Yalta*, p. 971.

things that irritated us which I hoped would be taken care of soon so that we would have reasonable facilities for carrying on our functions. My reference was primarily to authorizations for planes to fly to Budapest. Pushkin said that during actual military campaign on an active Soviet front such matters could not be given urgent attention but assured me situation would improve now.

Pushkin has not been in US. He seems younger than his probable age, about 45. His eyes and expression are remarkably hard. He is completely successful in preventing an indication of emotion or reaction appearing while he is listening. When talking he can, at will, produce an almost spectacular smile but his eyes do not lose their coldness. His speech is low and quiet yet distinct. He appears to have a determined ruthlessness verging on the fanatical yet controlled and less blunt than that of Soviet military man like Starhusky [47] for instance.

740.00119 Control (Hungary)/5–2145 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 21, 1945—9 p. m.
[Received May 21—2 : 12 p. m.]

2274. Following is paraphrase of 132, May 7 from Budapest.[48] Please see Key's Z–920 to Agwar [49] May 6 re frustration during first phase of Amer participation in work of ACC. Also Hungarian Govt is disappointed in what appears to it as a lack of Brit and Amer interest in affairs of Hungary which is being evidenced by little activity of their members of ACC. In a recent meeting of the Political Committee [50] this was a matter for discussion it has confidentially been learned.

According to Balogh [51] (perhaps for our consumption) Hungarian public opinion is shifting away from Anglo-Saxon powers towards the Russians. Many now feel this friendship is their sole alternative. Friends of Anglo-Saxon democracies continue to hold on but are being branded as "reactionaries" because of their attitudes, and are hoping

[47] Lt. Gen. Starhusky, Chief of Staff to the Chairman of the Allied Control Commission for Hungary, Marshal Voroshilov; acting in Marshal Voroshilov's stead during the latter's absence in Moscow.

[48] Mr. Squires had officially taken over protection of American interests and property in Budapest as of April 6, 1945, as reported in telegram 1580, April 16, 8 p. m. from Caserta (740.00119 Control (Hungary)/4–1645).

[49] Adjutant General, War Department.

[50] Political Committee of the Hungarian Provisional National Assembly.

[51] István Balogh, Under Secretary of State in the office of the Prime Minister of the Hungarian Provisional Government.

that Hungary will not become entirely a Russian sphere of interest.

We fail to see how the Hungarians can have any other choice than to submit to Russian dictation unless Brit and Amer sections have a stronger role in ACC in latter phases of armistice period.

KIRK

711.64/5-2245 : Telegram

The Acting Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, May 22, 1945—7 p. m.

43. In establishing your contacts with the Hungarian authorities you may mention that you are authorized to say that, in view of the large Hungarian colony in the United States and other Hungarian interests here, this Government would have no objection if the National Provisional Government of Hungary should desire to send a representative to Washington. Although such a representative would not be accredited officially to this Government and his presence here would in no sense imply a resumption of diplomatic relations between the two countries, he would have access to the American authorities and such facilities as would enable him in an unofficial and informal way to represent Hungarian interests in this country. The appointment of any particular individual for this post would, of course, be subject to the approval of this Government.

For your information, we understand that Bulgaria already has a representative in Moscow and the Department has consistently maintained the view that the sending of representatives to the three major Allied capitals by the former satellite states during the armistice period is in each instance a matter to be decided by the Government of the Allied country concerned. Although Bulgarian interests in the United States are not so great, we are informing Barnes [52] that he may indicate our willingness to consider any proposal the Bulgarians may wish to make in this regard. We do not at the moment contemplate suggesting that the Rumanian Government send a representative to this country, pending further examination of the problems arising because of the unrepresentative character of the government and the circumstances in which it was placed in power.

Sent to Caserta for Schoenfeld; repeated to Sofia [53] and Bucharest.[54]

GREW

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[52] Maynard B. Barnes, United States Representative in Bulgaria.
[53] As telegram 139.
[54] As telegram 260.

740.00119 Control (Hungary)/5–2345 : Telegram

The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, May 23, 1945—11 p. m.
[Received May 24—2:40 p. m.]

1726. Re Budapest 30, May 18, 11 a.m.[55] Delay in flight clearance subject of representations to Foreign Office today.

We have no means of ascertaining whether delay on May 8 flight occurred here or Budapest. The Russians will never discuss these matters frankly with us. Most of our requests have to go through two channels, military and Foreign Office. Both are secretive and evasive about who really bears responsibility, and there are strong indications that both are only fronts in this respect for the secret police, which really has the say and with which we can have no contact.

We therefore have no constructive suggestions on application procedure. To our mind, retaliation in kind would probably be the least uncertain and most expeditious measure for improving situation.[56] But decisions on such action can be made only in Washington.

Sent to Budapest as 2, to Caserta as 103, rep to Dept as 1726.

KENNAN

711.64/5–2645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, May 26, 1945—3 p. m.
[Received 9:01 p. m.]

75. I called on Foreign Minister Gyöngyösi this morning and spoke to him in sense of first two paragraphs your No 43, May 22, leaving memo with him.

Minister expressed great appreciation of our intimation and desired me to thank Dept for its attitude regarding possible Hungarian representation in US. He said, however, that Hungarian Govt had been given to understand by representatives of occupying power on ACC that all contact with foreign govts must be conducted through ACC and have its approval. Hungarian Govt was gravely hampered by its

[55] Not printed; it reported on the increasingly dilatory manner in which Soviet authorities were treating applications for flights by American planes to and from Budapest; a request by Major General Key that his own plane be authorized to fly to Caserta had been pending with Soviet authorities since May 8 (740.00119 Control (Hungary)/5–1845).

[56] Telegrams 1263, March 31, 11 a. m., and 1326, April 4, 7 p. m., both from Caserta, neither printed, reported that Major General Key suggested that clearance for Russian aircraft entering Italy and other Anglo-American controlled areas be suspended until favorable Soviet action was given for American flight clearances for Hungary (740.00119 Control (Hungary)/3–3145 and 4–445).

enforced isolation and would welcome direct contact with all Allied Govts and especially with the US. It would be necessary to submit our intimation of readiness to receive unofficial Hungarian rep in Wash to ACC before any action would be taken.[57]

Minister mentioned as one problem giving FonOff great concern matter of establishment of communications with the US so that relatives here of American citizens in US could communicate with them regarding welfare and other needs. It would be great relief to FonOff if unofficial Hungarian representation in US could be established and operate.

Gyöngyösi who is often charged here with willing subservience to Soviet Union gave me clear impression this morning of sincere desire to break isolation of this country if at all possible.

[SCHOENFELD]

[In telegram 1168, May 28, 1945, 8 p. m., to Moscow, Ambassador Harriman was instructed to present to the Soviet Foreign Commissariat the proposals of the United States Government for the organization and functions of the Allied Control Commission for Hungary in the period following the end of hostilities in Germany. These proposals were:

"(1) The ACC, the functions of which should remain limited to the enforcement of the terms of armistice, should operate henceforward under standing instructions of the three Allied Governments, whose principal representatives on the ACC would have equal status, although the Soviet representative would be Chairman.

"(2) ACC decisions should have the concurrence of all three principal representatives, would refer to their respective Governments for instructions on important questions of policy.

"(3) All three Allied Governments should have the right to be represented on the sections and subcommittees of the ACC, but need not be represented in equal numbers."

The same telegram was sent to London as No. 4239 and repeated to Budapest as No. 57. For text of telegram, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference) 1945, volume I, page 368, footnote 5.]

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[57] Airgram A–25, June 8 from Budapest, transmitted the following translation of a note from the Hungarian Foreign Minister dated June 8, 1945:

"Referring to your kind oral communication of the 26th of May 1945 I have the honour to inform Your Excellency that I have forwarded instantly to the A.C.C. the United States Government's offer permitting the National Provisional Government of Hungary to send a representative to Washington. In accordance with the terms of the Armistice Agreement the Hungarian Government is able to take a decision in this very important question only after having obtained the consentment of the A.C.C.

"To my deepest regret I have received no answer until today from the A.C.C. In view of this hindrance I beg Your Excellency to kindly maintain this obliging offer of the United States Government and to take note that the Hungarian Government will present its answer as soon as the decision of the A.C.C. has been delivered." (701.6411/6–845)

[Between May 27 and June 23, 1945, President Truman and Marshal Stalin exchanged a number of messages on the question of the reestablishment of diplomatic relations with Rumania, Bulgaria, Finland, and Hungary. For the texts of these messages, together with related documentation, see volume V, pages 547–560, *passim.*]

740.00119 E.W./6–445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 4, 1945—6 p. m.
[Received June 4—2 : 26 p. m.]

5631. ReDepts 4239, May 28, 8 p. m.[58] FO informed on May 31 of Dept's views on implementation of article 18 of Hungarian armistice agreement. Today we discussed question with Sir Orme Sargent.[59]

Sir Orme told us that on May 29 FO sent Brit Emb at Washington telegram containing suggestions for three possible courses of action with reference to Hungary. Brit Emb was instructed to discuss this with Dept. The three courses of action are (1) implementation of article 18; (2) withdrawal of military missions from Hungary, leaving only a political representative having some form of liaison with Control Commission; (3) supplanting armistice agreement with a treaty of peace.

As Russians are not likely to give fuller voice to Brit and US on Control Commission FO favors the third course of action. FO would not, however, Sir Orme said take action until Dept's views have been received.

WINANT

740.00119 E.W./6–645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, June 6, 1945—3 p. m.
[Received 6 : 10 p. m.]

126. Key informs me second meeting ACC was held last night. He brought up question of changes in procedure necessitated by post hostilities phase and on request of Voroshilov for suggestions spoke in sense of three general points made in Deptel 57 of May 28. Chairman asked Edgcumbe whether he had suggestions to submit and Brit Rep endorsed Key's general statement. Voroshilov had previously recd Key's letter of June 4 [60] calling in general terms for consideration of question of changes in procedure for post hostilities phase and said

[58] Same as telegram 1168, May 28, to Moscow; see bracketed note, p. 821.
[59] British Deputy Under Secretary of State for Foreign Affairs, Superintending Under Secretary of the Southern Department of the British Foreign Office.
[60] Not printed.

matter had been submitted to Moscow. Russians gave no indication of being informed as to our Embassy's representation at Moscow.

Key, who leaves for Washington tomorrow, is bringing with him draft of proposed new statutes for ACC [61] with full report of yesterday's meeting,[62] also including discussion of reparations. On this point chairman stated at meeting that Russian Hungarian reparations agreement was practically completed and would be communicated to other Reps upon signature which remains outstanding.

Chairman intimated Czechs and Yugoslavs would be expected to conclude their reparations agreement with Hungary under auspices ACC.

Answering Key's inquiry under what provisions of armistice agreement Tungsram and other American owned plants had been dismantled and removed Russians denied they were taken as reparations but were evasive as to whether they were considered war booty or military supplies, suggesting finally they might become American claims under article 13 of Armistice.

Sent Dept repeated to Moscow as 12.

SCHOENFELD

SWNCC [63] FILE: SWNCC 151 Series, 091 Hungary

Report by the Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) [64]

6 June, 1945.

Subject: Progress Report on Fulfillment of Armistice Agreement with Hungary.[65]

To: Chief of Staff, for Joint Chiefs of Staff and OPD.

This report is based on information furnished by the Chairman of the Allied Control Commission at a meeting of the Commission held in Budapest on Tuesday, 5 June 1945.[66]

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[61] For the text of General Key's Draft of Statutes of the Allied Control Commission in Hungary, see *Conference of Berlin (Potsdam)*, vol. I, p. 375. For a summary of the Draft Statutes, see telegram 1391, June 23, 3 p. m. to Moscow, p. 832.

[62] Report by the Chief of the United States Military Representation on the Allied Control Commission for Hungary, 6 June 1945, *infra*.

[63] State-War-Navy Coordinating Committee.

[64] The Report was referred to the State-War-Navy Coordinating Committee for study and recommendation as Appendix B to document SWNCC 151/D, dated June 18, 1945. The Report accompanied General Key's Draft of Statutes of the Allied Control Commission in Hungary and his Comments on the Proposed Statutes, both dated June 5, which were included as Appendix A, and Annex A to Appendix A, respectively, to document SWNCC 151/D. For text of the Draft Statutes and the Comments, see *Conference of Berlin (Potsdam)*, vol. I, pp. 375–380. For a summary of the Draft Statutes, see telegram 1391, June 23, 3 p. m. to Moscow, p. 832.

[65] For text of the agreement concerning an armistice between the Soviet Union, the United States, and the United Kingdom on the one hand and Hungary on the other, signed in Moscow on January 20, 1945, see Department of State Executive Agreement Series No. 456, or 59 Stat. (pt. 2) 1321.

[66] This was the second meeting of the Allied Control Commission for Hungary.

Article 1.—Hungary supplied two full infantry divisions (First and Sixth), approximately 10,000 men each, and one incomplete division (Fifth), approximately 7,500 men; only the First Division saw any active service against German troops. In addition, 5,000 special troops for use as border guards have been organized; also approximately 500 men who are employed as guards on trains. It is estimated that the Hungarian Armed Forces do not exceed an aggregate strength of 35,000, approximately one-fourth of which has been organized and armed since the cessation of hostilities. Studies are now being made to determine the peace footing of the Hungarian Armed Forces. The U.S. and British representatives have been asked to submit recommendations on this subject.

Article 2.—The provisions of this article have been fulfilled.

Article 3.—The provisions of this article have been fulfilled.

Article 4.—This article has been practically fulfilled. It is reported that practically all prisoners of war, internees, displaced persons and refugees of Allied nations have been repatriated.

Article 5.—Provisions of this article have been fulfilled.

Article 6.—The Hungarian Government has issued a decree requiring that any property stolen or removed from Allied Territory be surrendered. Very little has been recovered and it is doubtful that any sizeable amount of stolen property will be located in Hungary; any heavy equipment, vehicles or historical treasures removed from adjoining countries was likely taken to Germany or destroyed by the retreating German army.

Article 7.—It is difficult to ascertain how much booty has been delivered to or taken by the Russians. The Chief of the ACC, upon direct questioning, stated at first that no booty had been taken except minor dumps of ammunition, food and military stores. Later, he admitted that the Tungsram Plant, about which considerable correspondence has been exchanged, was taken by the Soviet High Command as war booty. Upon further questioning as to whether any additional industrial plants or commodities had been taken, he stated that a few small war industries might have been taken; he would make further inquiry and furnish the information later.

Article 8.—The Hungarian Government has issued a decree in accordance with the provisions of this article, but little else has been accomplished.

Article 9.—No vessels belonging to the United Nations have been located in Hungary.

Article 10.—No Hungarian merchant vessels, except a few minor craft, have been located in Hungary. It is reported that the Germans sunk all vessels that could not be moved up the Danube out of Hungarian territory.

Article 11.—The Chairman of the ACC states that the provisions of this article have been fulfilled. Have been unable to obtain information as to the quantity of monies or commodities furnished by Hungary for the functions of the Soviet Command.

Article 12.—The Chairman of the Commission states that discussions with Rumanian authorities concerning the payment of reparations has been under way for several weeks and that the quantities, terms of delivery and prices have practically been agreed upon; there remains some small differences to iron out, but he expects the agreement to be signed very shortly. No action has been taken towards the payment of reparations to Czechoslovakia and Yugoslavia as required under this article.

(Note: a complete list of the indemnities formally demanded by Russia on 14 May 1945 was furnished the Chief of Staff in letter dated 19 May 1945; copies of the minutes of subsequent meetings between the Russian reparation group and the Hungarian Government, together with a copy of the proposed agreement, less annexes, have been obtained from other sources; from the same sources it is hoped to obtain the annexes to the agreement which contain the revised list of indemnities showing quantities, prices and dates of deliveries.)

Article 13.—Little has been accomplished under this article, but it is believed that the Hungarian Government will comply with its provisions where it is physically possible to do so. In reply to a question concerning the probable return of the Tungsram Plant under this article, the Chairman stated that the Hungarian Government would have to pay the American owners for their interest in the property; it had been determined, he stated, that the American interest was much less than had been represented. Asked if the Tungsram Plant was included in the list of reparations, he replied that it was not, that it was taken as war booty because it consisted primarily of war materials which were badly needed by the Soviet High Command. When attention was invited to his previous statement that no booty had been taken under Article 7 he evidenced embarrassment but admitted that this plant had been taken as booty, stating that it was taken by the Soviet High Command over which he, as Chairman of the ACC, had no control, and that information concerning it had been given by Moscow to the U.S. Ambassador.

(Note: The Chairman, ACC, was informed by letter on 6 April that American ownership in this plant was substantial and for that reason its removal was protested. A second letter was written on 17 April and delivered personally by General Key to Marshal Voroshilov; at that time the Marshal stated that he was unaware of American interests but that he would investigate the matter and write General Key in the next day or two. A third letter was written on 20

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May categorically requesting whether it was intended to continue removing the plant; whether it was being taken as reparations under Article 12; whether the Hungarian Government had agreed to its transfer as reparations; whether we may receive a copy of the agreement or directive concerning its removal; and whether we may be informed in advance of any subsequent removals under reparations in order that data may be submitted respecting any American interests therein. No reply to this letter has been received; incidentally, the Marshal departed on 21 April for Moscow, returning to Hungary on 29 May.)

Article 14.—Fulfillment of the provisions of this article has been slow; a great many of the war criminals escaped to Germany with the Szalasi [67] Government and its army. It is believed that the requirements of this article will ultimately be met.

Article 15.—The provisions of this article are being met.

Article 16.—The requirements of this article are being fulfilled. The Chairman, ACC, states that "normal relations" would likely be restored with outside nations in the near future. When asked if it was meant that a peace treaty would be completed with Hungary, the reply was evasive but it indicated that diplomatic relations would shortly be reestablished.

Article 17.—Civil administration has been restored throughout Hungary except in a few districts west of the Danube; these will shortly be turned back to the civil authorities.

Article 18.—This article was the subject of much discussion at the meeting on 5 June. The Chairman read a letter [68] from General Key suggesting that the Chairman express his views on necessary changes in the Statutes governing the organization and operation of the Commission during the second period of the Armistice Agreement. He asked that General Key present his views, which were stated as follows:

"It is felt that during the second period the Commission should function upon a tripartite basis, with active participation by the U.S. and British representatives. To accomplish that, three specific proposals are submitted, as follows:

(1) That the three governments should be represented on the divisions and sections of the ACC.

(2) That the U. S. and British representatives would have equal status with the Soviet representative, except that the latter would continue as Chairman but that the U. S. and British representatives would be Vice Chairmen, and that the Commission should operate under standing instructions of the three Allied Governments.

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[67] Ferenc Szalasi, Prime Minister (later "National Leader") of the German puppet government of Hungary from October 15, 1944. Captured by the American Army in Austria in May 1945.

[68] Letter of June 4 from Key to Voroshilov, not printed.

(3) That all decisions and actions of the Commission should have the concurrence of the three principal representatives."

When the British representative was asked to express his views he stated briefly that he concurred fully in the proposals of the U. S. representative and felt that his Government would support him.

The Chairman stated that he did not participate in the formulation of the Statutes governing the first period but that Ambassador-Designate Pushkin, who was present, did participate and that he would ask Mr. Pushkin to comment on the proposals. Mr. Pushkin discussed the matter some length;[69] the conclusions were that some changes in the Statutes were contemplated but that the U. S. proposals were more far-reaching than the suggestions made by the U. S. Ambassador during the discussions preceding the signing of the Armistice. The Chairman stated that he was without authority to agree to the proposals as they should be considered by higher diplomatic authority. Asked if he would present them to his Government, he stated that they had already done so following the receipt of General Key's letter.

Article 19.—The provisions of this article have been fulfilled.

WILLIAM S. KEY
Major General, U. S. Army
Chief

740.00119 E.W./6-1145 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 11, 1945—7 p. m.
[Received 7:40 p. m.]

5898. Your 4239, May 28,[70] and my 5631, June 4. We have now received a letter dated June 9 from the FO regarding implementation of article XVIII of Hungarian Armistice Agreement.

This letter states that the British are "certainly in agreement" with the State Dept in regarding the position of the American and Dept representative upon the commission as unsatisfactory. According to

[69] According to the American minutes of the Second Meeting of the Allied Control Commission for Hungary, Pushkin commented as follows:

"I took part in the preliminary conference regarding the Agreement. The final Agreement was made between Mr. Molotov and the other representatives in Moscow. Paragraph 18 was taken from the Agreement between Bulgaria and the Allies. In partial explanation, I might say that the statutes were accepted for Hungary but that there were no statutes for Bulgaria, Rumania, and Finland governing the A.C.C. The statutes for Hungary were, therefore, a novel proposition as to the A.C.C.'s. Paragraph 18 was discussed in Moscow but the representatives found so many difficulties it was agreed that the statutes would only be decided upon for the first period and that the agreement as to the statutes of the 2d period would be discussed later." (Budapest Legation Files: 711.9 Allied Control Commission)

[70] Same as telegram 1168 to Moscow; see bracketed note, p. 821.

the letter, the Brit have been considering both this matter and the wider question of "our" future relations with the Balkan countries now under the armistice regimes, and they have come to the conclusion that negotiations for the improvement of the status of "our" representatives in these countries "might not offer the best prospect of attaining the objects which we have in common with the United States Govt". The letter continues that the Brit have felt that the most satisfactory course might be to work for the early conclusion of peace treaties with the countries in question, and that the Embassy in Washington had already been instructed to put this suggestion before the State Dept. The letter states that the FO hopes shortly to know the State Depts views on Brit proposals and, if they are favorable, the Brit will then put them to the Soviet Govt.

In the concluding paragraph the letter says that if the Dept agrees to the British proposals and it appeared that the peace treaties could in fact be negotiated within a reasonably short period, it might not be necessary to embark on simultaneous negotiations for the improvement of the status of "our" representatives in Hungary.

Sir Orme Sargent, who signed the letter, in the final sentence added that he hoped that it would not be inconvenient if the FO awaited the view of the Dept upon the proposals made by the Brit in Washington before giving detailed considerations to those contained in the letter which transmitted the views of the Dept as contained in the latter's telegram of May 28 under reference.

Sent to Dept as 5898 rptd to Moscow as 195.

WINANT

864.00/6–1645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, June 16, 1945—7 p. m.
[Received June 17—8 : 16 a. m.]

165. Auer Pal [71] has told us in confidence that in conversation with Erdei Min of Interior [72] he learned that proposed arrangements for administration of electoral laws would include prior certification of each voter for non-Fascist attitude, redivision of voting districts which would favor increased proportionate representation of labor parties and presentation of single natl slate of candidates nominated by polit-

[71] Dr. Paul (Pal) Auer, Chief, Foreign Department of the Hungarian Smallholders Party; became Hungarian Ambassador to France in 1946.

[72] Ferenc Erdei, Hungarian Minister of the Interior; member of the Managing Committee of the Hungarian National Peasant Party and leader of the Communist-oriented wing of that party.

ical parties. Auer as well as Zsedenyi [73] and others are well aware this would have probable result of bringing labor coalition to power.

Auer warns us that electoral law and its administrative provisions may come into effect as governmental decree and be rushed through in manner similar to land reform decree (re AmPolAds 1137 and 1140 [74] Squires 24 and 25 from Debrecen) with support or even by direction of chairman of ACC purporting to act for other members of Commission.

Foregoing and other recent reports lead me to point out that in present conditions it appears highly improbable that Hungarians themselves could design and create enduring constitutional and political structures without active cooperation of ACC. If such cooperation both in drafting electoral law and in supervising ensuing election is not forthcoming a situation menacing stability of this country and having other bad effects seems inevitable.

It is perhaps premature to worry about particular form of electoral law to govern proposed election here but it is not too early to give attention to manner in which any such law would now be administered. Min of Interior would have nominal administrative authority while ostensible reps of ACC in the person of some 20 Russian officers admitted by Voroshilov already to be in the provinces would have their share in steering election.

I respectfully recommend therefore that we take early opportunity to make it clear to Soviet Govt that US cannot view with indifference institution of electoral law which will set political pattern of Hungarian State and determine future welfare of Hungarian people without thorough consultation and harmonious cooperation among the Allies. If we are not to have our full tripartite responsibility in ACC we should certainly not accept result of its intervention in working out Hungarian electoral law or in supervising election. In that case we must be prepared for indefinite delay in real stabilization of this country which is I presume an American interest in this part of Europe.[75]

SCHOENFELD

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[73] Bela Zsedenyi, President of the Hungarian Provisional National Assembly.

[74] Neither printed.

[75] In telegram 172, June 18, 6 p. m., Minister Schoenfeld reported having learned from Auer that Minister of Interior Erdei was well advanced in drafting the proposed electoral decree which would be promulgated with little more than a directive of the Soviet member of the ACC. Schoenfeld concluded:

"I urge that Dept take steps to prevent precipitate or routine treatment of so vital a matter on part of Soviet member ACC by insisting at Moscow upon need for careful consideration and tripartite action of both with regard to terms of electoral legislation here and supervision of coming election." (864.00/-6-1845)

740.00119 Control (Hungary)/6–1945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, June 19, 1945—5 p. m.
[Received June 19—3 : 55 p. m.]

176. Depts 84, June 8.[76] I gather from my British colleague that he and his Govt favor early conclusion of peace with Hungary [77] on theory that there is no hope of securing equality for British (and American) representatives on ACC and consequently that the longer present condition continues, the more seriously British prestige here is impaired. I infer from cursory reading of some correspondence with his Govt which he has shown me in confidence that British have abandoned hope of securing Soviet cooperation in broadening basis of ACC activity.[78]

British seem to feel that conclusion of peace and attendant withdrawal of Soviet troops from Hungary would weaken Communist influence in Hungary and give other constructive forces free play.

Gascoigne has been instructed to send his Govt statement of his ideas regarding points to be included in peace treaty and he has done so. I told Gascoigne it appeared to me we were somewhat divergent in our view of immediate issue. I said I felt we should endeavor to broaden scope of our participation in ACC whose activities without [*with our?*] full participation would tend to stabilize situation in this country and redound to our advantage in long run whereas early conclusion of peace regardless of restrictions imposed on Hungary by peace treaty would fail to stabilize country since it is not yet mentally, morally, economically or politically prepared to take effective part in European reconstruction. I added I believe Hungary should remain under Allied control at least until representative Govt can be established here.

In absence of information from Dept regarding reaction to representations made by British Embassy at Washington on these matters, I have explained to Gascoigne that above expression of my views is personal only.

SCHOENFELD

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[76] Not printed; it transmitted a paraphrase of President Truman's message of June 7 to Generalissimo Stalin regarding the establishment of diplomatic relations with Finland, Rumania, Bulgaria, and Hungary (711.60D/6–845). For text of President Truman's message, see telegram 54, June 2, to Prime Minister Churchill, vol. v, p. 550, and footnote 97.

[77] For documentation regarding the consideration, immediately prior to the Tripartite Conference of Berlin (July 17–August 2, 1945), of the question of the conclusion of a peace treaty with Hungary, see *Conference of Berlin (Potsdam)*, vol. I, pp. 358–413, *passim*.

[78] See telegram 5517, July 6, 1945, to London and 7075, July 13, 1945, from London, *ibid.*, vol. I, pp. 399 and 408, respectively, regarding United States and British views on the possibility of achieving a reorganization of the Allied Control Commissions for Bulgaria, Hungary, and Rumania.

740.00119 Control (Hungary)/6–1945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, June 19, 1945—8 p. m.
[Received 9:20 p. m.]

177. Mytel No. 75, May 26 and my A–25, June 8, 1945.[79] Foreign Minister told me today that he was hopeful ACC would very soon authorize Hungarian Govt to establish unofficial Hungarian representation not only in Washington but also in other capitals including those of neighboring states. He intimated his belief that Soviet Govt for reasons of prestige desired to have Hungarian representation established at Moscow before any representatives were sent to other countries. He solicited our assistance, presumably in ACC, to expedite authorization requested by Hungarian Govt which is particularly anxious to establish representation in Washington to deal with welfare cases.

SCHOENFELD

864.515/6–1945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, June 19, 1945—10 p. m.
[Received June 20—3:40 p. m.]

183. My telegram 167, June 16.[80] Minister of Foreign Affairs today handed me a memorandum dated June 18 of which Foreign Office translation follows. [See also mytel] 151, June 14.[81]

"The contents of the annotation number 5/M.K.–RES. 1945, transmitted through ACC to the United States Mission the 8th June may be once more resumed and [completed] by the personal experience of one officer of this Ministry who has recently returned from Germany.

A part of the Hungarian gold reserve, i.e. about 35000 kilograms of gold and other valuables are immured in the cellar of the church in Spital am Phyrn; this village is situated about 18 kilometers northeast of Liezen, a town in the valley of the River Enns, Austria. In this cellar are also stored foodstuffs and gasoline guarded by 25 military

[79] For text of airgram A–25, June 8, from Budapest, see footnote 57, p. 821.

[80] Not printed; it reported that Prime Minister Miklos had called at the United States Mission to say that he had further information regarding the presence of a portion of the Hungarian gold reserve and other valuables in American-occupied Austria (864.515/6–1645).

[81] Not printed; it asked the Department to see telegram Z–131, June 9, from the United States Military Representation on the Allied Control Commission to the War Department, in which Colonel Townsend reported that Lt. Gen. Levushkin had sent for him on June 8 and delivered on behalf of the Hungarian Prime Minister a note, dated June 8 and designated 5/M.K.res.–1945, regarding a portion of the Hungarian gold reserve alleged to be immured in Austria. The details presented in the Hungarian Prime Minister's note were essentially those set forth below. (Budapest Legation File: 711.9 Gold Reserve)

policemen of the Szalasi Regime. In the village of Selzchen, situated about 12 kilometers from the above mentioned Spital am Phyrn are stored some 100 automobiles guarded by a Hungarian fugitive battalion.

In the environs of Salzburg, troops of the United States Army seized, according to special reports of correspondents of the *New York Times* and the Reuter Agency,[82] 50 wagons loaded with gold stores, valuables, unique works of art, as well as Hungarian historic relics.

The Hungarian Govt beseeched the competent intervention of the United States Mission in order that the above mentioned valuables be taken under custody and delivered to the Hungarian Govt.

According to personal experience of an officer of this Ministry who arrived at Budapest the 15th June everywhere on German territory occupied by the United States Army lot of goods are seen which had been dragged away from Hungary by the Nazi, viz. a great part of Hungarian rolling material, of Hungary's stock of cattle, of trucks and of factory armaments displaced by the Nazis.

The Hungarian Government has no doubt the Govt of the United States America will put the above mentioned valuables again at its disposal due to the benevolence of the United States America towards the democratic Hungary.

As there are many Fascists among those Hungarians who at the present time are sojourning in the occupation zone of the United States Army it seems to be necessary that the Hungarian Govt send out several committees in order to examine the persons and valuables on the place."

SCHOENFELD

740.00119 Control (Hungary)/6–2345: Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, June 23, 1945—3 p. m.

1391. Dept's 1168, May 28.[83] In connection with your discussion of organization and activities of ACC in Hungary during second period of Armistice you may wish to consider desirability of proposing for inclusion in statutes following points which are based on draft prepared by General Key[84] and on which Dept would like to have your comments.[85]

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[82] News agency.

[83] See bracketed note, p. 821.

[84] The text of the Draft Statutes of the Allied Control Commission in Hungary, dated June 5, 1945, and the Comments on the Proposed Statutes Allied Control Commission for Hungary, dated June 5, 1945, both prepared by Maj. Gen. Key, were transmitted to Moscow as enclosures to instruction 659 of June 21. For texts of these documents, see *Conference of Berlin (Potsdam)*, vol. I, pp. 375 and 377, respectively.

[85] Telegram 2354, June 30, midnight from Moscow, *ibid.*, p. 399, commented that it could not be regarded as probable that the Russians would accept the proposed American revisions in the Control Commission statutes unless some form of pressure were brought to bear upon them. These comments from Moscow were in turn commented upon in telegram 258, July 6, 4 p. m. from Budapest, sent to Moscow as Budapest's telegram 21, *ibid.*, p. 400.

1. Functions of ACC would be limited to regulation and control of fulfillment of armistice terms, as stated in article 1 of present statutes.

2. Composition of ACC: chairman would represent Soviet Govt and Soviet Military Command in Hungary; two vice-chairmen would be chiefs of Brit and American Military Missions; third vice-chairman, such political and military assistants as may be required, and Chief of Staff of Commission would be appointed by chairman. Representatives of three powers should be included on several divisions of Control Commission. Liaison section should be provided to assure effective channel of communications between members of Commission and with Hungarian authorities.

3. There should be periodic meetings of Commission and agenda should be submitted to principal representatives of participating powers specified period in advance of meetings.

4. Action to be taken by Commission shall have been agreed upon unanimously by three Allied representatives; questions of important political nature which can be dealt with only on governmental level shall be referred to respective governments.

5. Specific provisions which should be included:

(*a*) Principal representatives of three powers will receive oral and written information, including copies of official communications, on all activities of Commission.

(*b*) They and their staffs may enter, move freely within, and leave Hungarian territory, communicate direct with their respective governments by usual methods of diplomatic communication including, after previous notification to chairman, dispatch and receipt of diplomatic couriers by air or otherwise and transport by any means of personnel, mail and supplies to and from Hungary.

(*c*) They may determine size and composition of their delegations and amount of funds required from Hungarian Govt for expenses of their respective staffs.

(*d*) They may call in specialist-officers or other experts in connection with special questions.

Dept prefers that if possible negotiations to revise ACC statutes along lines of foregoing points take place at Moscow. However, should it be decided to limit the discussion there to the broad principles included in Dept's 1168 with provision for working out procedural details at Budapest, General Key will be so informed in order that he may discuss latter with Brit and Soviet members of Commission on his return to Hungary.

Dept is forwarding by courier for your and General Deane's background information copy of General Key's original draft and comments.

Sent to Moscow, repeated to London and Budapest.[86]

GREW

[86] Repeated to London as telegram 5066 and to Budapest as 124.

740.00119 Control (Hungary)/7-1345: Telegram

The Acting Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, July 13, 1945—7 p. m.

185. Dept is in general agreement with your view that three principalAllied Govts should concert their policies under Crimea Declaration to assure to Hungarian people exercise of their right to create democratic institutions of their own choice, and that joint action may be called for in connection with forthcoming elections in Hungary (urtels 165 June 16, 172 June 18, 211 June 25 [87]). We would not however press for actual supervision of elections by Allied representatives unless it should become apparent that Hungarian authorities intend to conduct them in way which will not allow the people a free choice.

Application of Crimea Declaration in ex-satellite states is on US agenda for forthcoming meeting of heads of Govts,[88] and it is planned that Soviet and Brit Govts will be apprised of our general views on Hungary at that time.

Before that meeting Dept does not believe it advisable to make specific proposal regarding Hungarian elections to Soviet and Brit Govts through regular diplomatic channels.

GREW

740.00119 Control (Hungary)/7-1345: Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, July 13, 1945—11 p. m.
[Received July 14—6:18 a. m.]

286. Following is a translation of note No. 428 dated July 11 from Marshal Voroshilov to General Key:

"The Soviet Government, due to the changes brought about by the cessation of hostilities with Germany, finds it necessary to establish the following order of procedure for the Allied Control Commission for Hungary:

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[87] Telegram 165, June 16, 7 p. m. from Budapest, is printed on p. 828. Telegram 172, June 18, 6 p. m., from Budapest is not printed, but for a summary and extract, see footnote 75, p. 829; telegram 211, June 25 from Budapest recommended that persistent efforts be made in Moscow to secure greater American participation in the Allied Control Commission; for text, see *Conference of Berlin (Potsdam)*, vol. I, p. 387.

[88] For the records of the discussions at the Tripartite Conference of Berlin, July 17–August 2, 1945, regarding the application of the Crimea (Yalta) Declaration on Liberated Europe, see *ibid.*, vol. II, p. 1643, entries in Index under "Yalta agreements and discussions: Declaration on Liberated Europe, implementation of".

1. During the period prior to the conclusion of peace with Hungary, the chairman (or acting chairman) of the Allied Control Commission will call regular meetings of the American and British representatives, for the discussion of the most important questions relating to the work of the Allied Control Commission.

These meetings are to be called once every 10 days, or more often if occasion requires.

The directives of Allied Control Commission pertaining to the principal questions discussed will be given to the Hungarian authorities by the Chairman of Allied Control Commission, after an agreement on these directives has been reached with the American and British representatives on the Allied Control Commission.

2. The British and Americans on the Allied Control Commission will participate in the conferences of the heads of departments, or their delegates called together by the chairman of ACC, which meetings will be held regularly: And they will also participate, personally or through their representatives, on proper occasions, in the mixed commissions established by the chairman of ACC on questions relating to the fulfillment of the functions of the ACC.

3. The British and American representatives are allowed free movement through the country, but they should, however, inform the ACC in advance about the time and route of the contemplated trip.

4. All questions pertaining to clearances of incoming and outgoing collaborators of the British and American Missions in Hungary will be passed upon by the chairman of the Allied Control Commission in Budapest, on the spot, for a period not exceeding one week.

5. Clearances for British and American incoming and outgoing planes, mail, cargoes and couriers of the diplomatic mission shall be carried out in accordance with the terms of the ACC and in special cases by preliminary consultation with the chairman of the Allied Control Commission.

In addition to the above, I beg to advise that all of the other paragraphs of the existing statues for the Allied Control Commission for Hungary approved January 20, 1945 will remain in force in the future".[89]

Sent to Department, repeated to Moscow 24 and London 5.

SCHOENFELD

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[89] Telegram 34, July 16, to Babelsberg (location of the American delegation to the Tripartite Conference of Berlin, July 17–August 2) stated that Marshal Voroshilov's note met the main points of the Department's proposals and offered a real basis for agreement for a reorganized Allied Control Commission; for text of telegram, see *Conference of Berlin* (*Potsdam*), vol. II, p. 687. Telegram 197, July 17, to Budapest, *ibid.*, p. 692, reiterated that the Department regarded the Soviet proposals as a good basis for tripartite discussion. Telegram Victory 324, July 25, from the Secretary of State at Babelsberg to Budapest, *ibid.*, p. 716, stated that the question of revision of the Control Commission procedures in Rumania, Bulgaria, and Hungary was under discussion at the Tripartite Berlin Conference. For the record of the discussions of the Tripartite Conference of Berlin regarding the revision of the procedures of the Allied Control Commission for Hungary, see *ibid.*, pp. 150–155, 228–230, 241, 245, 260, 324, 394, 418, 524–525, 537, 540, 554–556, 564, 566, 575, 582, 593, 604–605.

740.00116 EW/7-1645 : Telegram

The Acting Secretary of State to the United States Political Adviser for Germany (Murphy), at Hoechst

WASHINGTON, July 16, 1945—5 p. m.

121. Urtel 51 June 26.[90] The following general provisions which are substantially the same as those approved by CCS [91] (see Facs [92] 259) as applicable in the case of persons suspected of war crimes in a country formerly occupied by Germany or in Italy, should in Dept's view apply in the case of all ex-satellite detainees; they should be delivered through respective ACC's to authorities of ex-satellite states on latter's request except (*a*) those wanted for trial by Allied military authorities; (*b*) those who held high political, civil or military position in ex-satellite countries and may be desired for trial before an international tribunal; (*c*) witnesses in (*a*) or (*b*) above; (*d*) those wanted by one or more nations in addition to the ex-satellite; and (*e*) those whose cases involve special political or other unusual considerations.[93]

Dept believes that the provisions of JCS 1349 [94] on United Nations renegades and quislings should also be applied to renegades and quislings whose delivery is requested by ex-satellite countries. In connection with (*e*) above and paragraph 5 of JCS 1349 you should consult American political representatives in countries concerned and

[90] Not printed; it asked the Department's views regarding the disposition to be made of Hungarian and other Axis satellite nationals, particularly diplomats and other political figures, found in areas occupied by United States troops (740.00119 Control (Germany)/6-2645).

[91] Combined Chiefs of Staff.

[92] Military message indicator.

[93] During June 1945, the Hungarian Government requested of the United States authorities the extradition of certain Hungarian nationals accused of war crimes. In a letter to Hungarian Prime Minister Miklos dated September 6, 1945, Major General Key stated that he was authorized to deliver the war criminals named by the Hungarian Government provided the following conditions were met: 1) any of the war criminals desired as a witness or defendant at the International War Crimes Tribunal would be returned by Hungary; 2) none of the war criminals would be executed by the Hungarian Government prior to the completion of trial of the major war criminals at Nuremberg; 3) the United States would have the right to receive a transcript of all proceedings of the Hungarian war crimes trials. In a letter to Major General Key dated September 10, 1945, Prime Minister Miklos agreed to these conditions. The first Hungarian war criminals to be turned over to the Hungarian Government by the United States authorities arrived in Budapest on October 3, 1945. They included three wartime Prime Ministers of the Hungarian Government: Ladislas Bardossy, Döme Sztojay, and Francis Szalasi. The first of the Hungarian war criminals to be tried by a Hungarian court, former Prime Minister Bardossy, was sentenced to death on November 3, 1945. After having been informed by United States authorities that Bardossy would not be needed at the international trials at Nuremberg, the Hungarian Government carried out the sentence on January 9, 1946.

[94] The paper under reference was approved by the State-War-Navy Coordinating Committee in the form of an enclosure to document SWNCC 42/1 of May 23, 1945; for text, see vol. III, p. 515.

report to Dept your recommendations and reasons therefor before final action is taken.

Ex-satellite detainees not included in any of the foregoing categories should be released after interrogation and assisted in so far as possible to return to their home countries if they wish to do so. The question of their remaining in American occupation zone or proceeding elsewhere than Hungary would be for the determination of the competent authorities.

Repeated to Budapest, Bucharest and Sofia.[95]

GREW

Budapest Legation File: 711.9 ACC: Telegram

The Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) to the War Department[96]

[BUDAPEST,] 18 July, 1945.

The first meeting of the ACC since the Soviets announced the new order of procedure was held last night. Although this change of procedure was not accepted as an agreement based upon my proposals at the meeting of the ACC on 5 June (my message Z–121 of 6 June[97]), this initial meeting indicates implementing the new plan in a cooperative spirit by the Russians.

At a conference of representatives of the Chiefs of the three Missions agenda was prepared and published prior to the conference. The principal subjects discussed were:

(*a*) The Hungarian Government's request for deportation of 200,000 Schwabians from Hungary (this matter is the subject of a separate radio which follows).[98]

(*b*) Discussed was the delivery of 557 Hungarian war criminals now in Allied hands or in Allied controlled areas. Former Premier Szalasi headed the list of names submitted by the Hungarian Government. Following a discussion it was decided to request the Hungarian Government to submit the names of approximately 40 of the most important war criminals in order that their return to Hungary may begin promptly. Final action on these two above subjects was

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[95] Repeated to Budapest as telegram 192, to Bucharest as 356, and to Sofia as 205.

[96] Copy of paraphrase sent by General Key to Schoenfeld on July 19. General Key's message was directed to General of the Army George C. Marshall, Chief of Staff, U. S. Army, for the Operations Division of the War Department and for the Joint Chiefs of Staff.

[97] Not printed; for General Key's report on the Allied Control Commission meeting of June 5, see p. 823.

[98] For documentation regarding the interest of the United States in the transfer of German populations from Poland, Czechoslovakia, Hungary, Rumania, and Austria, see vol. II, pp. 1227 ff. The German ethnic minority in Hungary were referred to as Swabians or Schwabians.

deferred until the three respective Governments submit their proposals and instructions.

(*c*) Reparations to be delivered under article XII of the Armistice Agreement. Marshal Voroshilov reported that the Hungarian Government had signed an agreement on 15 June for payment of $200,000,000.00 in goods and equipment during a 6-year period. The U. S. and British representatives will be furnished with a copy of the agreement and the list of commodities.[99] The Chairman stated that practically no payments have been made to date. He also stated that Czechoslovakia and Yugoslavia are negotiating directly with the Hungarian Government for payment of $100,000,000.00; 70% [*30%*] of this amount to Czechoslovakia and 30% [*70%*] to Yugoslavia.[1]

(*d*) Discussed was repatriation of displaced persons other than war criminals and prisoners of war; final discussion was postponed until next meeting of the ACC. Also discussed was the recent shipment of several thousand Hungarian repatriates by U. S. Army authorities from Liezen, Austria, without previous arrangements being made with the ACC or Russians (this is the subject of another radio which follows).

(*e*) The next meeting of the ACC was agreed to be held on 31 July and subsequently on the 10th, 20th and 30th of each month. Meetings of Chiefs of Divisions would also be held twice monthly, starting on 27 July. It was agreed that a conference between representatives of the Chiefs of each of the Missions would be held three days in advance of the ACC meeting and agenda prepared.

Complete minutes of the meeting follow by mail. Meeting was conducted in a cordial and cooperative atmosphere.

[KEY]

661.6431/7–1745 : Telegram

The Acting Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, July 23, 1945—6 p. m.

211. The question of general economic relations with regard countries of Eastern Europe including Hungary (urtel 298 July 17[2]

[99] A copy of the text of the Soviet-Hungarian reparation agreement was transmitted to the Department as enclosure to despatch 124, July 23, from Budapest, neither printed (740.00119 EW/7–2345). For a brief summary of the agreement of June 15, see Department of State *Bulletin*, September 1, 1946, p. 394.

[1] The percentages for reparations to Czechoslovakia and Yugoslavia appear to have been inadvertently reversed in this message. According to the American minutes of the Third Meeting of the Allied Control Commission, July 17, 1945, Marshal Voroshilov stated that he had been unofficially informed in Moscow that the Yugoslavs and Czechoslovaks had agreed to divide reparations from Hungary on the basis of 30 million to Czechoslovakia and 70 million to Yugoslavia. (Budapest Legation File: 711.9 ACC)

[2] Not printed; it reported that the Hungarian Minister of Industry had prepared a draft Soviet-Hungarian trade agreement for submission to the Soviet Government patterned after the recent Soviet-Rumanian trade agreement (661.6431/7–1745).

which has been repeated to Potsdam) has been submitted to the President for discussion at the meeting Big Three.[3]

As you know, this Government is opposed to exclusive and preferential economic arrangements between countries. The Dept. is interested in reestablishing trade relations on nondiscriminatory, most-favored-nation basis with countries of Eastern Europe as soon as internal economic and political conditions permit.

Initially as an interim measure prior to the removal of wartime trade controls it might be possible for some transactions to be arranged between Hungary and the U.S. on basis of exchange of goods. Please inform Dept. of commodities which Hungary might have available for export to countries other than Soviet Union.

Department is interested in receiving copy of proposed trade agreement and information concerning plans for trade meetings among countries of Eastern Europe.[4]

Repeated to Moscow as 1669.

GREW

[President Truman, British Prime Minister Churchill (and later British Prime Minister Attlee) and Generalissimo Stalin, with their advisers, met in conference at Berlin, July 17–August 2, 1945. Among the decisions taken at the conference, several had reference to Allied policies with regard to Hungary. The United States, British, and Soviet Governments charged the Council of Foreign Ministers with the task of preparing peace treaties for Bulgaria, Finland, Hungary, and Rumania. The three Governments agreed to examine the establishment of diplomatic relations with Finland, Rumania, Hungary, and Bulgaria and expressed the conviction that the Allied press would enjoy freedom to report developments in those countries. The three Governments also agreed that revision of procedures of the Allied Control Commissions for Rumania, Bulgaria, and Hungary would

[3] Department of State recommendations regarding United States and Soviet economic relationships in the countries of Eastern Europe, prepared for President Truman for his use at the Tripartite Conference of Berlin, were set forth in an undated Briefing Book Paper, *Conference of Berlin (Potsdam)*, vol. I, p. 420. Apparently there was no discussion of these problems during the Conference of Berlin.

[4] Telegram 1135, December 21, 1945, 4 p. m. from Budapest, summarized the status of Hungarian economic agreements with foreign countries; trade agreements had been concluded with the Soviet Union on August 27, Czechoslovakia on August 16, and Rumania on July 20; a tentative trade agreement was negotiated with Poland on October 4, and an unofficial trade agreement was concluded with Carpatho-Ukraine on July 25 (661.6431/12–2145).

be undertaken. Regarding these decisions, see the Report on the Tripartite Conference of Berlin, issued as a communiqué on August 2, 1945, and the Protocol of the Proceedings of the Conference, signed at Berlin on August 1, 1945, *Conference of Berlin (Potsdam)* volume II, pages 1499 and 1478, respectively. For references to the minutes and records of the meetings of the conference and other documentation contributing to these decisions, see *ibid.*, page 1621, entries in index under Hungary.]

740.00119 Control (Germany)/8–1145: Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 11, 1945—3 p. m.
[Received 4:20 p. m.]

410. 1. I have asked Key formally to request clearance for Offie [7] and Horn [8] on basis Department telegram 277, August 9 repeated to Moscow as 1774.[9]

2. Voroshilov and Pushkin are in Moscow and senior Soviet ACC official present states that his group has authority to "clear" only those Americans coming to Hungary for attachment to our military or diplomatic missions. All other applications including those for businessmen, relief officials and Congressmen should according to Soviets here be sent from Washington to Moscow and from Moscow to Budapest. When told that such procedure was cumbersome and involved delays and duplications the local Soviet officials admitted that it would be preferable if authority for making "clearances" were delegated to them. They are unwilling however to ask their superiors in Moscow to accord such blanket authority. They are reported to have felt that some decisions reached at Potsdam impinged upon this

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[7] Carmel Offie, Foreign Service Officer on the staff of Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater. Offie intended to visit Budapest in order to deal with various administrative matters between the American Mission in Hungary and the Office of the Political Adviser.

[8] A member of Offie's party.

[9] Not printed; it gave instructions to ask Major General Key formally to request clearance for Offie and Horn and to point out that the United States Government felt that clearance for its employees having official business at the American Mission in Budapest was properly a subject for the Allied Control Commission rather than for submission to the Soviet Government by the American Embassy in Moscow (740.00119 Control (Hungary)/8–345).

matter but they were unable to reveal such new instructions as might have been received until return of Marshal Voroshilov to Budapest.

3. Unnumbered Department telegram August 7, 8 p. m. repeated Moscow [10] apparently crossed with my telegram 337 [*377*] August 6.[11] I should now like to point out that: (*a*) It is apparently agreed by everyone concerned except perhaps Soviet authorities in Moscow that authorization for clearing American travelers to Hungary should be vested in the ACC at Budapest. (*b*) Such authority will be delegated only when Embassy at Moscow on basis of specific instructions from Department makes formal request to Soviet Foreign Office. (*c*) Point has now been reached where no further action can be taken at Budapest on cases of Congressmen (Department telegrams 270 August 7 [12] and circular July 20, 8 a. m.[13]) and businessmen. Date Voroshilov's return unknown, but it is not believed that if he were here he would agree to initiation new procedure except on basis instructions originating in Moscow.

4. I have to date sent Key more than 30 clearance applications for the various Congressional groups as well as for businessmen and relief officials whose presence here is vital to the investigation and proper control of affairs of their organizations. I now request Department instruct Embassy Moscow to obtain blanket authority for ACC Budapest to act on all pending cases and applications which may be received in the future. Only in event such blanket authorization could not be obtained promptly, Department might wish to expedite travel of businessmen now waiting in Italy, and to complete plans for travel of Congressional parties, by securing individual clearances for present backlog of applications. If such action is necessary it does not prejudice Embassy's contention that in "second period" clearance applications should not be submitted through Moscow.

Sent Department repeated Moscow as 50, Caserta as 80.

SCHOENFELD

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[10] Presumably, reference is to telegram 276, August 7 to Budapest, in which the Department of State directed that General Key be asked to discuss with Voroshilov at the earliest opportunity the question of entry into Hungary of American citizens having bona fide interests there (740.00119 Control (Hungary)/7-3145).

[11] Not printed.

[12] Repeat to Budapest of telegram 1753, August 6 to Moscow, requesting information regarding the response of the Soviet Government to the proposed visit by Subcommittee Two of the House Foreign Affairs Committee to Bucharest, Budapest and Sofia (033.1161/8-645).

[13] Not printed; it stated that a Congressional group representing 11 committees was planning to visit a number of European countries (033.1100/7-2045).

734-362—68——54

740.00119 Control (Hungary)/8–1445

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State [14]

WASHINGTON, 14 August, 1945.

Subject: Proposed Statutes for Allied Control Commission for Hungary.

References: SWNCC 151/D [15]
SWNCC 151/1 [16]

The State-War-Navy Coordinating Committee has considered the proposed Statutes for the Allied Control Commission for Hungary recommended by the Chief of the U.S. Section, Allied Control Commission for Hungary. The Committee recommends the amendment of the proposed Statutes as redrafted in the form attached. As so amended, the Committee recommends that the Secretary of State endeavor to secure the adoption by the Soviet Union, the United Kingdom, and the United States of a Protocol embodying those Statutes, or so much thereof as may be possible.

The Joint Chiefs of Staff have no objections from a military point of view.

For the State-War-Navy Coordinating Committee:
JAMES CLEMENT DUNN
Chairman

[Enclosure]

DRAFT OF STATUTES OF THE ALLIED CONTROL COMMISSION IN HUNGARY [17]

(NOTE: By this draft it is intended to prescribe the organization and procedure of the Commission during the second period of the

[14] Approved by the State-War-Navy Coordinating Committee by informal action on August 17, 1945.

[15] Not printed as such. It contained the memorandum by the Assistant Secretary of War referring to the State-War-Navy Coordinating Committee's proposed Draft Statutes for the Allied Control Commission for Hungary prepared by Major General Key, June 5, 1945. For the text of these Draft Statutes, see *Conference of Berlin (Potsdam)*, vol. I, pp. 375 and 377.

[16] Not printed as such. It contained the Report by the State-War-Navy Coordinating Subcommittee for Europe regarding the proposed Statutes for the Allied Control Commission for Hungary together with a memorandum from the Joint Chiefs of Staff to the State-War-Navy Coordinating Committee approving the Report of the SWNCC Subcommittee for Europe from a military point of view. For the texts of the Joint Chiefs of Staff memorandum and the report by the State-War-Navy Coordinating Subcommittee for Europe, see *ibid.*, vol. II, pp. 703–707. SWNCC 151/1 was approved by the War and Navy Departments during the Conference of Berlin, but the State Department withheld approval at that time because the matter was under negotiation at the Conference. For the record of the discussions at the Potsdam Conference regarding this matter, see *ibid.*, p. 1621, entries in index under "Hungary: Allied Control Commission, revision of procedure with regard to status of British and U. S. representatives". The State Department approved SWNCC 151/1 on August 15.

[17] Transmitted to Budapest in telegram 306, August 16. Schoenfeld sent the text of the Proposed Statutes to Major General Key under cover of a letter of August 21, not printed. Major General Key delivered the Proposed Statutes to Marshal Voroshilov under cover of a letter dated August 22.

Armistice, i.e., from the end of hostilities against Germany, May 8th, to the conclusion of peace. In their present form the Statutes prescribe the organization and procedure, in certain respects, only for the first period of the Armistice, i.e., from the date of the Armistice Agreement, January 20th, to the end of hostilities against Germany. Consequently certain old provisions, applicable only to the first period, may now be omitted, and certain new provisions are required. So far as feasible the form and terminology of the present Statutes have been retained.)

1. The functions of the Allied Control Commission in Hungary shall consist of the regulation and control, for the period up to the conclusion of peace, over the exact fulfillment of the Armistice terms set forth in the Agreement concluded on the 20th January 1945 between the Governments of the Soviet Union, the United Kingdom and the United States, on the one hand, and the Provisional National Government of Hungary on the other.

2. The Allied Control Commission shall be headed by a Chairman who shall be a representative of the Soviet Government and of the Soviet Military Command in Hungary. The Chiefs of the American and British Missions shall be Vice Chairmen of the Commission. The Chairman may also appoint a third Vice Chairman of the Commission and such political and military assistants as may be required, and a Chief of Staff of the Commission. Representatives of the United Kingdom and the United States will be included in the composition of the Control Commission and of each division thereof. The Allied Control Commission shall have its own seal and its headquarters shall be at Budapest.

3. The Allied Control Commission shall be composed of:

(*a*) A staff.
(*b*) A political division.
(*c*) An administrative division.
(*d*) A military division.
(*e*) An air force division.
(*f*) A river fleet division.
(*g*) An economic division.

The staff will include officers of the armed forces of all three participating governments and will have a liaison section. The duties of the liaison section will include receipt from and transmission to the Hungarian Government of all communications, reports, directives, or other documents relating to the fulfillment of the Armistice terms.

4. The Chairman shall call meetings of the Commission at least twice each month and shall cause agenda, which will include proposals of any of the principal representatives of the three participating governments, to be prepared for such meetings and delivered to

each of them at least two days in advance of the meeting for which prepared. In the absence of unanimous agreement of such principal representatives, only matters appearing on the agenda shall be considered at each meeting. Decisions of the Commission shall be made only upon the concurrence of the principal representative of each of the three participating governments.

5. Representatives of the Soviet Union, the United Kingdom and the United States shall have the right

(*a*) To receive oral and written information from any official of the Commission on all matters connected with the fulfillment of the Armistice Agreement;

(*b*) To receive promptly copies of all communications, reports and other documents which may interest their respective governments;

(*c*) To make journeys and move freely anywhere, and by any means of transportation, on Hungarian territory, with complete freedom of entrance from outside Hungary to any point within Hungary, and with complete freedom of exit from Hungary;

(*d*) To communicate with the Hungarian Government or any of its agencies, through the liaison section of the staff;

(*e*) To determine the size and composition of their own delegations;

(*f*) To communicate directly with their respective governments by cypher, telegram and by diplomatic mail, for which purpose they shall have the right to receive and dispatch diplomatic courier by air at regular intervals, upon notification to the Chairman;

(*g*) To determine the amount of money required from the Hungarian Government for the expenses of their respective staffs and to obtain such funds through the Commission;

(*h*) To transport personnel, mail and supplies to and from Hungary by airplane or by motor or other transportation, upon notification to the Chairman of the Allied Control Commission;

(*i*) To call in specialist-officers or other experts for consultation, for making surveys or for working out special questions which arise during the work of the Allied Control Commission.

6. The Allied Control Commission shall have its representatives in the provinces, districts, ports and at the most important enterprises for the organization of local control.

Budapest Legation Files: 711.9 ACC

The Chairman of the Allied Control Commission for Hungary (Voroshilov) to the Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key)

No. 614 [BUDAPEST,] 14 August, 1945.

DEAR GENERAL: The Berlin Conference brought a decision about the question concerning the revision of the procedure of the Allied Control Commissions in Roumania, Bulgaria and Hungary,[18] accord-

[18] See bracketed note, p. 839.

ing to which the Statute of ACC for Hungary was accepted as basis for the Allied Control Commissions in these countries.

In connection with this I have the honour to submit to you the new Statute of ACC in Hungary.

I remain, with great and permanent esteem to you,

K. VOROSHILOV

[Enclosure]

STATUTE OF THE ALLIED CONTROL COMMISSION FOR HUNGARY

1. It is the function of the Allied Control Commission for Hungary to regulate and control, during the period before the conclusion of peace, the exact fulfillment of the conditions of the Armistice contained in the Agreement concluded on 20th January 1945 between the Governments of the Soviet Union, the United States and the United Kingdom on one side, and the Provisional Hungarian Government on the other.

2. The Allied Control Commission shall be headed by a Chairman who shall be the representative of the Soviet Armed Forces. Under him will be a Deputy Chairman; a Political Adviser; two Assistants to the Chairman; and a Chief of Headquarters of the Commission.

The staff of the Allied Control Commission will also include representatives of the United Kingdom and the United States of America.

The Allied Control Commission will have its own seal.

The place of residence of the Allied Control Commission is the city of Budapest.

3. The staff of the Allied Control Commission will consist of:

a. Headquarters.
b. Political Department.
c. Administrative Department.
d. Military Department.
e. Military Air Force Department.
f. River Fleet Department.
g. Economic Department.

4. During the period until peace is concluded with Hungary, the Chairman (or Deputy Chairman ACC), will regularly convoke conferences with the British and American representatives to discuss the most important questions concerning the work of ACC. These conferences will be held once each ten days, and in case of necessity even oftener.

The directives of ACC pertaining to the principal questions discussed will be given to the Hungarian authorities by the Chairman of ACC, after an agreement on these directives has been reached with the American and English representatives on the ACC.

5. The British and American representatives on the ACC will participate in the conferences of the heads of Departments, or delegates of ACC called together by the Chairman of ACC, which meetings will be held regularly; and they will also participate, personally or through their representatives, on proper occasions, in the mixed commissions established by the Chairman of ACC on questions relating to the fulfillment of the functions of ACC.

6. During this period the representatives of the United Kingdom and the United States will have the following rights:

a. To receive oral or written information from Soviet officials on the Commission on any question connected with the fulfillment of the Armistice Agreement.

b. To submit for the consideration of the Commission propositions of their governments on any question connected with the fulfillment of the Armistice Agreement.

c. To receive copies of all information, reports and other documents which may be of interest to the governments of the United Kingdom and the United States.

d. The British and American representatives are authorized free movement anywhere in the country; they should, however, inform ACC in advance of the time and route of the journeys.

e. To participate in the general conferences or meetings of the Chiefs of Departments of the Commission.

f. To communicate with the organs of the Hungarian Government through the Chairman of the Commission, the Deputy of the Chairman, or the Chief of the corresponding department.

g. To determine the number and personnel of their own Representations. All questions connected with permission for entrance to or departure from Hungary of members of the British and American Representations in Hungary, will be determined by the Chairman ACC on the spot, within not later than a week's time.

h. To have direct communication with their corresponding governments by means of code telegrams and diplomatic pouch. The delivery and dispatch of post, cargo and diplomatic couriers of the British and American Representations ACC by means of planes will be accomplished according to the order and terms established by ACC, and, in particular cases, according to preliminary agreement with the Chairman ACC.

i. To determine the sums needed from the Hungarian Government for the expenses for their suitable personnel, and receive such funds through the Commission.

7. For the organization of local control the Allied Control Commission has delegates of the Commission in the provinces, districts, ports and the most important undertakings.

8. The Deputy of the Chairman and the Assistants of the Chairman of the Allied Control Commission, as well as the Chiefs of departments, have the right to draw, through the local Military Command, specialist-officers for consultation, effecting the inspection or elabora-

tion of special problems arising during the course of the work of the Allied Control Commission.

9. Liaison with the Hungarian Government organs should be established by the representatives of the Allied Control Commission not lower than through the Chief of department of the Commission, and the province, district and port, by the corresponding representatives of the Commission.

740.00119 Potsdam/8–1645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 16, 1945—4 p. m.
[Received August 16—2 : 05 p. m.]

427. My telegram 422, Aug 15.[19] In my conversation today with Foreign Minister I asked him outright what was basis for reports that President Truman's speech of Aug 9 [20] had been suppressed here as to that part which dealt with Hungary.[21] He told me Hungarian Govt's position in such matters was most difficult and that he had issued general directive to press not to publish statements which betrayed differences of view between the Allies. President Truman's statement that Hungary among other countries was not sphere of influence of any great power fell in this category of forbidden topics since passages in question were not published in Moscow.

I said to Gyöngyösi that action of Hungarian Govt in suppressing a formal statement of President of US would doubtless cause regrettable impression in Washington. He said he realized this but he again pointed to difficult situation of Hungarian Govt in such matters. He then suggested that now that full text of speech had been received through me and made available as it has been both to him and PriMin and local news bureau it might be possible to publish full text of speech including previously expurgated passages. He did not however promise as PriMin did previously that full text would be published.[22]

SCHOENFELD

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[19] Not printed; in it Schoenfeld reported that Prime Minister Miklos had stated that President Truman's speech of August 9 would be given the widest publicity in Hungary (740.00119 Potsdam/8–1445).

[20] For text of the report of President Truman to the Nation on the Berlin Conference, delivered by radio from the White House at 10 p. m. on August 9, see Department of State *Bulletin*, August 12, 1945, p. 208.

[21] Telegram 418, August 13, 5 p. m. from Budapest, reported that portions of President Truman's speech dealing with Hungary had been suppressed in the Hungarian press (740.00119 Potsdam/8–1345).

[22] Telegram 444, August 18, 1945, 5 p. m. from Budapest, reported that only one Hungarian newspaper had printed the full text of President Truman's speech (740.00119 Potsdam/8–1845).

740.00119 Control (Hungary)/8–1645: Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 16, 1945—6 p. m.
[Received August 17—12:51 p. m.]

428. In response to my query as to present status of suggestion made by us last June (my telegram 177, June 19) regarding Hungarian unofficial representation at Washington, Foreign Minister today told me Govt had not yet received reply from ACC (Allied Control Commission) to request for authorization to send representative to US. Gyöngyösi said that when he last discussed matter with Pushkin latter merely suggested that matter be deferred pending establishment of Hungarian representation at Moscow. Since Potsdam declaration and announced renewal diplomatic relations between USSR on one hand and Finland, Bulgaria and Rumania on the other,[23] Gynögyösi said there was hope here that full relations might be established between Hungary and Allied Powers.

I intimated that our original suggestion regarding unofficial representation at Washington has been made without prejudice to far-reaching issues involved in establishment of full diplomatic relations and I had no reason to believe our Govt's position in this respect had changed. Gyöngyösi thereupon alluded to possibility of early national election here preliminary to establishment of fully representative Govt, but I did not follow his lead in discussing this matter.

SCHOENFELD

864.00/8–1745: Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 17, 1945—5 p. m.
[Received August 18—2:55 p. m.]

433. Communist leader Rakosi [24] called on me today. He mentioned political importance of early return of Hungarian war criminals from American-occupied zones and then began more general discussion. He stated Communist Party at present is almost the only element of optimism and hope in this country's political life. Reason for this was fact that after years of ruthless repression party had the vigor

[23] The Soviet Union reestablished diplomatic relations with Finland and Rumania on August 6 and with Bulgaria on August 14.

[24] Matyas Rakosi, Secretary General of the Hungarian Communist Party.

of release to free activity. Moreover, its leaders including himself had had association with responsible and ruling party in Soviet Union which had given them sense of statesmanship and administrative responsibility. Leaders of other current parties in Hungary were bewildered by their new responsibilities after having been in nominal but hopeless opposition to ruling classes in this country for 25 years. It was paradox of situation now that Communist Party had to inspire other Hungarian political groups with its own optimism and vigor endeavoring to shake them out of their timid despondency.

Rakosi asserted that reactionary forces in this country were laying ground work for distrust of and disappointment in US by fostering impression that only salvation for Hungary lay in American help rather than in self help so that when it becomes apparent that US cannot meet exaggerated hopes corresponding anti-American feeling would develop here.

Rakosi himself, however, made plea for American assistance in providing trucks to help disastrous transport situation.

Rakosi said Communist Party alone among political groups here at present took realistic view of Hungary's future based on consciousness that this country lacks resources of a great power but has quite sufficient resources for modest national existence and should rather look to small states like Denmark and Norway as models of political and economic organization than aspire as visionary political leaders here commonly do to immediate adoption of American or British system which was product of centuries of democratic experience lacking here.

Rakosi frankly deplored absence of experienced and competent men for govt. I took occasion to mention my impression that one great difficulty here has been fact that ACC exercises authority here without responsibility while seeking to impose on Hungarian Govt responsibility without authority. Rakosi answered that govt could exercise much more authority than it does if it were competent and disposed to do so and that Soviet representatives particularly would welcome its doing so which would speed progress.

Rakosi mentioned extreme ignorance of Hungarian public as to events in outside world, which gave me opportunity to solicit his influence in expediting implementation of Potsdam declaration regarding entry of foreign newspaper men into this country adding that it was to be hoped flow of world news into Hungary could also be speedily resumed.

Rakosi with whom this was my first real talk impressed me as forceful and highly intelligent with advantage of knowing his own mind. His knowledge of English and contact with Anglo-American

Communists as well as acquaintance with Anglo-American press certainly make him one of the more enlightened Hungarian public men.

SCHOENFELD

740.00119 Control (Hungary)/8-1745: Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 17, 1945—6 p. m.

1852. Difficulties placed in the way of entrance of American citizens into ex-satellite countries, whether civilians having bona fide interests such as journalists, relief workers, Reps of American business interests etc (re Budapest's 43, 45 and 50 Aug 6, 8 and 11 [25]) or military and civilian officials not directly attached to our Missions or the American military missions (re Budapest's 39 Aug 3 [26]) are not in Depts view justified in the light of situation in Hungary and other ex-satellite states since end of hostilities in Europe.

This Govt feels most strongly that during second period of armistice in these countries ACC activities must be on a truly tripartite basis along lines envisaged at Potsdam and that local authorization for entry is quite properly one of ACC functions. This Govt does not believe that any one of the three countries represented on the ACC is justified in imposing onerous conditions involving a complicated procedure and consequent delays.

This Govt is most seriously concerned over the incident reported by Gen Key in his Z-400 regarding the virtual expulsion from Hungary by the Soviet representation on the ACC of three American army officers having official business with our Military Mission and sees no valid reason why requests of this nature for entry should not be granted without delay.

Please bring foregoing to attention of Soviet Govt and endeavor to obtain improvement of present unsatisfactory situation through immediate agreement of Soviet authorities to prompt local clearance by ACC's in Hungary, Rumania and Bulgaria of applications, including pending cases, for entry into those countries when presented by US

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[25] These are telegrams from Budapest which were repeated to Moscow. They are telegrams 377, August 6, and 393, August 8, not printed, and telegram 410, August 11, p. 840.

[26] Same as telegram 370, August 3, 1945 2 p. m. from Budapest, not printed; it reported that the Acting Chairman of the ACC had informed General Key that the permission for entry into Hungary of American diplomatic personnel not a part of the American Mission in Hungary must be the subject of discussions between the American Ambassador in Moscow and the Soviet Foreign Commissariat (740.00119 Control (Hungary)/8-345).

or UK Reps. It may be helpful in this connection that Voroshilov is reported to be in Moscow.[27]

Sent to Moscow; rptd Budapest, Bucharest, Sofia and Caserta.[28]

BYRNES

864.00/8-1745 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 17, 1945—8 p. m.
[Received August 19—8:35 a. m.]

436. Balogh informed us yesterday that Rakosi had called on the Prime Minister in the morning to discuss the election. It is reported from several other sources that Voroshilov had told Miklos and Zsedenyi that elections would have to be held in October stating that it was desirable to hold an election prior to a peace treaty so that ACC (Allied Control Commission) could insure orderly voting. Auer told us that Voroshilov also saw Gyöngyösi who reportedly told Voroshilov that an election so soon could be administratively impossible.

Foregoing suggests return to plan contemplated last June (my 172, June 1, 8 p. m.[29]) whereby electoral law might not even receive approval of Provisional National Assembly or come before the ACC (Allied Control Commission) for formal discussion.

Balogh pointedly asked us if American troops will be here in October implying that Prime Minister wishes to defer compliance with Voroshilov directive until American intentions as to Hungarian election could be ascertained. If only Russian forces should remain at election time non-Labor parties would wish postponement.

Today we learn from Balogh that Prime Minister has decided to accede to Voroshilov's desire for October election and govt will submit proposal early next week to chairman ACC (Allied Control Commission). Govts communication to Voroshilov may contain intimation that proposal should be of interest to other members ACC (Allied Control Commission) but can not of course be submitted by Govt officially to them under present procedure.

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[27] Telegram 460, August 22 from Budapest, reported that Voroshilov and General Key had held a conversation on the evening of August 21 during which Voroshilov agreed that the size of military and diplomatic missions in Budapest was not subject to Soviet control and that additional personnel could enter subject to established clearance procedures (740.00119 Control Hungary/8-2245). Telegram 519, August 31, from Budapest, reported that no clearance to enter Hungary for 11 American businessmen or American relief workers had been granted by the Soviet authorities (740.00119 Control Hungary/8-3145).

[28] Repeated to Budapest as 312, to Bucharest as 425, to Sofia as 257, and to Caserta as 751.

[29] See footnote 75, p. 829.

Balogh concluded facetiously "all we want from America is 1000 soldiers, 20 car loads of news print and 10 news paper correspondents".

It is assumed that instructions in your 185, July 13 are unchanged but Dept may now wish to instruct General Key to request that election question be placed on ACC (Allied Control Commission) agenda.

SCHOENFELD

864.00/8-2145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 21, 1945—5 p. m.
[Received August 22—1:20 p. m.]

454. Baron Ullman prominent local banker called on me today and stated he came at request of Secretary of State Balogh in Prime Minister's office and certain other representatives of Smallholders Party to inform me that local Communist Party has recently been given 600 million pengo for election purposes with promise of the same sum in September and again in October. Election would probably be held on last Sunday in October. He said he had been asked in light of these facts and the fact that Smallholders Party representing absolutely majority opinion in this country had no funds with which to conduct campaign whether United States Government would be prepared to finance Smallholders Party and thereby prevent Communists from "buying" coming election here.[30]

I told Ullman I was surprised by concept request betrayed of United States Government's interest in political developments here. Adding that I appreciated confidence shown in me by conveying this message and that I was interested in it as illustration of local political attitudes, I explained that Americans thought of democratic process as involving effort to overcome obstacles by necessary personal sacrifice. Since time of Magna Carta freedom had been won by vigorous assertion of popular rights and willingness to fight for them when necessary including the war just concluding. Democracy in this country would have to be secured by similar qualities of character on part of Hungarians while from international point of view interest of United States in development of free government here had been clearly ex-

[30] Telegram 467, August 22, 8 p. m. from Budapest, reported on a conversation between Schoenfeld and Zoltan Tildy, leader of the Smallholders Party (864.00/-8-2245). In the course of the conversation, Tildy asked whether any intervention on the part of the Western Powers could be anticipated to insure free elections in Hungary. Tildy said it was not expected that the Hungarian Government would take the initiative in asking for such intervention, for the Communist members of the Government would oppose any such action even though a majority of the Cabinet favored it.

pounded since Yalta declaration [31] and most recently in our government's statement on Bulgarian election.[32] Ullman intimated this theoretical point of view was well understood but it was a condition and not a theory which now confronted non-Communists here; condition involving possible establishment of Communist dictatorship in Hungary unless counter action was taken by United States. I answered that position of United States regarding free election in this and other European countries had been made so clear I could add nothing.

SCHOENFELD

Department of the Army Files [33]: Telegram

The Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) to the War Department

[BUDAPEST,] 22 August, 1945.

Z–441. Key to Marshall for OPD and JCS, info McNarney, Deane Moscow, ACC Bulgaria, ACC Rumania, ref nbr Z–441.

Subject is Hungarian elections. See my Z–409.[34]

The Prime Minister, through a personal aide, has informed me of his objection to the Russians demand for early general elections in Hungary. The Prime Minister feels that presence of large Russian forces and support by them of domineering, though small Communistic element, will make it impossible to conduct a free election at this time. He strongly urges me unofficially to inform my government of the situation and in his behalf to solicit its interest in the matter.

I am also solicited by Doctor Balogh, assistant to the Prime Minister, a member of the Hungarian Mission, which executed the armistice agreement in Moscow, to inform my government of the seriousness

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[31] For text of the Declaration on Liberated Europe, included as part V of the Report of the Crimea Conference, February 11, 1945, see *Conferences at Malta and Yalta*, pp. 968, 971.

[32] For statement by the Secretary of State regarding the postponement of national elections in Bulgaria, released to the press August 25, see Department of State *Bulletin*, August 26, 1945, p. 283. For documentation regarding the interest of the United States in the holding of free elections in Bulgaria, see *ante*, pp. 135 ff.

[33] War Department classified message number CM–IN–21728.

[34] Not printed; this telegram, dated August 17, 1945, from Major General Key to the War Department reported reliable information that Marshal Voroshilov was impatiently demanding that the Hungarian Prime Minister and President of the National Assembly issue a decree for holding general elections as soon as possible (Department of the Army Files).

of the situation. The pressure groups are demanding that election in Budapest be held in September, and in the country in October.

He states that it is impossible to make up a correct list of voters due to the displacement of people throughout the state and that proper election laws cannot be formulated, enacted and published in time for an early election.

He states that the Communistic party is receiving 600,000,000 pengos monthly, from outside sources and that they possess 150 automobiles as compared with 8 owned by membership of the Smallholders party. He strongly urges Allied supervision and estimates that 3,500 supervisors will be required to assure free elections. He stresses lack of funds makes it impossible for more conservative political parties to effectively combat extreme leftist parties.

This is forwarded for your information.

[KEY]

864.00/8-1745 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, August 23, 1945—4 p. m.

341. Reurtel 436 Aug. 17. Question of elections in Hungary is naturally of great interest to this Govt. Dept does not feel that ACC which is charged only with execution of Armistice terms should intervene at this time either collectively or through individual members. It is the Dept's view that such assistance as may be necessary in the establishment of a government responsive to the will of the Hungarian people should be the joint responsibility of the three principal Allied Govts acting after mutual consultation on governmental level in accordance with Crimea Declaration on Liberated Europe.

This Govt is ready, if requested by the Hungarian Govt or if it should have adequate reason to believe that free elections will not be held, to consult with the Brit and Soviet Govts on such measures as may be taken to ensure the discharge of the obligations it undertook at Yalta.

You may when occasion arises make the foregoing views known in an entirely informal manner to appropriate members of the Hungarian Govt and if you believe it desirable through Gen Key to the ACC. Dept does not believe that Gen Key should place matter on agenda for formal discussion by ACC.

BYRNES

Budapest Legation File: 711.9 ACC

The Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) to the United States Representative in Hungary (Schoenfeld)

BUDAPEST, 23 August 1945.

DEAR MR. MINISTER: This will acknowledge receipt of your letter of 21 August [36] inclosing the text of the proposed Statutes for the second period of the ACC's activities [37] as received from the Department of State and note that it is desired that "discussions should immediately be initiated by you for the revision of the Allied Control Commission's Statute and that you should press, insofar as possible, for the adoption of the points outlined in the inclosure."

As stated in the copy of message No. 305, dated 16 August,[38] which you discussed with me, these proposals are based upon the original draft [39] which I submitted to the War and State Departments in June. These proposals, in substance, were presented by me to the ACC at its regular meeting on 5 June. At that time I stated that since hostilities with Germany had ceased my Government expected a revision of the Statutes which had been agreed upon only for the period of hostilities. I wrote the Chairman on 4 June,[40] pointing out that the coming meeting would be the Commission's first gathering since the end of hostilities and consequently the first meeting during the second period of the Armistice with Hungary, I asked the Chairman to kindly indicate at the coming meeting his idea of the organization and procedure which he considers appropriate for the second period. In the same letter I offered to give my personal views regarding new Statutes to govern during the second period. At the meeting following the Marshal expressed some surprise at my letter and asked me to give my ideas. These ideas were, in substance, the same as those contained in my written proposals of 6 June which I personally delivered to the War and State Departments.

The directive which the Chairman issued on 11 July embodied some of the recommendations which I made, particularly the one in which the concurrence of the representatives of the three governments would be obtained before directives were issued to the Hungarian authori-

[36] Not printed.

[37] *Ante*, p. 842.

[38] Telegram 305, August 16. 1945, 2 p. m. to Budapest, not printed; it gave the text of section XI of the Protocol of the Proceedings of the Tripartite Conference of Berlin, regarding the revised ACC procedure in Rumania, Bulgaria, and Hungary, and referred to Annex I of the Protocol of the Proceedings which was Marshal Voroshilov's letter of July 11 to General Key. For text of the Protocol, see *Conference of Berlin (Potsdam)*, vol. II, p. 1478.

[39] For the original text of General Key's draft statutes of the Allied Control Commission for Hungary, see *ibid.*, vol. I, p. 375.

[40] General Key's letter of June 4 to Marshal Voroshilov is not printed.

ties. The Soviet directives limited this to important subjects, but even as modified has not been fully observed by them.

At last night's meeting I presented, or rather attempted to present, the proposals returned to me by the War and State Departments as the basis for a revision of the Statutes as agreed upon at the Potsdam Conference. The Chairman vehemently objected, stating that the procedure contained in his letter of 14 August was not a proposal for discussion but was the procedure agreed upon by the three governments at Potsdam. I pointed out that the text of the protocol agreed upon stated that "revision of the procedures of the ACC would now be undertaken . . .[41] and accepting as a basis . . . the Soviet Government's proposals for Hungary as annexed hereto." Despite this, the Chairman refused to consider them as proposals but insisted that they were the Statutes agreed upon and that any modification would have to be made by our governments. I stated for the record that my Government considered them only as proposals and would not accept them as the Statutes for the second period. I have wired the War Department a report on this matter.

It is regrettable that the proposals returned to me with your letter of 21 August were not accepted at Potsdam as a basis for revision instead of the Soviet proposals of 11 July. If we are required to operate under the Soviet directive and continue in the subordinate role which we have been forced to adopt here it will result in the impairment of our country's prestige and in the light of recent events will be personally distasteful to me.[42]

Very sincerely,

WILLIAM S. KEY
Major General, U. S. Army
Chief

864.00/8–2545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 25, 1945—3 p. m.
[Received 4:30 p. m.]

473. Referring to Voroshilov's vehement denial at ACC meeting on August 22 that he had proposed holding early election here.[43] De-

[41] Omissions indicated in the original letter.

[42] The contents of the last two paragraphs of this letter were summarized and partially quoted in telegram 471, August 23, 7 p. m. from Budapest (871.6363/8–2345).

[43] Telegram 468, August 23, 1945, 4 p. m. from Budapest, reported that General Key had informed Schoenfeld that at the meeting of the Allied Control Commission on August 22 he had inquired of Marshal Voroshilov as to the truth of reports that the Soviet authorities had urged the holding of early national elections in Hungary; Voroshilov vehemently denied the truth of these rumors and spoke excitedly for as much as 15 minutes on the subject after General Key had stated his acceptance of his colleague's assurances (740.00119 Control (Hungary)/8–2345).

partment will be interested to learn that Zsedenyi, President National Assembly, called on me yesterday and gave me full account of matter. He said Voroshilov had summoned him and PriMin August 15 and had stated national election must be held here by end of September. Zsedenyi had pointed out it was administratively impossible to hold election so soon but that it was intended at forthcoming session of National Assembly scheduled for September 5 to consider electoral legislation with view to preparing for election perhaps at end of year or in early spring. Zsedenyi explained to me he had not stated to Voroshilov his real thought which was that he desired election postponed until withdrawal of Soviet occupation forces and pending reduction of irresponsible power of political police which involved terrorism precluding normal political activity. His further thought, unexpressed to Voroshilov, was, he said, hope that ACC control might be "broadened", meaning increased Anglo-American influence in other work of ACC. Zsedenyi and Miklos, nevertheless, agreed to expedite preparation of electoral bill which was to come up for consideration at cabinet meeting early this week.

Meanwhile Zsedenyi said Erdei, Minister of Interior, had drafted proposed decree governing Budapest election with view to holding same in September and setting precedent for national election early in October. Zsednyi on examining proposed decree, pointed out to Cabinet not only that this important matter required legislative consideration in National Assembly but also that decree as drafted contemplated time elements which would, in any case, defer election date to November and was, therefore, inconsistent with Erdei's purpose to hold national election in October. Moreover, Smallholders Party, as reported in mytel 467, August 22,[44] objected to issuance of electoral decree and endorsed Zsedenyi's view that it must be matter for legislation. Consequently Cabinet meeting rejected Erdei's proposed decree (my telegram 468, August 23[44]). Following these developments Zsedenyi and Miklos saw Voroshilov and Pushkin again August 23 and Russians expressed disinterest in election matter.

Zsedenyi sought from me assurance that ACC control would be "broadened", especially in view of expected political effects of disastrous shortage of food and fuel next fall. I was able only to refer to your recent statements on Rumania and Bulgaria election questions[45] and to your recent reference to constructive effect of forth-

[44] Not printed.

[45] The Secretary of State discussed the problem of a Rumanian national election in the course of his press and radio news conference on Wednesday, August 22. The memorandum (No. 45) of this conference is not printed. For documentation regarding the interest of the United States in the establishment of a democratic government in Rumania, see vol. v, pp. 464 ff. For text of the Secretary of State's statement regarding the postponement of national elections in Bulgaria, released to the press on August 25, see Department of State *Bulletin*, August 26, 1945, p. 283.

734-362—68——55

coming arrival of American newspaper men here.[46] I expressed personal opinion that your omission thus far to make public reference to political situation in Hungary implied some degree of confidence in capacity of Hungarian political leaders to overcome their present difficulties and to prepare for orderly expression of public will in free election. I expressed appreciation of Zsedenyi's frank statement above outlined which fully explains Voroshilov's embarrassment when General Key brought up election matter at last meeting of ACC.

SCHOENFELD

864.00/8-2745 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 27, 1945—10 a. m.
[Received August 28—12:25 p. m.]

485. Deptel 341, Aug 23. It will be apparent to Dept from my recent reports that evidence is overwhelming that ACC (Allied Control Commission) has intervened through its chairman in question of election in Hungary, as it has done equally without consultation of American member ACC in other matters properly requiring such consultation. My telegram 476, Aug 25.[47]

I am advising Key of substance of your 341 and suggesting that at early meeting with Voroshilov he take the line that Hungarians in presenting their view of political situation to American representatives here seem to act upon assumption that there is basic difference between ourselves and representatives of other Allied Govts here; that to minimize possible effect of this Hungarian assumption so far as cooperation between the Allies is concerned it is highly desirable that our representative on ACC be kept closely and fully informed of all action taken by chairman ACC with reference to Hungarian political and other matters; and that consequently cooperation of chairman is solicited in order to preclude undesirable effects of Hungarian action calculated to produce misunderstanding between the Allies in such matters.

I have refrained from indicating to my Hungarian interlocutors since election question has been in acute phase that we had any

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[46] The Secretary of State discussed the question of the entry of press correspondents into the Balkans in the course of his press and radio news conference on August 22. The memorandum of this conference (No. 45) reads in part as follows:

"He said that his efforts for a free press in Rumania, Bulgaria and Hungary had been more earnest and more enthusiastic because of his opinion that he would much rather have a free press in a country to observe elections than to have government representatives."

[47] Not printed; it reported that the Allied Control Commission had approved the Hungarian foreign exchange measure without consulting the American member (864.515/8-2545).

intention of taking initiative in consulting Allies on measures to insure discharge of Yalta obligations if we should have adequate reason to believe that free elections will not be held in Hungary. I have so refrained because of my hope that Hungarians will make maximum effort to agree among themselves on possible Hungarian request for such consultation. If I find, however, that this hope cannot be realized I will make use of your instructions as to our readiness to take initiative in consulting with our Allies.

SCHOENFELD

740.00119 Control (Hungary)/8–2845 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, August 28, 1945—4 p. m.

1918. Section XI of Potsdam Protocol provided that a letter which Voroshilov had sent to Gen Key on July 12 containing certain modifications in the ACC procedure for Hungary during the second period of the Armistice would be accepted as a basis for revision of the ACC statutes in the three ex-satellite countries. Dept telegraphed the American Missions in those countries the text of this Govt's proposed revision of statutes as well as the full text of Section XI of the Protocol.

On Aug 14 Voroshilov directed a note to Gen Key in which he said in translation:

"The Berlin Conference brought a decision about the question concerning the revision of the procedure of the ACC's in Rumania, Bulgaria and Hungary according to which the statute of the ACC for Hungary was accepted as basis for ACC's in those countries. In connection with this I have the honor to submit to you the new statute of ACC in Hungary."

At Aug 22 meeting of the ACC in Budapest Voroshilov indicated that as the ACC statutes set forth in his letter of Aug 14 had been agreed upon at Potsdam they were not subject to further discussion. Similar statutes were presented to ACC's in Rumania and Bulgaria.

It is this Govt's view that Voroshilov's letter of July 12 was to be used only as the basis for revision leading to agreement on definitive statutes, and that logical place for such discussion was ACC's in the three countries. We felt that his proposals met our previous major objections to ACC procedure and offered an eminently satisfactory basis for working out locally certain details and modifications which we felt would facilitate the work of our representatives on the ACC and place it on a truly tripartite basis. Dept feels that Voroshilov's

action in refusing to discuss any changes is not in accord with the arrangements made on this matter at Potsdam.

In bringing our views to the attention of the Soviet authorities you may either request that since an impasse appears to have been reached in Budapest the negotiations be concluded by you and the appropriate Soviet authorities in Moscow or, if you believe it desirable, that Voroshilov and Soviet Reps in Rumania and Bulgaria be instructed as soon as possible to endeavor to reach agreement with American and Brit Reps on revision of ACC procedure on basis of Potsdam agreement which we believe clearly contemplates negotiation of new statutes. For your assistance should Soviet Govt wish to carry on negotiations at Moscow Dept is forwarding by separate tel [49] text of proposed statutes based on Gen Key's suggestions (Dept's instr no. 659 June 21 [50]) and approved by State, War and Navy.

Sent Moscow; rptd Budapest, Bucharest, Sofia.[51]

BYRNES

611.6431/8–3145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 31, 1945—5 p. m.
[Received September 1—11:37 p. m.]

512. Foreign Office *aide-mémoire* [52] submitted today contains list of commodities desired by Hungary and list of items offered in exchange. My 389, August 7.[53] Items requested include trucks, tires, fats, pharmaceutical materials, sugar, glass, livestock and tractors. Items offered largely agricultural but also include furniture, porcelain ware, handicraft items and pharmaceuticals. Detailed despatch follows.[54] Rec-

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[49] Telegram 1919, August 28, 4 p. m. to Moscow, not printed, transmitted the text of the proposed Statutes of the Allied Control Commission in Hungary, printed on p. 842.

[50] *Conference of Berlin (Potsdam)*, vol. I, p. 374.

[51] Repeated to Budapest as telegram 357, to Bucharest as telegram 461, and to Sofia as telegram 280.

[52] *Aide-Mémoire* from the Hungarian Foreign Ministry, August 29, transmitted to the Department as an enclosure to despatch 239, September 1, from Budapest; neither printed.

[53] Not printed; it reported that Hungarian officials had been informed of the possibility of barter transactions between the United States and Hungary (611.6431/8–745).

[54] Despatch 239, September 1, 1945, from Budapest, not printed, read in part as follows:

"In view of the desirability of encouraging local resistance to the complete monopolization of Hungarian trade by the USSR, urgent consideration of the proposal is respectfully requested. It is suggested, in the Department's discretion, that certain of the supplies desired by Hungary might be met from surplus property stocks and that others might be furnished by others of the United Nations and that to this end, circulation of the present despatch among the American missions in Europe might be desirable. Despite the desirability of wide circulation, I cannot emphasize too much my opinion that this matter deserves immediate consideration and urgent action." (611.6431/9–145)

ommend Department's urgent consideration in view of desirability of encouraging local resistance to complete monopolization of Hungarian trade by USSR.

SCHOENFELD

811.91264/8-3145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 31, 1945—11 p. m.
[Received September 3—6:50 p. m.]

521. Having made prolonged and successful efforts to secure clearance for American correspondents to enter Hungary Department may wish to invite attention of press associations and newspapers represented here to fact that it is highly desirable for them to instruct their representatives to devote sufficient attention to Hungarian situation to enable them to enlighten American public fully and to make it aware of far reaching implications of political and economic situation in Hungary. Restoration of contact between peoples of Hungary and the US, any natural workings of American public opinion as reflected in American press will undoubtedly have beneficial effect on developments within Hungary as envisaged by Secretary Byrnes in recent press conferences.

Despite imposing list of American correspondents who have been granted entry into Hungary situation remains unsatisfactory. While a total of nine correspondents have entered Hungary during last few days not one intends to make Budapest his headquarters and most have passed on to some Balkan country after hurried superficial despatch or two purporting to reveal "situation in Hungary." It may be that correspondents appreciate serious need of reporting Hungarian situation adequately and with discernment but they may be assigned to cover too large an area and can devote but few hours to a single capital. If this is so the solution would lie with home offices of press associations and newspapers in US.

As it turns out most news reaching outside world from Hungary emanates from Russian and British sources. This slanted news coupled with the lighter sometimes untrue largely human interest type of stories being despatched by American correspondents at present will result in unfortunate and mistaken opinions in minds of American people.

While it is realized that the first correspondents into Budapest would naturally tend to concentrate on spectacular and superficial stories of what meets the eye, we think that in interests of US situation demands quick switch to sober informative analytical story which presents political and economic revolution in process here in its proper perspective and interprets the news in Hungary for the American

people. It is hoped therefore that home offices of correspondents will immediately request such reporting and enable their best trained men to remain here long enough to do the job.

SCHOENFELD

740.00119 Control (Hungary)/8–3145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 31, 1945—10 p. m.
[Received September 5—8:05 a. m.]

522. Mytel 428, August 16. Prime Minister asked me yesterday as to possibility of establishment of diplomatic relations between Hungary and United States prior to conclusion of peace treaty and he said he surmised from our attitude in Rumanian and Bulgarian election questions [55] that our Government was not disposed to resume diplomatic relations prior to peace with ex-satellites including Hungary and he pointed out that U.S.S.R. expected to resume relations and to receive Hungarian diplomatic representative in Moscow in advance of conclusion of peace.[56]

I spoke to Prime Minister along the same lines as I had to Foreign Minister adding that this matter might perhaps be subject of discussion at forthcoming meeting of Foreign Ministers in London.[57] I intimated that in view of position you had taken in Rumania and Bulgaria as to qualifications national govt must have before recognition by United States [58] his surmise as to policy as regards Hungary seemed to me not unreasonable.

SCHOENFELD

740.00119 Control (Hungary)/9–545 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

MOSCOW, September 5, 1945—1 p. m.
[Received 7:50 p. m.]

3173. I do not feel that any useful purpose would be achieved by attempts to discuss revision of statutes of Control Commissions either

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[55] See footnote 46, p. 858.

[56] Formal diplomatic relations between the Soviet Union and Hungary were reestablished on September 25, 1945. Georgi Maksimovich Pushkin was named Soviet Minister in Hungary on October 18. Gyula Szefku became the Hungarian Minister to the Soviet Union.

[57] The First Session of the Council of Foreign Ministers met in London, September 11–October 2, 1945. For documentation regarding the conference, see vol. II, pp. 99 ff.

[58] See statement by the Secretary of State, August 22, regarding the situation in Rumania, Department of State *Bulletin*, August 26, 1945, p. 280; and his statement of August 25 regarding Bulgaria, *ibid.*, p. 283.

in Moscow or in the three capitals. Soviet view namely that question was settled by our agreement at Potsdam to accept Voroshilov's draft as basis is only in line with our prior experience with respect to Soviet interpretation of phrase "as basis" and has subsequently been authoritatively confirmed in Molotov's letter to me (see my 3170, September 5, 12 noon [59]) about admittance of Americans to Control Commission areas. We are plainly up against flat difference of interpretation of Potsdam agreement. It seems therefore that this would properly be a subject for discussion at coming Foreign Ministers' meeting in London. Until this question is settled, no progress can be made towards agreement on the statutes.

I understand Britain intends without making any commitments about Voroshilov's draft to wait awhile and see how its application works out in practice with view to letting matters ride if things work out satisfactorily or proposing amendments in case these prove desirable.

Incidentally I do not understand why we are now proposing chairman shall call meetings of Commission only "at least twice a month" when the Potsdam agreement (section XII) as well as Voroshilov's draft specified minimum intervals of 10 days.

Sent Department; repeated Budapest 44; Bucharest 127; Sofia 98 re Department's telegram 1918, August 28, 4 p. m.

HARRIMAN

864.00/9-645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, September 6, 1945—1 p. m.
[Received September 13—9 : 05 a. m.]

541. I have not thought it desirable to recommend at this juncture that question of free elections in Hungary be a matter of consultation between the three Allies. My telegrams 485 and 486, Aug. 27.[60]

It is increasingly apparent that ineptitude or and dissension in Govt dominated as it is by party leaders outside Govt and subject to con-

[59] Not printed; it reported receipt of a letter from Assistant People's Commissar for Foreign Affairs Andrey Yanuaryevich Vyshinsky regarding the entry of Americans into the former German satellite countries. The letter stated that the Soviet Government agreed that applications for the entry of persons into Control Commission areas would in the future be decided upon by the Allied Control Commission chairman without reference to Moscow. The letter also observed that the limits of the competence of the Allied Control Commission and of Allied representatives was defined with sufficient clarity in the principles agreed upon at the Potsdam Conference. (740.00119 Control Hungary/9-545)

[60] Latter not printed (864.00/8-2745) ; it reported on a conversation with Prime Minister Miklos on August 27 during which the Prime Minister stated that the Russians were still pressing strongly for early national elections; Minister Schoenfeld took the opportunity to speak to Miklos informally in the sense of Department's telegram 341, August 23, to Budapest, p. 854.

stant intimidation real or fancied on part of Soviet representation ACC (Allied Control Commission) are likely to prevent its taking initiative in soliciting proper Red consultation.

I personally believe as suggested in my reports to Dept that free national election for which no date has yet been set will be impossible under prevailing conditions. There is every indication that labor parties will have majority in forthcoming Budapest election considering disorganization of anti-Marxist groups as well as director at least in directing imidation [*direct, or at least indirect, intimidation?*] of voters who at this time are primarily concerned with personal safety and wellbeing and will therefore not risk open opposition. Though labor parties will campaign vigorously and perhaps unscrupulously it is also possible Leftists can afford to demonstrate that at least municipal election can conform to Western election standards. Moreover presence of British and American Missions in Budapest of itself operates as restraint which would not be equally strong in nationwide election where direct observation will be impossible.

Since Hungarian Govt has made no request for consultation and though intimidation of voters may result from inevitable presence of occupation forces and other repressions previously described, I would recommend American Govt defer asking for consultation with Allies until we have had opportunity to observe implementation of electoral law in municipal elections and results thereof. At that time I may make recommendation in light of developments.

Sent Dept rptd to London for Dunn [61] and Cannon [62] as No 10.

SCHOENFELD

740.00119 Council/9–1045 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, September 10, 1945—4 p. m.
[Received 4:45 p. m.]

559. ReDeptel 389, of September 8.[63] Current status ACC summarized as follows:

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[61] James C. Dunn, Assistant Secretary of State for European, Far Eastern, Near Eastern, and African Affairs; Deputy to the Secretary of State on the Council of Foreign Ministers.

[62] Cavendish W. Cannon, First Secretary of Embassy and Consul at Lisbon; Political Adviser to the United States delegation to the Council of Foreign Ministers meeting in London.

[63] Not printed; it requested detailed answers to the following points concerning the status and operations of the Allied Control Commissions: (1) current position of American representatives on the Control Commissions and of the American political representatives; (2) the degree of American participation in the formation of directives to the local governments; (3) the difficulties in the circulation of American officials and the admission and reporting by reporters; (4) the limitations on access to local information and officials; (5) the obstacles to the protection of American nationals and interests (740.00119 Council/9–845).

1. Legal position of US representation on ACC has not been fully clarified since defeat of Germany and resulting uncertainty as to status of first period statutes. Russians assume substitute statutes submitted to Key by Voroshilov in July and used as basis for discussion at Potsdam are in effect. Voroshilov so notified Key on August 14. Key takes position these statutes represent unilateral Soviet proposal and accordingly are not legal basis for position of US representation.

US political representative does not participate in activities of ACC and has maintained fully independent position. This mission approaches Soviet authorities through Key and has direct dealing with Russian representation on ACC.

2. Soviets do not admit directives are given Hungarian Government. Accordingly, they hold there has been no denial Foreign Office directives. Since economic and political life of Hungary is controlled by Chairman ACC, it is obvious that directives exist in oral if not written form. US representation on ACC has no part in formation of such directives except as minor points may be discussed at routine ACC sessions.

Key does not regularly receive copies of communications between Soviets and Hungarian Government. Existence of important documents is frequently denied by Russians even after copies have been secured by Key through special channels.

3. Right of US officials to move freely in Hungary has been admitted by Soviet authorities. Sole exceptions exist, such as long delay in permitting Key to visit oil field area, but in general US officials, Allied newspapermen are now free to enter and report on Hungary.[64] Blanket clearance for correspondents attached to Allied forces was rescinded by Voroshilov at last ACC meeting with result that specific clearance is now required by each newspaperman.[65] Such clearance has been granted promptly in most cases.

US businessmen are still unable to enter Hungary, but some progress was made at last ACC meeting. While Voroshilov's statement at that time was not a commitment, it at least carried implication that clearances for businessmen may soon be available.[66]

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[64] On August 27 the Department of State released to the press a statement regarding the granting of clearance for the entry into Hungary of American newspaper correspondents; see Department of State *Bulletin*, September 2, 1945, p. 309.

[65] On September 19, the Department of State issued a statement to the press regarding the rescinding of blanket authority for the entry of correspondents into Hungary and the new procedure for applying for such entry; see *ibid.*, September 23, 1945, p. 451.

[66] Telegram 624, September 20, from Budapest, reported that the necessary clearances for 13 American businessmen to enter Hungary had been obtained from the Allied Control Commission (138 Hungary/3). Thereafter, clearances for entry into Hungary were handled by the Allied Control Commission.

4. Officials of this mission approach local information sources without difficulty. Key is technically limited in contact with Hungarian Government to approach through Soviet ACC. Russians transmit his communications to Hungarians promptly but provide less satisfactory service in reverse. From practical viewpoint Key has found it necessary to approach Hungarians directly if necessary information is to be secured.

5. While individual American citizens can be protected with only such difficulties as are inherent in the general situation, added complications are present in the case of American business interests. Most important obstacle is present refusal of Soviets to permit entry of representatives of controlling US firms and lack of direct communication between Hungary and US. Resulting isolation makes it difficult for American firms to exist independent of Soviet influence and complicates efforts of this and Key's mission to provide adequate assistance. Appointment of Russian-backed directors to American-controlled oil companies is best example of problem which is becoming increasingly conspicuous.

Squires, of my staff, will arrive London evening September 13 and will be available for amplifications of this statement if desired.

Townsend,[67] acting head US representation ACC in absence of Key, concurs in above.

Sent AmEmbassy London; repeated to Department as 559.

SCHOENFELD

864.00/9–1045 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, September 10, 1945—6 p. m.
[Received September 11—8:40 p. m.]

562. Tildy of Smallholders Party called today and informed me he was faced with decision on behalf of his Party whether to announce non-participation of party in forthcoming election or to wait until abuses at election time become manifest and then announce refusal of party to go on or thirdly to await result of election and then determine whether it was sufficiently free to warrant acceptance. He was anxious to obtain expression from me as to these alternatives. I answered I was in no position to give him advice of this kind. My telegram 541, September 6 Nr. 10 to London.

I said I had intimated to Hungarian Government in pursuance of your instructions readiness of our Government upon request to consult our Allies regarding election Hungary and had been waiting for some

[67] Col. Dallas S. Townsend.

indication from Hungarian Government as to its attitude. I said I had received no indication of Hungarian Government's intention to act upon our intimation. I added that since it was often alleged that Hungarian Government is unable to take any action without sanction of political party leaders I was beginning to wonder whether our intimation had been brought to attention of these leaders. I gained impression from Tildy that party leaders had not been consulted and that in all probability importance of our intimation had not been appreciated by Prime Minister.

Tildy said he would see Prime Minister at first opportunity and suggest expediency of Hungarian Government notifying three governments represented on Allied Control Commission here of its desire to harmonize its action in regard to election with public pronouncements of the Allies since the Crimea declaration this subject. He would recommend to Prime Minister that inasmuch as Hungarian National Assembly was now considering electoral law this legislation might be appropriately brought to attention of three Allies. Tildy said he would inform me of result of his conversation with Prime Minister if Prime Minister declined to follow his suggestion but that if Prime Minister accepted it and decided to act upon it I need not expect further communication from Tildy at this time.

Repeated to London for Secretary Byrnes as Nr. 16. Sent Department.

SCHOENFELD

740.00119 Control (Hungary)/8–1645 : Telegram

The Acting Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, September 11, 1945—8 p. m.

403. See Dept's 43, May 22. You are authorized again to indicate to the Hungarian authorities our willingness to receive an informal representative at this time.[68]

When conveying this information you may state (your 428 Aug. 16) that as this policy was agreed upon at Potsdam the Dept does not feel that further permission of the ACC is required by the Hungarian Govt. However, Gen Key should be informed so that ACC may be advised of our action.

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[68] Telegram 582, September 14, 1945, 8 p. m., from Budapest, reported that Schoenfeld had spoken to the Hungarian Foreign Minister on September 14 in the sense of the Department's instructions. The Foreign Minister promised to discuss the matter once more with the Prime Minister and the Cabinet. (740.00119 Control (Hungary)/9–1445)

The Dept is in agreement with position taken (your 385 Aug 6 [69]) during conversation with Teleki.

Brit Govt has been informed through Embassy Washington.

ACHESON

[In the course of the First Session of the Council of Foreign Ministers, held in London, September 11–October 2, 1945, the Soviet Union, the United Kingdom, and the United States delegations circulated to the Council memoranda dealing with the proposed peace treaty with Hungary. For texts of these memoranda, designated, respectively, C.F.M. (45) 4, September 12, 1945, C.F.M. (45) 24, September 18, 1945, and C.F.M. (45) 35, September 19, 1945, see volume II, pages 147, 227, and 263. These memoranda were never discussed by the Council.]

740.00119 EW/9–1445 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, September 14, 1945—6 p. m.
[Received September 16—5:45 p. m.]

584. Foreign Minister told me today that opinion prevails in some political circles here that US Government may be willing to lend Hungarian Government money to meet deficit in Hungarian reparations to USSR which he said was estimated this year at 40% of value called for under Soviet Hungarian reparations agreement. Saying that I was speaking unofficially as this was first I had heard of any such proposal I asked the Minister to disabuse any Hungarian politician of the idea that the US Government was prepared to lend Hungary funds with which to pay reparations to an Ally of the US.[70]

Turning then to recently negotiated Soviet Hungarian economic agreement [71] Gyöngyösi said there seemed to be considerable misunderstanding as to Soviet Government's intentions with reference to this economic agreement and that he understood Soviet Government merely desired to facilitate exploitation of German owned industries conceded to USSR as German reparations under Potsdam agreement. I said that I had understood Soviet Hungarian economic agreement was susceptible of interpretation as giving USSR right to monopolize Hungarian industry generally and that if it was Soviet Government's

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[69] Not printed.

[70] Telegram 471, October 1, 1945, to Budapest, reads as follows: "Statement by you to Foreign Minister is correct presentation U. S. policy on this matter (paragraph 7 urtel 584 Sept 14). U.S. has no intention financing Hungarian reparations to Soviet." (740.00119 EW/9–1445)

[71] An agreement between the Soviet Union and Hungary concerning economic collaboration was signed in Moscow on August 27, 1945. For a description of the agreement, see Department of State *Bulletin*, September 1, 1946, p. 394.

intention only to exploit industries coming into its control under Potsdam agreement it should not be difficult to make this clear in any Soviet Hungarian economic agreement.[72]

Sent Department repeated to Moscow as 69 and London as 17.

SCHOENFELD

Budapest Legation Files: 711.9 Peace Treaty

Memorandum by the Secretary of Mission in Hungary (Squires) for the Secretary of State[73]

[LONDON,] September 15, 1945.

While the conclusion of a peace treaty along the lines of the current Soviet proposals would not be as disadvantageous in Hungary as in Bulgaria and Rumania, it would serve to make improbable the early development of a realistically democratic national government.

The American and British declarations in recent weeks have served to strengthen the position of those Hungarian political leaders opposed to the Communization of Hungary. Those leaders are now, for the first time since the Russian occupation, losing the sense of physical and spiritual isolation which has frozen their will to resist the Communist drive.

The awakened spirit of those men and the possibility that their rebirth will develop into effective political action marks the first hopeful sign that the final and complete Communization of Hungary can be halted. The dictatorial drive of the Communist Party for full and unhampered control of Hungary has been checked but not blocked.

This favorable trend is directly attributable to the recent American and British declarations on Hungary, Rumania and Bulgaria. It is a true measure of the sensitiveness of the Hungarian political scene to external influence. It is a trend which would be halted in its tracks by any indication that the United States is prepared to accept a Soviet-designed treaty of peace for Hungary.

As an indication that this trend has real meaning, it may be mentioned that there is every indication that the suggestion, made in the Department's telegram 341 to Budapest,[74] is about to be accepted. The

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[72] Telegram 576, September 13, from Budapest, reported that the Mission in Budapest had been informed that Soviet Political Representative Pushkin had told the head of the Hungarian National Bank that Hungary should look to the Soviet Union for all economic wants and need not entertain any ideas of western economic ties (661.6431/9–1345).

[73] Mr. Squires arrived in London on September 13 to work with the United States delegation at the First Session of the Council of Foreign Ministers in London. According to Squires' memorandum of October 11 to Schoenfeld (a portion of which is printed on p. 886) Squires prepared this memorandum for the Secretary of State after having studied a copy of the Soviet proposals for a peace treaty with Hungary (C.F.M. (45) 4, September 12, 1945, vol. II, p. 147).

[74] Dated August 23, 1945, p. 854.

Department in this telegram pointed out that it would be willing to suggest high-level consultation to the Governments of Great Britain and Russia on the development of a truly democratic regime in Hungary, *provided* the request for such consultation came from the Provisional National Government of Hungary.

The first revelation of the contents of this telegram to the Prime Minister led to no categoric action. It is known that while Miklos longed to take advantage of the opportunity, his desire was more than balanced by his fear of immediate Soviet retaliation.

In subsequent days it was possible for Mr. Schoenfeld to reveal the implications of the Department's telegram to several high-placed personalities in the government and the political parties, notably Tildy, Leader of the Small Holders. In the interval, the trend set off by the American and British declarations had gained sufficient strength to cause even the hesitant Tildy to recommend to the Prime Minister that high-level consultation on Hungary's future be "suggested" to the three Allied powers.

It would indeed be unfortunate if, at a moment when the non-Communist Hungarian political leaders are finally gathering sufficient strength and courage to take effective action, their hands were to be tied and their spiritual isolation renewed by American acceptance of a peace treaty which would strengthen the Communist position in Hungary.

The effect of replacing the present Armistice Agreement by a treaty of peace based on a rewording of pertinent provisions of the armistice would also produce the unfortunate result of eliminating, through the abolition of the ACC, an important agency for the presentation of the American viewpoint within Hungary.

While the ACC has certainly been less than effective in the past, there is evidence that its future course may lie closer to actual tripartite consultation on matters of policy. Even at the worst, however, so long as the ACC continues to function, the United States has at least a vested interest in the fulfillment of the obligations of the Hungarian armistice.

For all practical purposes the Soviet proposal, as outlined in the preliminary announcement, would replace the present arrangement in which the United States has, through the ACC, at least the right to consultation and consideration of its views with a bilateral "armistice agreement" in which the Soviet position would be not only dominant but exclusive.

If the American view that the development of a democratic government in Hungary is essential to European peace is to be attained, at least the machinery for the attainment of such a form of government must be in reach before the *status quo* is stamped "approved" by the signature of a treaty of peace. If the controls and the Ameri-

can right to participation in those controls are removed before the machinery is in view, let alone in operation, the principal point of pressure for a free election and the development of a democratic government will be removed.

While this consideration is not so vital in the case of Hungary as in Bulgaria and Rumania, it retains sufficient validity to make the signature of peace along the lines of the Soviet proposals an illogical step. Although the present Hungarian government retains a greater illusion of democratic procedures than those in Rumania or Bulgaria, the illusion is as unreal as it is apparent.

The steps towards full control of the government and nation by the Communist Party have been more adroitly planned and better disguised than in Rumania and Bulgaria, but they are nonetheless present:

1. The political police, under the direction of Minister of Interior Erdei, are already taking steps to throttle opposition in the forthcoming elections. This has not yet proceeded as far as the actual imprisonment of opposition party leaders but has taken the more subtle approach of incarcerating and discrediting those to whom the voters will look for guidance. Especially in the rural areas and small towns, the natural leaders of the people, if suspected of a non-Communist viewpoint, are held and imprisoned on minor charges. The resulting error is described by observers as more acute than anything experienced under the German or Arrow Cross regimes.

2. The removal from the cabinet of "reactionary" elements has already replaced the most active non-Communist party leaders with Communist stooges. The absence of Valentiny and Vasari, for example, has both lowered the level of ability and power of resistance of the non-Communist bloc within the cabinet. That bloc, which showed signs of shaping into an effective check on Communist plans, quickly disintegrated following the removal of Valentiny and Vasari.

3. The elimination of Valentiny both from the Ministry of Justice and his dominant position within the Social Democratic Party is symptomatic rather than casual, typical rather than an isolated incident. There is every evidence that the Communist program in Hungary calls for the careful and quiet elimination from the political scene of every leader in opposition to the total Communization of the country. Here again the steps are less drastic and more subtle than in Bulgaria or Rumania. The plan in Hungary calls for the destruction of the power of the opposition rather than the physical elimination of the leaders.

4. The recently announced decision of the Social Democrats to submit a single slate of candidates with the Communists in the impending Budapest municipal election points to a further step in the Communist campaign to eliminate the political opposition in Hun-

gary. This campaign has not been waged in the open but it has been eminently successful. Of the five parties of the Hungarian Independence Front, the Social Democrats are committed to a single slate of candidates with the Communists, at least in the municipal election, while the National Peasants may in a measure be considered the rural branch of the Communist Party. The campaign to replace the Citizens Democratic Party with representatives of the labor unions would, if successful, leave the Small Holders as the only non-Communist party in the Independence Front.

The effect of a treaty of peace at this time along the Lines of the Soviet proposals would be to confirm the development of the situation along the lines indicated above and to throttle the developing right-center opposition to the final Communization of Hungary.

Increasing evidence can be adduced to show that a cleavage between right and left, a cleavage which would pass through the center of the Social Democratic Party, is increasingly possible. This cleavage, if it develops, might conceivably produce two factions of sufficiently equal strength to implement a free election. On the one hand would be the Communists and the National Peasants, with a fraction of the Social Democratic Party. On the other would be aligned the major portion of the Social Democrats, the Small Holders, the Citizens Democrats and a considerable bloc of both leaders and voters not now affiliated with any of the five "front" parties.

Such a unification of the right with its resulting strength could not but have effective value in implementing free elections. Neither this trend nor the other favorable signs in the Hungarian political scene can be expected to develop, however, if the Communists are allowed to carry out their program of intimidation and force, an almost inevitable consequence, at least in my opinion, of the type of peace inherent in the present Soviet proposals.

LESLIE ALBION SQUIRES

864.00/9–1945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State, at London

BUDAPEST, September 19, 1945—3 p. m.
[Received 5:30 p. m.]

612. Urtel 4, Sept. 18.[75] I cannot see that we lose anything by recognizing present Provisional Govt in Hungary but I remain skeptical

[75] Telegram 4, September 18, 1945, 6 p. m. from the Secretary of State in London to Schoenfeld in Budapest, was not repeated to the Department. In paraphrase it reads as follows:

"Provided you see no objection and so immediately advise me, it is my intention to announce before this conference ends that we recognize the present

of value of any pledge to be given by Provisional Govt as to point (*c*) of Crimea declaration whether such pledge is condition precedent to recognition or is concomitant with recognition (my telegram 10 to London; 541 to Dept, Sept 6).

Received visit today from Hungarian Prime Minister Miklos, who handed me copy of new Hungarian electoral law and in doing so spoke bitterly of terrorism, intimidation and other abuses now exercised in Communist interest all flowing from presence occupation forces here. When I inquired casually whether recognition of present Govt here would in his opinion serve to strengthen Govt's authority, he answered this would be the case only provided Cabinet were reconstituted as it had been originally and before present leftist majority of seven to six prevailed. This distribution of party representation in Cabinet, he said, deprived Govt of representative character it previously possessed.

Sent London, repeated to Dept as 612.

SCHOENFELD

864.24/9–2245 : Telegram

The Representative in Hungary (Schoenfeld) to the Acting Secretary of State

BUDAPEST, September 22, 1945—11 a. m.
[Received September 23—12:40 a. m.]

630. In connection with urgent need for newsprint here[76] and danger that non-Marxist papers may be obliged to suspend publication prior to coming elections I am advised that US Information Service, Italy can make available for use in Hungary 273 tons newsprint with possibility of increasing total to 500 tons from ACC Italy stocks.

Key, who shares my view that importation of newsprint is of paramount importance at this time, is willing to facilitate its transportation from Vienna to Budapest. Transportation from Italy to Vienna

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Hungarian provisional government subject to pledges for meeting conditions in Declaration on Liberated Europe made at Crimea, particularly in reference to "C" re interim representative authorities and free elections responsive to will of the people." (Budapest Legation File: 1945: 801 Hungarian Government Recognition)

[76] Telegram 320, July 21 from Budapest, reported on the severe newsprint shortage in Budapest and the exploitation by leftist parties of the shortage to eliminate anti-labor and non-party newspapers (864.24/7–2145). Despatch 237, August 31 from Budapest, reported that domestic Hungarian newsprint production could not supply the country's requirements and that the lack of adequate supplies of newsprint would seriously hamper the activities of the non-Marxist political parties in the impending election; the question was raised as to whether adequate supplies of newsprint for Hungary did not constitute an essential part of the program for the rehabilitation of Europe on a sound political basis (864.24/8–3145).

and temporary warehousing in Vienna would have to be handled by US Army.

Shipment could eventually be turned over to Hungarian Government upon its submission to us of an allocation schedule for equitable distribution total available newsprint stocks among various potential purchasers. Alternatively allocation could be handled by this mission. Hungary could pay for newsprint at legal prices in Hungarian currency or possibly from blocked dollar balances in the United States.

I recommend that the Department approve allocation up to 500 tons of newsprint by US Information Service, Italy or ACC, Italy to Hungary and that Department request War Department to instruct AFHQ to transport same as soon as possible to Vienna and to warehouse it temporarily in Vienna. Further, Department requested to authorize me to discuss payment and allocation of newsprint with Hungarian Government in event circumstances warrant.[77]

Department, please see my immediately following telegram [78] for references.

Repeated to Vienna as Number 11 to Rome as Number 36.

Fyi [79]-USIS [80] Rome for White.

SCHOENFELD

711.64/9–2245 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State, at London

BUDAPEST, September 22, 1945—4 p. m.
[Received September 22—3:50 p. m.]

633. Urtel 6, Sept. 21.[81] I delivered to the Hungarian Foreign Minister this afternoon a formal note [82] in the sense of your instruction regarding readiness of our govt to establish diplomatic relations and to conclude a treaty with Hungary upon conditions set forth in your instructions.

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[77] In telegram 499, October 5, 6 p. m. to Budapest, the Department approved these recommendations but suggested that General Key negotiate directly with AFHQ regarding transportation (864.24/9–2245).

[78] Not printed.

[79] For your information.

[80] United States Information Service.

[81] Telegram 6, September 21, from the Secretary of State in London to Schoenfeld in Budapest, was not repeated to the Department. It instructed Schoenfeld to make known to the Hungarian authorities that the United States Government was prepared to establish diplomatic relations with the Hungarian Provisional Government provided that full assurances were given that free elections would be held (Budapest Legation Files: 801 Hungarian Government Recognition). For a summary of the Secretary of State's instructions to Schoenfeld, see second paragraph of telegram 10025, September 27, 7 p. m., p. 878.

[82] *Infra.*

Foreign Minister expressed great satisfaction and said he would consult Prime Minister and Cabinet without delay to enable him to make prompt reply to my formal note as requested therein.

Sent London, rptd to Dept.

SCHOENFELD

711.64/9-2245

The United States Representative in Hungary (Schoenfeld) to the Hungarian Minister for Foreign Affairs (Gyöngyösi) [83]

BUDAPEST, September 22, 1945.

MR. MINISTER: I am directed by my Government to inform Your Excellency that the Government of the United States is prepared to establish diplomatic relations and to negotiate with the Provisional National Government of Hungary a treaty, provided the Provisional National Government of Hungary gives to the Government of the United States full assurance that free and untrammeled elections will be held for the establishment of a representative government in Hungary, and provided further that, in the meanwhile, the Provisional National Government of Hungary makes provision to the full measure of its responsibilities under the Armistice regime for the freedom of political expression of the democratic parties in Hungary and for the right of assembly, which conditions are essential to permit free elections to be held in Hungary.

I have the honor to request Your Excellency's prompt reply on behalf of the Provisional National Government in Hungary to the present communication.

I take this opportunity [etc.] H. F. ARTHUR SCHOENFELD

701.6411/9-2445: Telegram

The Representative in Hungary (Schoenfeld) to the Acting Secretary of State

BUDAPEST, September 24, 1945—1 p. m.
[Received 3:08 p. m.]

637. Reference my airgram A-25 June 8.[84] I have received *note verbal* from the Foreign Office dated Sept. 24 [85] from which following is quoted in official English text:

"The National Provisional Government of Hungary accepts with thanks the proposal of the United States Government to send a representative to Washington who could attend in an unofficial and informal

[83] Copy transmitted to the Department in despatch 324, September 22, 1945, from Budapest, not printed.

[84] For text, see footnote 57, p. 821.

[85] Copy transmitted to the Department in despatch 330, September 24, from Budapest, not printed.

way to Hungarian interests. The National Provisional Government of Hungary also takes cognizance of the fact that the presence of a representative under the above mentioned conditions would in no sense mean resumption of diplomatic relations between the United States and Hungary.

The name of the person to be nominated for this post will be submitted in the near future to the Government of the United States for approval."

Sent to Department; repeated to London as 24.

SCHOENFELD

761.64/9-2545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State, at London

BUDAPEST, September 25, 1945—3 p. m.
[Received 5:15 p. m.]

640. General Key informs me that he has just learned in conversation with Marshal Voroshilov that the Marshal has today advised the Hungarian Government to the effect that the Soviet Government in view of the Hungarian Government's compliance with the armistice terms and general good conduct desires to establish formal diplomatic relations between the Soviet Government and the Hungarian Government.[86]

This action was undoubtedly precipitated by the note which I delivered to Hungarian Foreign Minister September 22 expressing our readiness to establish diplomatic relations on certain conditions which has become common knowledge in political circles here.

Foreign Minister has just sent me word that he wishes to call this afternoon to deliver Hungarian Government's answer which I understand was approved in Cabinet meeting today and is said to be fully responsive to my note of September 22.

Sent to London for Secretary Byrnes. Repeated to the Department as number 640 and Embassy at Moscow as number 75.

SCHOENFELD

864.00/9-2545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State, at London

BUDAPEST, September 25, 1945—5 p. m.
[Received September 26—2 p. m.]

641. Following is official English text of note dated Sept 25 handed me this afternoon by Hungarian Foreign Minister:

[86] Notes between the Soviet Union and Hungary concerning the reestablishment of diplomatic relations were exchanged September 25, 1945, in Budapest.

"I have the honor to inform Your Excellency that I am authorized by the Provisional National Government of Hungary to communicate with Your Excellency in their name and on their behalf the following:

"The Provisional National Government of Hungary wants to express its thanks and wishes to state that it is grateful to learn from Your Excellency's note dated Sept 22, 1945 that the Government of the United States is prepared to establish diplomatic relations with Hungary and to negotiate a treaty. The Provisional Hungarian Government considers this as the appreciation of its endeavors to restore and maintain public order, as well as to establish and strengthen democratic institutions in Hungary.

"The Provisional Hungarian Government on its part is also anxious to establish immediately diplomatic relations with the United States and to negotiate a treaty with the United States Government.

"Concerning the safeguards mentioned in Your Excellency's note the Hungarian Government wishes to refer to the democratic electoral law passed recently by the Provisional National Assembly and to the composition of the Provisional National Government on a wide democratic basis which is reflected also in the country's whole administration. All these circumstances assure, according to the view of the Provisional National Government, undisturbed elections and the Hungarian Government is consequently in a position to offer—in accordance with the demand expressed in Your Excellency's note—full guarantee to the Government of the United States, that free and untrammeled elections will be held for the establishment of the representative government in Hungary and that in the meanwhile the Provisional National Government makes provision to the full measure of its responsibilities under the armistice regime for the freedom of political expression of the democratic parties in Hungary and for the right of assembly."

Repeated to Department as number 641.

SCHOENFELD

711.64/9-2645

The Representative in Hungary (Schoenfeld) to the Acting Secretary of State

No. 342 BUDAPEST, September 26, 1945.
[Received October 8.]

SIR: Referring to my telegram no. 649 of today's date,[87] repeated to the Embassy at London for the Secretary of State as no. 30, I have the honor to enclose the English text of a note [88] as received from Prime Minister Miklos of the Provisional National Government of Hungary, in which he expresses the earnest desire of the Provisional Government "to cooperate with the Governments of the United States, of the Soviet Union and of the British Empire on the basis of the Declaration of Yalta and the Agreement of San Francisco."

[87] Not printed; it reported receipt of Prime Minister Miklos' note of September 26 described in this despatch (711.64/9-2645).

[88] Not printed.

As indicated in my telegram above mentioned the offer of cooperation with the Allied Governments on the basis of the Crimea Declaration is the formula which was under discussion following receipt by this Mission of the Department's telegram no. 341 of August 23 in which the Department intimated its readiness to discuss with its Allies, if so requested by the Hungarian Government, the matter of a free election in Hungary with a view to the establishment of a representative government. I have reason to believe that the Prime Minister did not dare to make this suggestion prior to the recent offer by the United States as well as the Soviet Union to renew diplomatic relations with the Provisional Government in Hungary and that he has now taken the opportunity to intimate the desire of the Hungarian Government for "cooperation" with the Allied Governments in the hope that we would take advantage of this expression to act along the lines contemplated in the Department's telegraphic instructions no. 341 to this Mission.

Respectfully yours, H. F. ARTHUR SCHOENFELD

740.00119 Council/9–2745 : Telegram

The Secretary of State to the Acting Secretary of State

LONDON, September 27, 1945—7 p. m.
[Received September 27—4:05 p. m.]

10025. Delsec [89] 69. The question of recognition of the Provisional Hungarian Govt arose in connection with our reiteration of unwillingness to negotiate treaties with Rumania and Bulgaria (urtel 8499, Sept. 27 [*26*][90]). On Sept. 18 I informed Schoenfeld [91] that unless he saw objection and so informed me, I intended to announce before the end of this conference that we recognize the present Provisional Govt, subject to pledges being given for meeting the conditions set forth in the Crimea Declaration on Liberated Europe with particular reference to point (*c*) regarding interim representative authorities and the establishment through free elections of govt responsive to the will of the people. Schoenfeld's reply was repeated to you as his 612, Sept. 19.

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[89] Designation assigned to telegrams from the Secretary of State and his party while attending the meeting of the Council of Foreign Ministers in London. Such telegrams were transmitted through the Embassy in London, but the Ambassador's signature is being omitted.

[90] Not printed; it reported that the *New York Times* had published a story on September 26 to the effect that the State Department had decided to recognize Hungary and exchange diplomatic missions on condition that Hungary held unfettered elections. The telegram further stated that the Department had received no information on the development and asked for urgent instructions from the Secretary. (740.00119 Council/9–2645)

[91] For a paraphrase of telegram 4, September 18, 6 p. m. from the Secretary of State in London to Mr. Schoenfeld in Budapest, see footnote 75, p. 872.

On Sept. 21, after further debate in the conference on the situation in Rumania and Bulgaria, I authorized Schoenfeld to make known to the Hungarian authorities that we are prepared to establish diplomatic relations and negotiate a treaty with the Provisional Govt if they give full assurances for free and untrammeled elections for a representative govt and if, in the meantime, they provide to the full measure of their responsibilities under the armistice regime for freedom of political expression of democratic parties and right of assembly, such conditions being essential to permit the holding of free elections. For Schoenfeld's reply see his 642, Sept. 25.[92]

It may be stated to the press that our views as regards the present regimes in Rumania and Bulgaria, and our proposals for consultation under the Yalta formula have long been public knowledge. As regards Hungary we had felt that the provisional authorities would be able to take into account the interests of the various elements of the population in performing their functions as an interim govt. Accordingly, we are willing to proceed with normalizing our relations with that country. In any press statement particular emphasis should be given to the conditions of our proposal as stipulated in the preceding paragraph.[93]

Please keep in mind that at this stage I am anxious not to emphasize publicly our differences with the Soviet Govt over the question of the Rumanian and Bulgarian Govts.

[BYRNES]

661.6431/10–545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 5, 1945—1 p. m.
[Received 5:45 p. m.]

714. President National Assembly and of National Council which must ratify international agreements Zsedenyi called today and said Voroshilov had recently urged Prime Minister to insist that Cabinet discuss and approve signature of Soviet Hungarian economic collaboration agreement initialled at Moscow last summer. Miklos had taken position that Provisional National Government is not authorized to approve this agreement binding Hungarian economic status for indefinite future and that this power must be reserved to government which will follow national election now only few weeks in future.

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[92] Not printed.

[93] For text of the Department's statement concerning relations with Hungary, released to the press on September 29, see Department of State *Bulletin*, September 30, 1945, p. 478.

Miklos accordingly declined to place matter on Cabinet agenda but Leftist members of Cabinet under Soviet pressure are insisting that matter be brought before next Cabinet meeting. Although non-Marxist members of Cabinet especially Smallholders representatives are firmly resolved to withdraw from Government if economic agreement is signed Zsedenyi desired to know from me whether Government's continued refusal to conclude agreement will have support of US and Britain. He said he had put the same question to British political representative yesterday and latter had undertaken to submit matter to his Government.

I told Zsedenyi that I was hopeful that so far as lies in power of Hungarian Government it would do its best always to facilitate harmonious cooperation among the Allies not only in political matters but also in economic questions such as this. Therefore while I would gladly submit his inquiry to you I hoped the issue could be formulated in a manner not involving request for support from US against the Soviet Union. Zsedenyi said he fully appreciated this standpoint and that a plan already existed to advise Soviet Government with reference to economic collaboration agreement that Hungarians considered this far reaching matter one which required cooperation not only between Hungary and Soviet Union but also with the US and Britain and that Hungarian Government was desirous of broadening basis of any economic agreement accordingly.

Zsedenyi said there was now fear that Soviet Government would seek to force conclusion of pending economic agreement by threatening not only to insist upon full compliance with existing reparations agreement but to impose additional sanctions if the economic collaboration agreement were not approved. He pointed out that readiness of Soviet Government announced today to grant moratorium on deliveries of food supplied under reparations agreement which had obviously been done in contemplation of effect on next Sunday's[94] municipal election here would be withdrawn if full compliance with reparations agreement were required. In these circumstances momentary situation was very difficult and Hungarian leaders opposed to accepting collaboration agreement would not wish to risk the national hardship which would ensue from such sanctions on part of Soviet Government unless they felt that something permanent would be gained for national interest by so doing. In this respect situation was somewhat analogous to that facing Hungary at time of Nazi penetration when similar decision by Hungarian leaders for short term advantage had tragic long range results. Their decision on present issue would largely depend on how much support they could count on from US in their continued opposition to economic collaboration agreement.

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[94] October 7.

If Department feels it is in position to express itself on this issue I should appreciate telegraphic reply. It is obvious that Soviet effort to secure this agreement from provisional government in advance of Hungarian national election is designed to create another *fait accompli* as in case reparations agreement last June without reference to our interest under armistice agreement and without reference to an elected Hungarian Government.

Sent Department. Repeated to London as Nr 3 for Dunn[95] to Moscow as Nr 86.

SCHOENFELD

661.6431/10–645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 6, 1945—1 p. m.
[Received 5 : 31 p. m.]

719. Secretary's telegram 8, Sept 24, from London[96] and mytel 702, Oct. 4.[97] Hungarian Ministers of Industry and Commerce have signed two economic agreements with USSR.

One economic agreement provides for exchange of goods between two countries valued at 30 million dollars in addition to exchange of 30,000 tons of Russian cotton and some wool for 3,000 tons cotton yarn and 55 million yards cotton textiles. Agreement expires Dec 31, 1946 (mytel 298, July 17[98] and despatch 180, Aug 10[99]).

Implementation of trade agreement has been assigned to newly-created corporation owned three-fourths by Hungarian State and one-fourth by National Bank. This corporation granted monopoly in Russian-Hungarian trade.

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[95] James C. Dunn, Assistant Secretary for European, Far Eastern, Near Eastern and African Affairs, remained in London as Deputy to the Secretary of State on the Council of Foreign Ministers, following the conclusion of the first session of the Council on October 2, and the Secretary's departure for Washington.

[96] Not printed; in this telegram, which was not repeated to the Department, the Secretary of State directed Schoenfeld that pending further instruction, no further steps should be taken; Schoenfeld was requested to send a full report on the Soviet-Hungarian economic arrangement (Budapest Legation File: 801 Hungary Government Recognition). Telegram 33, October 4, 4 p. m. from Budapest to London, not repeated to Washington and not printed, reported that the Secretary of State's telegram 8, September 24, from London, had not been received until October 4. (Budapest Legation File: 801 Hungary Government Recognition)

[97] Not printed; it reported that Marshal Voroshilov and Pushkin continued to press on Miklos and Gyöngyösi the importance of prompt Hungarian ratification of the Soviet-Hungarian economic collaboration agreement (864.00/10–445).

[98] Not printed; it summarized the terms of the draft Soviet-Hungarian trade agreement (661.6431/7–1745).

[99] Not printed; it transmitted a text of a translation of the draft of the Soviet-Hungarian trade agreement then under negotiation in Moscow (661.6431/8–1045).

Trade agreement generally regarded profitable from Hungarian viewpoint. Processing of Russian cotton will utilize surplus Hungarian textile capacity. Hungarian economy sorely needs raw materials and trucks scheduled for import from Russia. Hungary will have difficulty providing goods required for export to USSR, but oil and food products, which comprise important part of export list, are relatively readily available. Russians apparently gave Hungary favorable trade terms to make economic collaboration agreement discussed below more palatable.

Second economic agreement provides for economic collaboration between two countries and for widespread Russian participation in Hungarian economy. Copy enclosed my despatch 197, Aug 17.[1]

Agreement specifies equal Russian-Hungarian participation in existing or newly-created enterprises within most economic fields, including iron and steel, aluminum, petroleum, electric power, chemical and machine industries, also in banking and river, air and motor transport. Joint companies for mechanization of agriculture and for agricultural and industrial research also prescribed. Agreement valid for five years but may be terminated on year's notice.

Broad terms of collaboration agreement are subject to implementation by detailed protocol now being prepared by Commerce Ministry; which we have not yet seen.

Russia will have 50% participation in joint companies which will depend on USSR sources for working capital. These factors enhanced by political pressure can give USSR dominant position in Hungarian economy.

Creation of jointly owned company for exploitation of oil resources which will inherit German oil concessions in Hungary will probably affect adversely American oil investments here. Creation of companies for exploitation of coal and bauxite mining, aluminum manufacturing and electric power will result in Russian control of all important Hungarian natural resources save possibly oil.

Ratification of collaboration agreement remains critical Hungarian political issue (my telegram 714, October 5). Non-Marxist Ministers have thus far resisted but admit that in absence of outside assistance ratification is inevitable. Voroshilov and Pushkin applying unceasing pressure on Hungarian Government. They are reported to have offered Hungary assistance in economic reconstruction and rehabilitation if it signs collaboration agreement and threatened literal enforcement of Armistice provisions and Reparations Agreement if it fails to sign. Threat to dismantle and remove all German-owned plants assigned to USSR by Potsdam has undermined resistance. Since

[1] Not printed.

Voroshilov employs very broad definition of German ownership this threat applies to very important industrial installations.

Those who dread Russian monopolization of Hungarian economy, including business, financial and intellectual community and non-Marxist parties, continue to appeal for our intervention referring to our direct interest through American investment here and to often-voiced American promise of unrestricted trade throughout world. American failure to express disapproval of proposed agreement has discouraged these groups and given support to Russophiles who continually point out that Hungary can survive only with USSR help since it has been abandoned by western countries. Please see my 714, October 5, last paragraph.

Repeated to London as 35 to Moscow as 87.

SCHOENFELD

864.00/10-845 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 8, 1945—5 p. m.
[Received 8:30 p. m.]

726. Smallholders Party won substantial victory over common slate of Communist and Social Democratic Parties in Budapest municipal election yesterday. All observers agree that Russian troops behaved creditably and there was no evidence of intimidation or disturbances concluding that free election has been held.

According to latest report Smallholders elected 123 to Municipal Council; combined Labor parties 100; Citizens Democratic 12; Radical Party 3; National Peasant 2.[2]

Smallholders jubilant at sure rising [*surprising*] victory which exceeded their most optimistic estimation (my 2713, Oct 5 [3]). Undoubtedly many Socialists voted for Smallholders as protest against their party combining with Communists.

SCHOENFELD

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[2] Telegram 745, October 11 from Budapest, reported that of 587,629 votes cast in the Budapest municipal elections, the Smallholders Party received 295,197, the Communist and Social Democratic Parties together received 249,711, the Citizens Democratic Party received 22,392, the National Peasant Party 11,741 and the Hungarian Radical Party 5,031 (864.00/10-1145).

[3] Not printed; it reported that Smallholders and Peasant Party leaders had expressed appreciation to Schoenfeld for American readiness to establish diplomatic relations with Hungary and were agreed that the American action fostered self-confidence among previously intimidated voters and would markedly affect the outcome of the Budapest municipal elections (864.00/10-545).

711.64/10–1145 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 11, 1945—6 p. m.

526. Your 641 Sep 25 and 727 Oct 8.[4] You may inform the FonMin that having found satisfactory the assurances given by the Hungarian Govt in its communication of Sep 25 in reply to your note of Sep 22, this Govt is now prepared to resume formal diplomatic relations with Hungary. Dept is therefore prepared if requested by the Hungarian Govt to ask the President if the designation of Szegedy-Maszak as Envoy Extraordinary and Minister Plenipotentiary from Hungary is agreeable to him.[5]

BYRNES

661.6431/10–1145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 11, 1945—6 p. m.
[Received 6:10 p. m.]

746. Following is translation of note dated October 11 received today from Prime Minister Miklos:

"I have the honor herewith to send you a copy of the Russian-Hungarian economic agreement which was signed in Moscow by Minister of Commerce Erno Gero and the Russian Minister of Foreign Trade. This economic agreement is being energetically urged on the part of the Russians who confront the Hungarian Government with the question whether it is willing to accept the pact and request a yes or no answer.

Since the question is coming up before the Cabinet Council it is not impossible that it will be approved by the Leftist Ministers.[6] In that

[4] Telegram 727, October 8, 1945, from Budapest, not printed; it reported receipt of a Hungarian Foreign Office *note verbale* stating that the Hungarian Provisional Government intended to appoint Aladár Szegedy-Maszák as head of the Hungarian Mission to the United States (701.6411/10–845).

[5] Telegram 756, October 13, 11 a. m., from Budapest, reported that a note in the sense of the Department's telegraphic instructions was delivered to the Hungarian Foreign Minister on October 12 and in reply the Foreign Minister had sent a note expressing gratification of the United States Government's decision to resume formal diplomatic relations and asking whether the designation of Aladár de Szegedy-Maszák would be agreeable to the President (701.6411/-10–1345). It was announced on November 2 that the United States Government had informed the Hungarian Provisional Government that it was agreeable to the appointment of Szegedy-Maszak; Department of State *Bulletin*, November 4, 1945, p. 734.

[6] Telegram 757, October 13, from Budapest, reported that the Hungarian Ministerial Council had ratified the Soviet-Hungarian economic collaboration agreement on October 12 subject to two amendments to the effect that the agreement did not preclude economic cooperation with other countries and that in implementing the agreement, German assets in Hungary would receive prior attention (661.6431/10–1345).

event, I will seek to postpone final acceptance of the agreement until such time as on the basis of the international agreements namely Yalta and San Francisco it will be possible for the British and American Governments to give adequate expression to their position.

I have the honor to inform you that I am requesting the Allied Control Commission's decision in this matter and at the same time I request the support of the American Government.

For your information I call your Excellency's attention to the fact that the agreement extends not only to those German assets which in accordance with the Potsdam Agreement have passed into the possession of the USSR but embraces every branch of Hungarian economic life as well. With respect to the conclusion of such economic agreements I have declared that I maintain a free hand for Hungary and will not acquiesce in the exclusion of the United Nations and other foreign countries. Moreover, the Moscow Agreement would have to undergo much modification before it is acceptable from the Hungarian point of view."

Please see my telegram number 747, October 11. Repeated to London as No. 37.

SCHOENFELD

661.6431/10–1145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 11, 1945—8 p. m.
[Received October 11—5:23 p. m.]

747. My telegram 714, October 5. We learn that British political representative has informed Zsedenyi under instructions from London that British Govt feels matter of Soviet-Hungarian economic collaboration agreement is properly one for submission by Hungarian Govt to ACC.

Note quoted in my telegram 746, October 11, is identical with one addressed by Miklos to British Representative and indicates action of Prime Minister in pursuance of this British advice.

There is some reason to believe that Miklos' note to British and ourselves is supplementary to similar communications through Foreign Minister to Chairman ACC, but that Miklos addressed this and British Missions because he feared Gyöngyösy would not communicate Hungarian Govt's request for tripartite consideration of economic agreement to British and American members of ACC.

Request Dept expedite instructions suggested in my telegram 714 and that Dept consider expediency of instructing Key to request matter be put on ACC agenda, though such instructions would not, of course, preclude possibility that Cabinet will seek to relieve itself of this

problem at tomorrow's meeting by approving agreement for submission to ACC or that Voroshilov will then approve agreement on behalf of ACC without consideration of American and British members of ACC.

Sent Dept, repeated London as 38.

SCHOENFELD

Budapest Legation Files: 711.9 Peace Treaty

Memorandum by the Secretary of Mission in Hungary (Squires) to the Representative in Hungary (Schoenfeld)

[Extract] [6a]

BUDAPEST, October 11, 1945.

. . . . . .

VI

A portion of the remaining time at my disposal in London [7] was devoted to the consideration of the advantages of extending immediate diplomatic recognition to Hungary. This proposal was first raised by Mr. Dunn, who asked my opinion of its validity. I indicated that I considered the reply of such importance that it should only be made by Mr. Schoenfeld, and indicated my unwillingness to go on record with a reply which might even be considered a semiofficial view, insofar as this Mission was concerned. In several discussions thereafter I maintained this position and took part in the discussion only as an American with some immediate background in the country concerned.

It is important to note that the immediate restoration of diplomatic relations with Hungary was considered by the Secretary and his advisers not so much in connection with the effect in Hungary as in Bulgaria and Rumania. It was felt, and I believe, rightly, that the restoration of normal diplomatic procedures between Hungary and the United States would emphasize and give added validity to our refusal to do business with the present governments in Rumania and Bulgaria.

The step taken in restoring diplomatic relations between the United States and Hungary was basically due to the pressure given the proposal by Mr. Dunn.[8] Its effectiveness and the delay in making the proposal as dramatically and speedily as might have been done was

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[6a] The first five parts of this memorandum deal with Soviet and United States proposals regarding a peace treaty with Hungary.

[7] Mr. Squires worked with the United States delegation at the First Session of the Council of Foreign Ministers in London, September 11–October 2, 1945. He arrived in London on September 13.

[8] James C. Dunn, Assistant Secretary of State and Deputy to the Secretary of State at the Council of Foreign Ministers in London.

due, in my opinion, to the opposition of Mr. Bohlen,[9] and in a measure, Mr. Dulles.[10]

It is my belief that the above statement places in the record all of my actions in London which might be construed to have had some effect on the official position of the American Government in Hungary.

LESLIE ALBION SQUIRES

661.6431/10–1345 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 13, 1945—2 p. m.

534. Reurtels 714 Oct 5 and 719 Oct 6, Deptel 536 Oct. 13.[11] Dept thinks it would be inadvisable for you to indicate to Hungarians any support for refusal to ratify economic collaboration agreement. US cannot of course assume responsibility independently to make up economic losses Hungary might suffer as a result of Soviet reprisals or make commitments at this time to supply goods, capital or technical aid which are provided for by Soviet-Hungarian agreement.

If Hungarian officials should approach you again, it would be preferable not to go beyond general statements you have already made.

Telegram will follow[12] giving Dept. views on relation to present situation of US-Hungarian treaty of friendship commerce and consular rights of 1926.[13]

BYRNES

661.6431/10–1145 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 13, 1945—2 p. m.

535. Your 746 and 747 Oct. 11. Dept considers that Soviet-Hungarian economic collaboration agreement is not properly matter for ACC decision but rather for consideration at governmental level among three principal Allied powers. It does not believe therefore that Key should request inclusion of this matter on ACC agenda. However, if question of agreement is discussed in ACC meeting, sub-

[9] Charles E. Bohlen, Assistant to the Secretary of State and member of the United States delegation at the Council of Foreign Ministers.

[10] John Foster Dulles, Consultant to the Secretary of State and member of the United States delegation at the Council of Foreign Ministers.

[11] Telegram 536, October 13, to Budapest, same as telegram 2159, October 13, to Moscow, p. 888.

[12] Telegram 590, October 26, 8 p. m., to Budapest, p. 899.

[13] Treaty signed June 24, 1925 (ratifications exchanged September 4, 1926), *Foreign Relations*, 1925, vol. II, p. 341.

stance of Dept's tel of Oct 13 to Moscow rpted to you as 536 [14] may be used by Key to indicate US position. This Govt could not of course agree to Voroshilov's taking any positive action on this question in name of ACC without consent of US and Brit reps on that body.

Sent Budapest rptd Moscow and London.[15]

BYRNES

661.6431/10–1345 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, October 13, 1945—2 p. m.

2159. Please transmit communication along following lines to Soviet Govt:

The "agreement for economic collaboration" recently negotiated by the Soviet and Hungarian Govts is a matter of considerable interest to this Govt, particularly in view of its desire to see re-establishment of of mutually advantageous trade and other economic relations between Hungary and United Nations as soon as political and economic conditions permit. US Govt has hoped that three principal Allied Govts in accordance with obligations undertaken would find it possible in interim period prior to establishment of permanent Govts and conclusion of peace treaties to concert their policies in assisting Hungary and other liberated and ex-satellite states in Europe to solve their pressing economic problems. US Govt holds view that long-term arrangements between Hungary and an Allied Govt of so broad and fundamental a nature as those contained in prospective Soviet-Hungarian agreement for economic collaboration are of common concern to the other parties to the Armistice and should await conclusion of a more permanent arrangement terminating the Armistice. These considerations of course do not apply to agreement for exchange of commodities recently concluded between USSR and Hungary.

As in case of Soviet-Rumanian economic agreement of May 8, 1945, on which US views were expressed in note of July 19 (reDeptel 1621 July 16 and Embtels 2634 July 19, 2896 Aug 14 [16]) US Govt is concerned over possibility that in practice some of clauses of treaty might work out in such way as to prejudice US interests and to deny to states other than USSR equal access to Hungarian markets and raw materials and equality of opportunity to engage in trade with Hungary. US Govt feels sure however that should Soviet Govt agree to consult on this subject full interchange of information among three Allied Govts would make possible agreement which would dispel present misgivings of this Govt and would pave way for such joint steps as it may be possible for the three Govts to take toward economic rehabilitation of Hungary. Assistance to Hungary should of course

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[14] Same as telegram 2159 to Moscow, *infra*.

[15] Repeated to Moscow as No. 2158 and to London as No. 9104.

[16] None printed.

be considered in proper relationship to programs for rehabilitation of liberated Allied nations in Europe.

It is requested that Soviet Govt consider desirability in light of factors set forth above of deferring implementation of agreement with Hungary until after armistice regime in Hungary has been terminated and peace treaty has been concluded. Meanwhile US Govt would be glad to discuss with Soviet and Brit Govts formulation of program of economic collaboration which would assist economic recovery of Hungary.[17] *End Communication.*

This tel rpted London for informal discussion with FonOff and to Budapest for info only.[18] Dept would like to know Brit views on points raised.

BYRNES

864.918/10–1545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 15, 1945—5 p. m.
[Received October 16—11:40 a. m.]

764. Goldberg of AP[19] and five other US accredited correspondents have petitioned me to have US Govt intercede in question of censorship of press copy now being submitted to Hungarian Post Office for relay via Mackay. Their letter states they have given Soviet authorities a week's chance to reduce time for so called scrutiny but that censorship has in effect been caused by inordinate delay in passing copy. Correspondents request representations by your govt at Moscow with collateral action by British Govt.

General Key put correspondents complaints before ACC (Allied Control Commission) meeting Oct 10. Voroshilov stated reason for delay was volume of material and since correspondents some times do not write accurately it must be checked. General Key asked Marshal to inform him when censorship was necessary. Marshal indicated that censorship would hold up correspondents copy should they submit erroneous reports concerning conditions in Hungary.

General Key informed correspondents that under article 16 of armistice agreement with Hungary, Soviet authorities had privilege of censorship but indicated willingness to permit limited number of news despatches over Army radio under requested authority Adju-

[17] Telegram 3574, October 17, 1945, noon, from Moscow reported that on October 15 a communication along the lines of the Department's instructions had been addressed to Deputy Foreign Commissar Vyshinsky (661.6431/10–1745).

[18] Repeated to London as No. 9105 and to Budapest as No. 536.

[19] Abraham Goldberg, correspondent for the Associated Press.

tant General War Dept since use of Army radio might be construed by Russians as attempt to evade threat of censorship.[20] Key states Russians have approved 36 correspondents for entry which they feel is exorbitant number.

In view of Potsdam Agreement that representatives of Allied press are to enjoy full freedom to report developments in Hungary, Dept may wish to clarify whether Soviet right of censorship under article 16 overrides Potsdam understanding on press.[21] Correspondents besides requesting that our govt take official action evidently have intention of making news story of prevailing press censorship.

Rptd to Moscow as 91.

SCHOENFELD

661.6431/10–1545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 15, 1945—7 p. m.
[Received October 15—4:25 p. m.]

767. Mytel 763, October 15.[22] Gascoigne informs me that since proposed British note to Voroshilov was predicated on concerted action with US it will be suspended pending further instructions from London.

I have not yet acknowledged Miklos' note of October 11 (mytel 746, October 11) and request instructions whether I am to do more than send simple acknowledgement. Department is, of course, aware of fact that Hungarian Cabinet now approved economic collaboration agreement with USSR (mytel 757, October 13 [23]). It only remains for Political Committee of Assembly and for National Council, respectively, to approve before final ratification and such ratification may be expected on part of Hungarian Govt if it remains uninformed as to your action at Moscow (Deptel 536, October 13 [24]).

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[20] Telegram 785, October 18, from Budapest, reported that General Key had received instructions from the War Department that military communications facilities could not be used by correspondents to evade censorship (864.918/10–1845).

[21] Reference here is to section X of the Report on the Tripartite Conference of Berlin, released to the press on August 2, 1945. For text, see *Conference of Berlin (Potsdam)*, vol. II, p. 1499.

[22] Not printed; it reported that the British political representative in Budapest, on instructions from his Government, had prepared a note for delivery to Marshal Voroshilov stating that the British Government did not consider the conclusion of the Hungarian-Soviet economic collaboration agreement as in accordance with the obligations of the Allies not to negotiate a separate peace arrangement with a common enemy and that since a state of war still existed between the Allies and Hungary, the British Government was of the opinion that no single Allied Power should unilaterally make arrangements with Hungary prejudicing the position of the other Allies in any eventual peace settlement (661.6431/10–1545).

[23] See footnote 6, p. 884.

[24] Same as telegram 2159, October 13 to Moscow, p. 888.

I have advised Key in sense of Deptels 534, 535 and 536, October 13. Sent Department; repeated to London as 41 and Moscow as 92.

SCHOENFELD

661.6431/10–1645 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 16, 1945—5 p. m.
[Received 9 : 45 p. m.]

10821. Emb's 10778, Oct. 15, 9 p. m.[25] and Dept's 9105, Oct 13, 2 p. m.[26] Sargent[27] states that instructions were sent this morning to British Embassy in Moscow fully to support our representations on Soviet-Hungarian economic agreement. He stated Foreign Office was in full accord with Dept's position and that it placed most emphasis on impropriety of provisional govt making basic long-term economic commitments to other govts. He again expressed hope that we would support in Allied Control Commission British efforts to prevent Soviet pressure being brought on Hungarians particularly in name of Allied Control Commission.

Sent Dept as 10821, rptd to Moscow as 357 and Budapest as 12.

GALLMAN

864.00/10–1745 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 17, 1945—3 p. m.
[Received 3 : 50 p. m.]

779. Tildy sent me word this morning that Marshal Voroshilov in conversation with him yesterday at Marshal's request expressed apprehension of "civil war" and said that disturbances reported from various parts of the country caused him concern. He suggested very courteously to Tildy that latter confer with other party leaders regarding expediency of setting up common electoral list for national election calculated to minimize political tensions and to assure peaceful solution of country's pressing problems economic and political. Following this very friendly intimation Tildy consulted with Rakosi and Szakasits and came to tentative agreement under which common

[25] Not printed; it reported that the British Foreign Office had instructed the British Representative on the Allied Control Commission in Hungary to raise in the Commission the question of the Soviet-Hungarian economic collaboration agreement (661.6431/10–1545).

[26] Same as telegram 2159, October 13, 2 p. m. to Moscow, p. 888.

[27] Sir Orme Sargent, Deputy Under Secretary of State in the British Foreign Office.

list would be set up with support of minor non-Marxist parties giving Smallholders 51 percent majority in National Assembly after election November 4. Peasants Social Democrats and Communists would thus accept minority role but Tildy says this minority would be further decreased by probable split in Social Democratic Party many of whose mandates would adhere to non-Marxist majority.

This morning also Ferenc Nagy visited me with Bela Varga [28] and Bela Kovacs [29] of Smallholders explaining there was real fear of serious disturbance on part of alleged armed Communist and Social Democratic workers in Budapest apart from more or less grave incidents which had lately taken place in various provincial centers all directed at demonstrating unwillingness of Marxist groups to accept unqualified non-Marxist control of list which would follow straight national election.

Smallholders party spokesmen tell me that matter of proposed common slate will probably be decided today and they have inquired with manifest anxiety whether election held on common slate basis would be well received in U.S. I have of course evaded direct answer to such inquiries and have spoken in general terms of our obligations under Crimea declaration as emphasized in our note of September 22 regarding renewal of diplomatic relations with Hungary with resulting satisfactory assurances received from Provisional Government regarding free election.[30]

Smallholders spokesmen evidently are inclined to view that acceptance of common slate is desirable so as to assure maintenance of peace and order in ensuing critical months but I understand Social Democratic Party is widely split on this issue and that Smallholders Party is far from unanimous in supporting proposal.

In strictest confidence Tildy's emissary said Voroshilov and Pushkin having mistakenly predicted to Moscow outcome of recent Budapest election and being aware that Smallholders without common slate would receive great majority in national election to discomfiture of Soviet representatives, Tildy feels that advantages of common slate also include saving face for Voroshilov and Pushkin whose fall from grace with Soviet Government might lead to appointment of new Soviet representatives here and much heavier hand by such new representatives in handling Hungarian affairs.

SCHOENFELD

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[28] Managing Vice President of the Smallholders Party.

[29] General Secretary of the Smallholders Party.

[30] Telegram 780, October 17, 4 p. m., from Budapest, reads in part as follows:

"Dept may wish now to consider if common list for allocational assembly candidates is in violation of pledge given by Hungarian Govt that an election will be held for establishment representative Govt and is at the same time contrary to our Yalta commitment. Submission of single predetermined list as electors would not appear to enable Hungarians 'to create democratic institutions of their own choice'." (864.00/10–1745)

661.6431/10–1845 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 18, 1945—noon.
[Received October 18—11:07 a. m.]

781. My telegram 767, Oct. 15. Gascoigne tells me today that he received instructions to bring matter of Soviet economic collaboration agreement before next meeting of ACC (Allied Control Commission) and General Edgcumbe yesterday addressed note accordingly to Voroshilov along lines reported in my telegram 763, October 15 [31] but omitting reference made in first draft to effect that agreement was concluded "with a Govt owing its existence to active intervention of USSR".

Gascoigne informs me further that Political Committee of National Assembly is not likely to meet before next week to consider ratification of agreement while National Chief Council would meet later still for final ratification.

Gascoigne requested Key's support of British position at meeting of ACC scheduled for Oct 20 but probably to be deferred. I told Gascoigne Key has been instructed in sense of your 535, Oct. 13.

Sent Dept, rpt to London as No. 43 and Moscow as No. 93.

SCHOENFELD

Department of the Army Files: [32] Telegram

The Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) to the War Department [33]

BUDAPEST, 18 October, 1945.

Z 857, Key ACC Hungary US delegation to Marshall for OPD and JCS, Information ACC Bulgaria and ACC Rumania. Please refer to my Z–446 dated 23 August.[34]

Information desired concerning any further action contemplated in this matter. In telegram nbr 3173 of 5 September from Harriman to State Department it was stated substantially that "efforts to discuss the revision of the ACC Statutes either in Budapest, Bucharest or Sofia or in Moscow would serve no useful purpose. The view of the Soviet Government that this issue was eliminated by the acceptance at Potsdam of the draft made by Marshal Voroshilov confirms our

[31] See footnote 22, p. 890.

[32] War Department classified message number CM–IN–9087.

[33] A War Department memorandum to the Department of State, dated October 20, requested information upon which to base a reply to General Key's message (740.00119 Control (Hungary)/10–2045). The Department's response to General Key's message was contained in telegram 592, October 26, 8 p. m. to Budapest, p. 900.

[34] Not printed; it repeated some of the information contained in Major General Key's letter of August 23 to Schoenfeld, p. 855.

previous experience with reference to the interpretation placed by the Soviets on the phrase "as basis". It is clear that we are confronted with an absolute difference in interpreting the Potsdam agreement. I think for this reason the matter would be a proper subject for consideration at the forthcoming London meeting of Foreign Ministers. Progress cannot be made towards agreeing on the ACC Statutes until this question is settled."

Ambassador Harriman during a recent visit here informed me that no new developments had occurred in this matter.

Attention is again invited to the position which we occupy in Hungary as a result of the arbitrary attitude of the Soviets requiring us to operate under their directive which we officially asserted was not in accordance with the agreement reached at Potsdam and that the U.S. Government did not accept the proposals as the Statutes for the ACC.

It is hoped that appropriate action can be taken at an early date on high government levels to bring about an improvement in the situation here which will enable U.S. and British representatives to participate on an equal basis with the Soviets in the operation of the ACC. Important actions are still being taken by the Soviets without the knowledge or concurrence of the representatives of the other governments and increasing difficulties are being experienced in obtaining clearances for U.S. personnel to enter Hungary.

Under existing conditions the U.S. and British Governments occupy a subordinate position in the policy making of the ACC and I personally feel the need for more active support from high diplomatic levels.

[KEY]

661.6431/10–1945 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 19, 1945—6 p. m.

567. In view of proposed Brit action ACC (London's 10778 Oct. 15 to Dept repeated to Budapest as 11 [35] and your 781, Oct 18). Key as indicated in Dept's 535 Oct. 13, should support Brit representative along lines of Dept's 2156 [*2159?*] to Moscow repeated to Budapest as 536 if and when he raises question ACC and should request Voroshilov, on ground that exchanges of views among three ACC Govts have been proposed on Govt. level to refrain from pressure in name of ACC on Hungarian Govt to ratify agreement.

Brit representative Budapest has been instructed to inform Hungarian Govt orally of Brit point of view and action taken. Since silence this Govt might be taken by Hungarian to mean that we disagree Brit position, your instructions, Dept's 534, Oct. 13 are hereby

[35] See footnote 25, p. 891.

modified to extent that after Brit have acted you should orally inform Hungarian Govt of US point of view as indicated Dept's 2159 to Moscow repeated to Budapest as 536, and action taken.

Repeated to London and Moscow.[36]

BYRNES

864.00/10–1945 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 19, 1945—6 p. m.
[Received 11 p. m.]

10971. Foreign Office official today made following remarks about impending Hungarian elections:

Voroshilov's advice Hungarian party leaders that there should be a single list of candidates is worst thing that could have happened except holding of no elections. His action no doubt results from Budapest municipal elections which indicated way country would go if elections were to be free. Similar results in national elections would mean that present composition of Hungarian Govt of 7 Leftist members and 6 Moderates would have to be altered to advantage of Moderates.

First impact on Foreign Office of Voroshilov's step is that recognition by British may be held up for some time as Hungarian Govt will not be fulfilling its pledges of free elections. Furthermore British probably will not receive any Hungarian representative in England until situation is clarified. No blame is attached to Hungarian Govt itself as this situation has been created entirely by Soviets.

Gascoigne will be given instructions to urge Hungarian Govt to resist this Russian pressure.[37]

Sent to Department as 10971; repeated to Budapest as 13.

GALLMAN

661.6431/10–1845 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 19, 1945—7 p. m.

569. Lengthy controversial article on Soviet-Hungarian economic collaboration agreement by MacCormac[38] dated Budapest Oct 17

[36] Repeated to London as telegram 9268 and to Moscow as 2190.

[37] Telegram 808, October 22, 4 p. m., from Budapest, reported that a Hungarian Foreign Office informant stated that Gascoigne told Foreign Minister Gyöngyösi on October 19 that a common Hungarian electoral list would delay British Government's acceptance of an unofficial Hungarian representative in London (864.00/10–2245).

[38] John P. MacCormac, *New York Times* correspondent.

appeared in *NY Times* Oct 18 which, together with other articles currently appearing elsewhere apparently not excessively delayed, appears to indicate that review by Soviets is not onerous. However, if unusual delays encountered please ask Gen Key to bring question of censorship of correspondent's despatches again before ACC (your 764 Oct 15). Key should point out this Govts belief that as armistice with Hungary was negotiated before conclusion of war it was natural to provide for censorship because of military considerations. However, agreement reached at Potsdam after defeat of enemy shows three Heads of Govts considered that purely military factors were no longer paramount since Communiqué [40] (Section 10) stated "The three governments have no doubt that in view of the changed conditions resulting from the termination of the war in Europe, representatives of the Allied press will enjoy full freedom to report to the world upon developments in Rumania, Bulgaria, Hungary and Finland." Gen Key should also point out that all censorship, both by Soviet military and by civil authorities has been lifted in Rumania (see M1888 Oct 16 from Schuyler) and request that in view of these considerations Voroshilov reconsider question in Hungary.[41]

Dept agrees that as commercial communications have been resumed Key should no longer make available use of his radio facilities to correspondents and does not believe (re your 785 Oct 18 [42]) that you should accept pooled messages for transmission through Dept.[43]

BYRNES

661.6431/10–2245 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 22, 1945—4 p. m.
[Received October 22—1:08 p. m.]

802. Urtels 536, October 13 [44] and 567, October 19. I gave Prime Minister orally today substance of representations made by our Embassy at Moscow. He expressed great satisfaction at this action, espe-

[40] For text of the Report on the Tripartite Conference of Berlin, issued as a communiqué on August 2, 1945, see *Conference of Berlin (Potsdam)*, vol. II, p. 1499.

[41] Telegram 597, October 29, 1 p. m., to Budapest, stated *inter alia* that the Department felt that the decision reached by the heads of government at the Berlin Conference left no doubt that journalists should be free to enter Hungary and there would be no limitation on their number (740.00119 Control (Hungary)/10–2945).

[42] Not printed.

[43] Telegram 806, October 22, 11 p. m., from Budapest, reported that *New York Times* correspondent MacCormac had left Budapest and presumably filed his article from Vienna. American correspondents in Budapest had been apprised of the Department's opposition to the transmission of news despatches through the Mission's radio facilities (661.6431/10–2245).

[44] Same as telegram 2159, October 13, 2 p. m., to Moscow, p. 888.

cially our emphasis upon inter-Allied cooperation in Hungarian rehabilitation as part of general European rehabilitation program.

Key informs me that Voroshilov was disinclined to accept British Representative's proposal for inclusion in agenda for today's meeting ACC of subject of Soviet-Hungarian economic collaboration agreement and Edgcumbe's note to Voroshilov of October 17 (mytel 781, October 18). Voroshilov desired matter postponed for consideration at next meeting ACC scheduled for October 30.

It remains to be seen whether Soviet pressure for immediate Hungarian ratification of agreement will now be relaxed.

Sent Department, repeated to London as No. 44 and Moscow as No. 94.

SCHOENFELD

864.00/10-2245 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 22, 1945—6 p. m.
[Received October 22—3 : 27 p. m.]

804. Mytel 801, Oct 22.[45] I have received further message this afternoon from Tildy to effect that agreement has now been reached among leaders of Smallholders, Social Democrats, Communists and National Peasant Parties accepting proposal for formation of coalition Govt in which they will all be represented following election November 4. Election is to proceed as scheduled. This agreement is being ratified this evening by political committee of Smallholders Party for submission to convention of party at meeting here tomorrow [46] (mytel [apparent omission]). Agreement also contemplates prompt issuance of joint appeal [47] to voters on behalf of four parties of independence front setting forth general program for economic rehabilitation on which all parties are agreed including suppression of inflation, black market and speculation, the increase of taxation, the nationalization of sub soil resources and elimination of reaction-

[45] Not printed; it reported that Tildy had sent word to Schoenfeld that the plan for a common electoral list for the Hungarian national elections was abandoned by party leaders on October 20, but party leaders would probably agree to maintain the coalition government after the elections, regardless of the results (864.00/10-2245).

[46] Telegram 814, October 23, 6 p. m., from Budapest, reported that a Smallholders Party meeting of October 23 voted unanimously in favor of the agreement outlined herein (864.00/10-2245).

[47] Telegram 819, October 24, from Budapest, reported that a manifesto signed by the leaders of the Smallholders, Social Democratic, Communist and National Peasant Parties was issued October 24. The manifesto declared that it had been impossible to reach an agreement for a common list of candidates for the forthcoming election. It was agreed that a coalition government would be formed after the election and an election program as herein described was enunciated (864.00/10-1145).

aries throughout public administration. This appeal is designed to minimize party agitation prior to election day and to elicit maximum unity of public in supporting coalition program. Citizens Democrat Party has not taken part in any of recent political negotiations and may apparently be ignored.

In strictest confidence I am told Tildy believes expected Smallholders majority will have effective Social Democratic support in Assembly this being likely through change in Social Democratic leadership from Szakasits to Peyer. Formal working agreement between Smallholders and Peasant Party is already assured and will give Smallholders overwhelming control of elected National Assembly so that actual composition of the Cabinet then to be established will be less important. In Tildy's opinion this might even involve increased representation of minority parties in the new cabinet since it will be subject in any case to authority Assembly majority under Smallholders control.

Tildy is now very hopeful that this program will go through. Rakosi is reported most depressed and has accepted above program in a spirit almost of apathy induced by disappointment felt by Soviet representatives in Rakosi's alleged misleading predictions regarding strength of Communists in municipal election 2 weeks ago. According to this account Voroshilov and Pushkin have not repudiated Rakosi but his attitude is almost the same as if he had been repudiated. Last paragraph mytel 779, Oct. 17.

SCHOENFELD

661.6431/10–2545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 25, 1945—6 p. m.
[Received October 26—12:05 a. m.]

825. General Key has sent me copy of note addressed by him today to Marshal Voroshilov in sense of your 567 October 19. Note states he had hoped to have opportunity to discuss matter of Soviet-Hungarian economic collaboration agreement with Marshal personally but being unable to arrange conference, he had written. Last paragraph of Key's note substance of which is in harmony with Department's instructions (my telegram 767 October 15) concludes by requesting chairman "not to press the Hungarian Government on behalf of the ACC (Allied Control Commission) to ratify the proposed agreement".[48]

[48] Telegram 854, November 2, 6 p. m. from Budapest, reported that Voroshilov stated to General Key that agreement was not a proper subject for discussion by the Control Commission but that he readily agreed to Key's request that Voroshilov refrain from pressing the Hungarian Government on behalf of the Control Commission to ratify the agreement (661.6431/11–245).

I have only today received London's 11 sent Department as No. 10778 October 15.[49]

Sent Department; repeated to London as No. 47 and Moscow as No. 97.

SCHOENFELD

661.6431/10–645 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 26, 1945—8 p. m.

590. Reurtel 714 Oct 5 and 719 Oct 6 and Deptel 534 Oct 13. Unless you perceive objection, convey substance of following orally to the Hung Govt.

USSR–Hung agreement for economic collaboration signed Moscow likely to result in favored USSR position in Hung which is contrary to US policy of nondiscrimination in commercial and economic matters as evidenced by our treaty signed June 24, 1925 with Hung Govt.[50]

Dept recognizes agreement phrased general terms which makes specific protest difficult but makes following points:

1. Joint USSR–Hung enterprises for reconstruction and development in Hung industry, agriculture, transport and banking should be so established and operated as to assure most-favored-nation treatment to nationals of US such as was reflected in Article X of US–Hung treaty. Dept attaches particular importance to receiving most-favored-nation treatment for US nationals in field of discovering, exploitation, refining, processing and marketing of petroleum.
2. Dept is specially concerned at clauses permitting USSR–Hung participation in "existing" plants in view of substantial US interests in petroleum and other properties in Hung. You should stress the undesirability of action adversely affecting such interests and the necessity for their proper recognition and protection.
3. USSR–Hung agreement to organize and develop river and ocean shipping should not be implemented so as to preclude granting complete freedom of transit as contemplated in Article XIII of US–Hung treaty.
4. Agreement of Hung Govt to facilitate processing in Hung factories of raw materials made available by USSR should not be implemented to deny unconditional most-favored-nation treatment for US nationals which was agreed to in Article VII of US–Hung treaty.

Regardless of present status US–Hung treaty as result hostilities, US Govt in any case regards purposes of US–Hung treaty of continued importance, considers treaty could be brought back into full force with peace treaty and perhaps subsequently replaced by treaty conferring even broader rights on a mutual basis.

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[49] See footnote 25, p. 891.

[50] Treaty of friendship, commerce and consular rights between the United States and Hungary, signed at Washington, June 24, 1925, *Foreign Relations*, 1925, vol. II, p. 341.

Use of US Commercial Company on broad basis to facilitate trade relations with eastern Europe being considered here, in light of Hungarian Govt comments on use of same (urtel 805 Oct. 22 [51]). USCC would not prejudice establishment normal private trade relations and would be administered on nondiscriminatory basis.

BYRNES

740.00119 Control (Hungary)/10–2645 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 26, 1945—8 p. m.

592. In connection with his Z–857 Oct 18 you may inform Gen Key that while this Govt has not accepted as definitive the Soviet revision of the ACC statutes for Hungary and is naturally sympathetic with his desire to see activities of ACC placed on a truly tripartite basis, it feels that no useful purpose would be served by pursuing matter further through Embassy Moscow at this time.

Please request Gen Key to endeavor to avoid any discussion of this question and if it should by chance be brought up to indicate only that he is without instructions and that the matter is one for settlement at Govt level.

War Dept has been informed of contents of this telegram.

BYRNES

661.6431/10–3145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 31, 1945—6 p. m.
[Received October 31—4:40 p. m.]

840. I spoke to Foreign Minister today in sense of urtel 590, Oct 26, leaving memorandum [52] in confirmation regarding Hungarian-Soviet economic collaboration agreement and US Hungary Treaty signed June 1925. Gyöngyösi said there had been no recent developments regarding ratification of collaboration agreement. There was some discussion here as to constitutional authority of political committee to ratify international agreements at all; it being contended that this is prerogative of National Assembly to convene following election. Meanwhile, I gathered Russians had not recently pressed for immediate ratification as they had done previously. Foreign Minister said he felt any differences between the Allies in such matters as reflected

[51] Not printed.

[52] Copy transmitted to the Department in despatch 479, October 31, from Budapest; neither printed.

in our recent representations at Moscow should be settled among the Allies but he welcomed today's exposition of our standpoint as in accord with Hungary's own desire to enlist interest of all the Allies in rehabilitation of this country. In fact, Soviet proposal of collaboration agreement last summer had been outgrowth of tentative plan on behalf of Hungary worked out in preparation for peace settlement and contemplating Soviet and other Allied collaboration in economic matters. Soviet proposal when submitted to Hungarians with demand for yes or no answer had surprised them because of its far reaching and unilateral character. When I explained that our policy was based on hope of effective inter-Allied cooperation and that differences Gyöngyösi mentioned were as we hoped merely part of process of reaching agreement on principles and procedures involved, he said our latest representation would afford backing for Hungarian policy as envisaged from the beginning.

Sent Dept; rptd to London as 50 and Moscow as 99.

SCHOENFELD

661.6431/11-245 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 2, 1945—10 a. m.
[Received 12:15 p. m.]

3735. Reply has now been received from Vyshinski dated October 31 referring to our representations on Soviet Hungarian agreement on economic collaboration.[53] Paraphrased translation of Vyshinski's answer follows:

Since the development of Soviet Hungarian economic and trade relations naturally springs from the mutual economic interests of the two neighboring states, the Soviet Government sees no foundation for the uneasiness shown by the Government of US with regard to development of these relations. Moreover it must be kept in view that this economic collaboration contains no element of discrimination against third countries and creates no difficulties in economic relations between Hungary and these countries.

Soviet Government is also unable to agree with opinion of US Government that conclusion of economic agreements with Hungary must be postponed until such time as peace treaty is concluded. Such a position might reflect quite unfavorably on economic situation of Hungary whose economy is considerably upset and needs assistance.

[53] On October 15, Ambassador Harriman had transmitted a communication to the Soviet Foreign Commissariat along the lines of the instruction contained in telegram 2159, October 13, to Moscow, p. 888. Telegram 3866, November 15, 2 p. m. from Moscow, reported a similar reply dated October 30 to British note of October 17 which paralleled the American note of October 15 (661.6431/11-1545).

Attention must also be paid to following circumstances. Chiefs of three Governments at Berlin Conference recognized it as expedient to act independently in matter of extending recognition to Hungarian Government, not postponing this question until after conclusion of peace treaty. It, therefore, appears all the more natural that conclusion of economic agreements with Hungary, in the restoration of whose normal economic life all the Allies are undoubtedly interested, should not be postponed until after signing of peace treaty. I consider it also appropriate to point out circumstance that although no peace treaty with Italy has yet been concluded, nevertheless at the present time this does not serve to impede the development of economic relations between Italy and US.

Sent Department 3735; repeated London 553; Budapest 55.

HARRIMAN

864.85/9-2045 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, November 2, 1945—9 p. m.

631. Urtel 616 Sep 19 Mission despatch 315 Sep 20.[54] Dept prepared to authorize use by Hungarian Govt of such Hungarian vessels and barges on Danube in U.S. zones Germany and Austria as may be determined by the U.S. occupation authorities to be surplus to needs of U.S. forces. Authorization to military to permit such surplus Hungarian river craft to proceed downstream to Hungarian territory for delivery to proper Hungarian representatives will be contingent upon the following arrangement:

(1) The Hungarian Govt formally to recognize that river craft are being handed over as interim measure to permit operation by Hungarian Govt for urgent transportation needs of Hungary and that loan of vessels to Hungary is without reference or prejudice to future decisions to be made concerning ultimate disposition of such equipment.

(2) Hungarian authorities receiving river craft from U.S. military to sign receipts containing physical description of items thus handed over.

(3) Hungarian Govt to undertake to keep U.S. authorities informed regarding use of such equipment and to return river craft in question to control of U.S. military authorities in U.S. zones Germany or Austria upon request by this Govt.

(4) Hungarian Govt to obtain approval by ACC, Budapest of this arrangement and the undertakings of the Hungarian Govt under it.

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[54] Neither printed; telegram 616, September 19, from Budapest, reported receipt of a note from Hungarian Prime Minister Miklos requesting American assistance in returning Hungarian ships anchored in the Austrian section of the Danube (740.00119 EW/9-1945). Text of the Miklos note, dated September 18, 1945, was transmitted to the Department in despatch 315, September 20, from Budapest (864.85/9-2045).

Please discuss this matter with Hungarian foreign office with view to determining whether Hungarian Govt prepared to enter into above outlined arrangement and to present matter to ACC for its approval. Please inform Dept of Hungarian reaction before further steps are taken.

To Budapest for action. Repeated to Berlin, London and Vienna for info.

BYRNES

740.00119 EW/11-545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 5, 1945—2 p. m.
[Received 3:30 p. m.]

868. I have received from Prime Minister note dated November 3 enclosing copy of letter from Chief Military Department ACC ordering 70 percent reduction of strength of Hungarian Army to be completed by November 5 and further enclosing statement on strength and organization of Hungarian Army as of October 15 this year.[55] Note points out that armistice agreement contains no stipulations governing peacetime army establishment and Prime Minister therefore considers it advisable to suspend final action pending conclusion of peace in keeping with repeated recognition by Allies of independence and sovereignty of Hungary. Note says armistice agreement limits Hungarian sovereignty only as to obligations therein stipulated. Note says ACC's communication affects not only peace establishment of Hungarian Army but also number and legal status of civilians in Hungarian Ministry of Defence if they have a military institution under Hungarian law and could be reduced in numbers only following conclusion of peace. Some way dismissal of 70% of the army and civilian personnel as ordered in ACC's letter seems to Prime Minister incompatible with social welfare and democratic ideas by depriving persons concerned of a livelihood. Finally term allowed for reduction and necessary reorganization is too short since Prime Minister says it could not be carried out without seriously endangering peacetime national defence liquidation of matters connected with the war and Hungary's participation in European reconstruction.

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[55] Telegram 851, November 2 from Budapest, reported that General Key, who had already obtained a copy of the Allied Control Commission directive on reduction of the Hungarian Armed Forces, regarded the matter as another example of unilateral action on the part of the Soviet representatives (740.00119 Control Hungary/11-245). Telegram 853, November 2, from Budapest, reported that General Key had discussed the matter with Marshal Voroshilov who admitted that the directive had been carelessly framed and promised that matter would be taken up at the next Allied Control Commission meeting (740.00119 Control Hungary/11-245).

Prime Minister therefore requests me to ask ACC to suspend reduction of Army personnel as ordered pending conclusion of peace.

I am sending General Key copy of Prime Minister letter for action he may deem appropriate.

Sent to Department and repeated to Moscow as number 106 and London as 53.

SCHOENFELD

864.00/11-945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 9, 1945—2 p. m.
[Received November 10—10:45 a. m.]

886. Final official count in national election gives Smallholder Party 246 mandates in new National Assembly; Social Democrats 70, Communists 70; National Peasant Party 23; Citizens Democratic 2.[56] There were 4,701,026 votes cast of which Smallholder obtained popular majority of 2,680,527 or 57% of the total, Social Democrats 818,082 and Communists 795,659.

On basis of total popular vote there will be 411 elected members to new Assembly and 10 appointed for [*from?*] among prominent Hungarians. New Assembly to meet next week will consist of 421 members compared to 498 members Provisional National Assembly.

There has been no evidence that election was anything but free and untrammeled (reference my 871, November 5 [57]).

SCHOENFELD

740.00119 EW/11-945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 9, 1945—7 p. m.
[Received November 11—noon.]

893. In recent conversations with representative Hungarians including Director of National Bank,[58] new Minister to Washington and spokesman for Tildy among others, they have expressed hope of American assistance in rehabilitating Hungary and pointed out that without such assistance, rehabilitation is deemed impossible. Sometimes their hope is related expressly to possible American loan (mytel

[56] Telegram 896, November 10, 1 p. m., from Budapest, reported that the Hungarian Minister of Interior had announced an adjustment of election figures which gave the Smallholders 245 mandates, the Communists and the Social Democrats 69 mandates each in the new assembly (864.00/11-1045).

[57] Not printed.

[58] Apparent reference to Arthur Kárász, President of the Hungarian National Bank.

584, September 14 and Deptel 471, October 1 [59]). Sometimes it involves suggestion of comprehensive American participation in Hungarian industry. Occasionally, it is coupled with reference to the installation here of American fiscal control. Such discussion does not relate merely to pressing relief needs. Invariably, reference is made to crippling effect of reparations and requisitions for Soviet benefit which it is claimed preclude even preliminary approach towards rehabilitation. Such thoughts have lately received impetus from rapidly accelerating currency depreciation and general economic deterioration.

In these conversations I have lately taken the line that due Govt's desire to cooperate with our principal allies and with country concerned in rehabilitation has been well known and emphasized both in public and diplomatic statements. (Deptel 536, October 13 [60]) I have added that American interest and responsibility are necessarily world-wide and that initiative in proposing any scheme for rehabilitation in Hungary rests directly upon Hungarians who should study and devise comprehensive plan for eventual submission to principal allies. I have suggested that even if such proposal were unacceptable either in whole or in part, such Hungarian initiative might provide point of departure for inter-Allied discussion of the problem. When it has been suggested that Hungarian plan might be submitted to us in first instance for guidance in preparing plan for formal submission, I have intimated that we could not accept moral responsibility involved in any such procedure which should be undertaken exclusively on Hungarian initiative and responsibility and proposal presented simultaneously to three principal powers.[61]

SCHOENFELD

864.85/11-1445 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 14, 1945—5 p. m.
[Received November 15—1:29 p. m.]

909. We spoke with Prime Minister on November 6 in sense of urtel 631, November 2 and left memorandum in confirmation regarding Dept's readiness to authorize Hungarian Govt to use Hungarian ves-

[59] For latter, see footnote 70, p. 868.
[60] Same as telegram 2159, October 13, 2 p. m. to Moscow, p. 888.
[61] An unsigned note on the original reads: "An answer to this was in preparation when the Moscow conference began. The memos sent to Moscow for the conference covered the ground that would have been covered in a reply to this." For the memoranda to the Secretary of State apparently referred to in this note, see telegram 2573, Secdel 21, December 18, 8 p. m. to Moscow, p. 922.

sels and barges in US-occupied German and Austrian territory which are surplus to needs of US forces.

Prime Minister's reply dated 18 [*8?*] received today expresses Hungarian Govt's gratitude and states that Hungarian Govt is ready to accept conditions prescribed by American Govt.

The Prime Minister enclosed with his reply copy of his communication to Marshal Voroshilov dated 18 requesting ACC approval of proposed plan. Prime Minister's writing to ACC is surprising since we emphasized orally and in writing that before Hungarian Govt takes further steps in the matter of Hungarian vessels, the American Govt desires to be informed whether Hungarian Govt is prepared to enter into the outlined arrangements and to submit plan for ACC approval.

Copies of exchange of communications follow by despatch.[62]

SCHOENFELD

864.00/11-1545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 15, 1945—6 p. m.
[Received November 17—9 : 33 a. m.]

916. Tildy has successfully formed new government to be composed of 18 members including 9 Smallholders, 4 Communists, 4 Social Democrats and one National Peasant (mytel 917 [63]). As result exhaustive negotiations (mytel 910 November 14 [64]) Smallholders conceded Interior Ministry to Communists while labor leaders Rakosi and Szakasits agreed to enter Cabinet as "Ministers of State", without portfolio. We learn question whether they will rank in future as Deputy Prime Ministers will be decided by Ministerial Council itself. Interior Under Secretary for police matters will be Smallholder Jekely Laszlo. New Interior Minister Nagy Imre former Minister of Agriculture was apparently acceptable to Smallholders as not being vigorous personality.[65]

New Government does not accurately reflect mandate of people which gave Smallholders clearcut majority since Leftist parties now

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[62] Despatch 547, November 15, from Budapest, not printed.

[63] Not printed; it reported the composition of the new Hungarian Cabinet (864.002/11-1545).

[64] Not printed; it reported that the prolonged negotiations which had been proceeding among Hungarian party leaders had been reduced to the primary issue between the Smallholders and the Communists regarding the latter's demands for several Deputy Prime Minister posts (864.00/11-1445).

[65] Telegram 947, November 22, 5 p. m., from Budapest, reported that the Hungarian Interior Ministry would continue under Communist control and no police reorganization would occur. Imre Nagy was described as a long-time Moscow-trained Communist who would carry out party dictates, and that the Smallholder Under Secretary, Gyorgy Gulaczy, would "undoubtedly follow the Tildy line of appeasing the Communists" (864.00/11-2245).

have equal number ministerial votes with Smallholders. However, fact party leaders are included in new Cabinet is considered salutary since important policy decisions will now be made within govt rather than as formerly by political leaders outside. Balogh remains as Political Under Secretary to Prime Minister.

Provisional Government announced its resignation this morning and new Cabinet was appointed and sworn in by Chief National Council this afternoon.

SCHOENFELD

740.00119 EW/11-545 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, November 16, 1945—3 p. m.

684. ReMistel 868 Nov. 5. You may say in reply to PriMin's note of November 3 on subject of Hungarian Army that regulation of strength and organization of Army in interim period before conclusion of peace treaty is properly matter for ACC, where Gen Key will make known views of this Govt, and that you are not in a position to express to Hungarian Govt at this time US views on points raised by PriMin's note or to make specific request of ACC to suspend reduction of Army as PriMin suggests.

War Dept has requested Key's recommendations on nature of military clauses for Hungarian peace treaty (Warx-80529, Nov. 1 [66]). Question of strength of Hungarian Army in interim period is closely connected with that of its peacetime strength in view of Article I (*d*) of Armistice Agreement which provided that "On the conclusion of hostilities against Germany, the Hungarian Armed Forces must be demobilized and put on a peace footing under the supervision of the ACC".

Preliminary view of Dept and War Dept on interim strength of Hungarian Army (reMistels 851, 853 Nov 2 [67] is that it need not be any larger than is needed for the maintenance of internal order, and that the ACC (all three Reps participating) should determine the size of the armed force, in addition to the regular police forces, necessary for that purpose. Limitations fixed now would of course be subject to change by ACC at later date in light of reduction of Soviet forces in Hungary or other circumstances.

This tel has been cleared with War Dept. Please make it available to Gen Key.

BYRNES

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[66] Not printed.
[67] See footnote 55, p. 903.

661.6431/10–3145 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, November 16, 1945—4 p. m.

685. In Dept's view essential point in any proposed revision of Soviet-Hungarian economic collaboration agreement is the actual effect of operations of joint companies on US treaty rights and on opportunities for countries other than USSR to share on equal basis in trade and other economic relations with Hungary. Revised version of agreement which did not safeguard those rights and opportunities would naturally be looked upon here with inquietude, whether or not assets of joint companies are to be limited, in the beginning, to pre-1938 German assets in Hungary. It is nevertheless recognized that Hungarians, under pressure from Soviets, may have finally to ratify agreement in some form and that Nagy proposals (reMistel 841 Oct 31 [68]) represent reasonable attempt on their part to obtain more favorable terms. It is apparent in case of Soviet-Rumanian collaboration agreement that joint companies set up in Rumania are in position, partly because of important assets turned over to them by Rumania Govt, to dominate and even to monopolize respective fields of enterprise.

Pending receipt of further info on revision of present text of agreement, Dept would prefer that you make no statement on proposed changes communicated to you by Varga (urtel 841) to Hungarian officials or party leaders. Basic US views are already known to both Soviet and Hungarian Govts.

For your info, although Soviet reply (Moscow's 3735 Nov 2 to Dept rptd to you as 55) ignores our proposal of tripartite consultation on program of economic rehabilitation for Hungary, Dept is giving consideration to possible concrete measures by which US might undertake to assist economic recovery of Hungary either as part of common program with participation of other Allied Govts (reurtel 840 Oct 31) or as direct US-Hungarian arrangement.

BYRNES

[68] Not printed; it reported that on October 31, Istvan Varga had called upon Schoenfeld on behalf of Fernec Nagy, Hungarian Minister of Reconstruction and General President of the Smallholders Party. Nagy believed that the Soviet authorities would accept a revised version of the Soviet-Hungarian economic collaboration agreement which contained fewer concessions to the USSR. Specifically, Nagy proposed that the joint Russian-Hungarian companies would receive only those assets which were awarded to the USSR by the Potsdam agreement, with the further limitation that the joint companies would receive German shares in only those Hungarian companies in which the majority ownership was German. Assets acquired by Germany after 1938 would be disregarded. (661.6431/10–3145)

Budapest Legation File: 711.9 Allied Control Commission: Telegram

The Chief of the United States Military Representation on the Allied Control Commission for Hungary (Key) to the War Department [69]

[BUDAPEST,] November 16, 1945.

Z-1172. Regular meeting of ACC held last night, Marshal Voroshilov presiding. Principal subjects discussed were as follows:

(1) Reduction of Hungarian military forces (see my letter of 5 November): The Chairman stated that the directive issued by the Soviet military section on 22 October in the name of the ACC was not intended as an order but as a proposal for reducing the Hungarian Army. The Chairman, Soviet Military Section ACC, then read the proposals for reducing the army from approximately 35,000 to 25,000 and the Chairman asked for its approval. I stated that I was in favor of reducing the army but suggested that final action be deferred pending a conference between our respective military sections to analyze the figures and study the proposed directive. The British Representative concurred and stated that he believed his government would approve the reduction but that he would have to submit the plan to it for final decision. The Chairman disagreed with these suggestions and stated that he would strike the subject from the agenda since we were unable to agree on the matter. In answer to my question if that meant the proposed reductions would not be ordered he stated no, that he would issue the order tomorrow for the reduction of the army regardless of the attitude of the other two governments, that he didn't consider it an important subject. I objected to this action and asked again that the proposed plan for reduction be submitted to me for study before final action was taken. The Chairman refused to discuss the matter further.

[Here follows a description of the other subjects discussed: (2) Hungarian war criminals; (3) sports flights of Hungarian airplanes and gliders; (4) recognition of French Representative; [70] (5) surplus foodstuff for Austria; (6) Proclaimed List of firms and indi-

[69] Message was directed to General of the Army George C. Marshall, for the War Department General Staff, Operations Division, and for the Joint Chiefs of Staff. Information copies were sent to the United States Military Representation on the Allied Control Commissions for Bulgaria and Rumania.

[70] Telegram 694, November 17, 1945, 11 a. m. to Budapest, stated that the French Government through the French Embassy in Washington had informed the United States Government that it desired to send a "delegate" to Budapest to prepare for the subsequent arrival of a French representative to the Hungarian Government. Schoenfeld was instructed to request General Key to bring the matter before the Allied Control Commission (740.00119 Control (Hungary)/-11-1745). At the November 16 meeting of the Allied Control Commission, Marshal Voroshilov announced that Paul Giraud had been designated as the "French Representative" in Hungary.

viduals in neutral countries; (7) deportation of Hungarian minorities from Czechoslovakia;[71] (8) miscellaneous matters.]

[KEY]

661.6431/11–1945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 19, 1945—3 p. m.
[Received 5:35 p. m.]

934. Foreign Minister[72] called today and informed me that Soviet Minister is pressing for ratification by new Hungarian Government of the Soviet Hungarian economic collaboration agreement. He said British Government has also invoked its treaty of commerce with Hungary dated in 1926 along similar lines to those invoked by ourselves (Deptel 590, October 26) in pursuance of our treaty of 1925 with Hungary.[73] I gathered from Foreign Minister that Soviet Government denies the validity of these treaties by reason of existence of state of war with Hungary which, of course, was mentioned in our representations. Foreign Minister was particularly concerned that Hungarian Government might not have sufficient time to work out general reconstruction program for submission to principal Allied Governments as it has intended to do before being obliged to ratify collaboration agreement, thereby prejudicing long range reconstruction plan. I understand Soviet Minister takes position that ratification of agreement would in no way prejudice conclusion of similar agreements by Hungary with other governments.

Foreign Minister asked what our attitude would be in event of ratification of collaboration agreement. I told him I would submit his inquiry to you in confidence and advise him of your reply which is urgently requested.

Sent Department, repeated to London as 54 and Moscow as 108.

SCHOENFELD

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[71] For documentation regarding the interest of the United States in the expulsion of Hungarian minorities from Czechoslovakia, see pp. 928 ff.

[72] Janos Gyöngyösi continued as Foreign Minister in Cabinet formed by Prime Minister Tildy on November 15.

[73] For text of the British *note verbale* addressed to the Hungarian Government, November 19, 1945, concerning the Soviet-Hungarian economic collaboration agreement, see Stephen D. Kertesz, *Diplomacy in a Whirlpool: Hungary between Nazi Germany and Soviet Russia* (Notre Dame, Indiana, University of Notre Dame Press, 1953), p. 261.

661.6431/11-2045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, November 20, 1945—6 p. m.
[Received 7 : 20 p. m.]

3910. British Embassy states British Foreign Office sent telegram following sense to British Embassy Washington November 18.

Please discuss following with State Dept and report (Embtel 3866 [74]). Soviet reply to formal British Embassy Moscow inquiry re Hungarian Rumanian Bulgarian trade agreements entirely unsatisfactory and some interim reply is essential even though Foreign Office still considering its long-term position in re these agreements and Soviet economic policy in southern Europe generally. Until it secures texts agreements Soviet Govt can continue indefinitely to put it off with statements of unsupported evidence. Foreign Office therefore plan to concentrate on securing texts. It proposes take note of Russian assurance British legitimate interests not affected by agreements but to point out it must press very strongly for texts be communicated to it in order to judge for itself. Propose adding that if agreements in fact harmless to British interests it perceives no grounds refusal Russian representative on Rumanian Hungarian Control Commissions to communicate texts or discuss matter. British should then reiterate contention that in absence peace treaties one Ally not entitled unilaterally to conclude treaty with enemy state which migh prejudice interests of other Allies. Further point that British prewar rights and interests which were covered under most-favored-nation treatment are categorically restored by armistice agreements should also be made.

HARRIMAN

740.00119 Control (Japan)/11-2345 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 23, 1945—3 p. m.
[Received November 24—7 : 25 a. m.]

957. We have noted with interest Molotov's comment reported in weekly political review of October 24 under heading Soviet Union to effect that unless Soviets participate in control machinery for Japan with similar rights and powers as non-Soviet members possess in Rumania, USSR would be "less favorable position" than US in

[74] Not printed.

Balkans.[75] In light of this comment Dept should see Key's report to Marshall on latest meeting ACC November 15 (his Z 1172, November 16). Brusqueness with which chairman refused to permit any detailed consideration by other members of his directive in name of ACC for reduction of Hungarian Army and threat to remove question from agenda unless other members would concur on spot appears to be conclusive evidence that notwithstanding all endeavors during last 6 months there has never been slightest possibility that three Allies could participate here on equal basis in any matters Soviets believe important and that concurrence was requested or desired only in trivial questions.

It may be wondered whether Molotov's phrase "less favorable position" was ironical, confessional or merely Russian sense of humor.

Sent Dept. repeated to London as 56 and Moscow as 110.

SCHOENFELD

611.6431/9-145

The Secretary of State to the Representative in Hungary (Schoenfeld)

No. 184 [WASHINGTON,] November 26, 1945.

The Secretary of State refers to despatch no. 239 of September 1, 1945 [76] from the American Mission in Budapest concerning a proposed barter trade arrangement between Hungary and the United States.

In any further conversations on this subject the Officer in Charge should make it clear that the Department is in general opposed to any inter-governmental bilateral barter trade agreements. While the Department in the present emergency transitional period is not disposed to object strongly to the conclusion of short-term bilateral trade arrangements between certain European countries which are able to negotiate a mutual exchange of urgently needed commodities, it could not favor the adherence by this Government to any such agreement. The Department intended by its telegram no. 211 of July 23 encouragement only of private exchanges on the side of the United States or possibly purchase by the United States Government of commodities on the U.S. requirements list.

The Officer in Charge should also make it clear that entirely aside from considerations of international trade policy, it will be impossible for the United States to make any formal trade arrangements with Hungary until it is no longer subject to the armistice arrangements. When such conditions are realized, it will then be possible to give consideration to a possible contractual basis for regulating trade re-

[75] For Molotov's comment in his letter of October 21 to Ambassador Harriman, see telegram 3622, October 22, from Moscow, printed in vol. VI, section under Japan entitled "Surrender of Japan . . .", part III.

[76] See footnote 54, p. 860.

lations between Hungary and the United States on the recognized American basis of nondiscrimination in international trade.

The Department has arranged with the Department of Commerce to inform the trade of Hungarian availabilities and requirements as listed in the proposed barter arrangement, and has under consideration other methods of facilitating the resumption of normal commercial relations between the two countries as outlined in the Department's telegram no. 502 of October 5.[77] This includes particularly consideration of using the United States Commercial Company as agent on behalf of the Hungarian Government pending the opening of normal trade channels between the two countries.

With reference to despatch no. 248 of September 4, 1945 enclosing the two letters from Messrs. Nicholas Hahn and George Orban to Anderson, Clayton and Company of Houston, Texas and to George H. McFadden and Bros. of New York City,[78] the Officer in Charge is informed that the letters were forwarded to the addressees with the following comment:

Although a barter transaction of this nature involves many problems for American business and is an undesirable method of conducting international trade, it may be the only way at the present time of meeting pressing needs in many parts of Europe under emergency conditions of unstabilized finances and disorganized production. It is the policy of this Government to assist individuals or private companies in foreign countries when they wish to make contacts with individuals or private companies in the United States concerning trade proposals and to facilitate at the present time the reestablishment of commercial relations. This Government is attempting to secure general agreement on conditions of world trade which will enable commercial relations to be conducted on a multilateral, nondiscriminatory basis.

Both firms replied to the Department that they were not interested in a barter arrangement, whereby they would supply cotton to the Hungarian company in return for cotton textiles manufactured therefrom. They were, however, interested in a straight export of cotton, provided a method for financing it could be arranged.

740.00119 Control (Hungary)/11-2845: Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 28, 1945—8 p. m.

2411. Please inform Soviet authorities this Govt feels it essential to the work of the American Reps on ACCs in Hungary, Rumania

[77] Not printed.

[78] None printed; the despatch and enclosed letters were concerned with a proposition for a cotton transaction between Hungary and private American firms (611.6431/9-445).

and Bulgaria that they be allowed all necessary facilities freely to consult among themselves as well as with other American military and civil authorities in Europe. Delay in granting or refusal of clearance for entry of US officials is not only impeding work of American Military Missions but also in some instances work of the ACCs. Several cases have arisen recently including denial on Nov 2 of permission enter Hungary for Lt. Commander Reitzel and four other naval personnel to confer on supply problems; application for entry into Hungary Lt. Col. Willcox on Schuyler's staff was twice refused; and permission for entry of three American army officers and two civilians from Vienna to confer on problems of Danube river clearance was likewise refused by Voroshilov.

Dept assumes that no restrictions are imposed upon entry into any of these countries of Soviet military or civilian officials whose presence may be desired by the Soviet chairmen of the ACCs. This Govt believes that the Soviet authorities will readily realize that this inequality of treatment is not only personally repugnant to our Reps on the ACCs but that it seriously interferes with their work and their ability to cooperate with their Soviet colleagues.

Please express the hope that the Soviet authorities will see their way clear to issue instructions in order that prompt local clearance may in future be granted US officials who are collaborators of US military and civilian Reps in Hungary, Rumania and Bulgaria.[79]

Sent Moscow rptd Bucharest, Budapest and Sofia.[80]

BYRNES

864.24/11-3045 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, November 30, 1945—1 p. m.

751. Surplus military trucks, and other equipment suitable for reconstruction needs, which could be sold to Hungary on a credit basis may be available. To explore possibilities please communicate with John C. Virden, Central Field Commissioner for Europe, Foreign Liquidation Commission care Embassy Paris regarding availability and credit terms keeping Dept informed of developments.

Dept feels it desirable at this time to encourage the newly formed Hungarian Govt by giving full consideration to such means as may be available to contribute to the economic recovery of Hungary thus

[79] Telegram 4073, December 6, 1945, noon, from Moscow, reported the sending of a letter to the Soviet Foreign Commissariat in accordance with Department's instructions set forth in this telegram (740.00119 Control (Hungary)/12-645).

[80] Repeated to Budapest as 744, to Bucharest as 627 and to Sofia as 385.

supporting it in its desire to maintain and increase economic and commercial ties with the United States.

Sent Budapest rptd Paris for Virden.[81]

BYRNES

661.6431/11–1945 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld) [82]

WASHINGTON, November 30, 1945—5 p. m.

752. Reurtel 934 Nov 19. Unless you perceive objection, you may convey substance of following to Hungarian Foreign Minister, and reaffirm at your discretion previous communications to the Hungarian Govt based on Deptels 534 and 536 Oct 13,[82a] 590 Oct 26 and 685 Nov 16.

This Govt is attempting to secure general agreement on principles of world trade which will enable commercial relations to be conducted on a multilateral nondiscriminatory basis. Essential to this objective is reconstruction of economic life in war-ravaged countries. This Govt is willing to collaborate with other principal Allied Govts in working out concerted plan for reconstruction and rehabilitation looking toward the economic recovery of Hungary, and has expressed its willingness to discuss such a program with the other Allied Govts. In the meantime, efforts are being made to facilitate resumption of trade between Hungary and private traders in the US.

Hungarian Govt, in determining its position on proposed Soviet-Hungarian economic collaboration agreement, should be aware: 1) This Govt would be concerned if in practice some of the provisions of the agreement should prejudice US economic interests in Hungary or deny to states other than USSR access to Hungarian markets or raw materials and opportunity for trade and investment in Hungary equal to that accorded the USSR; 2) This Govt intends to seek, at the time of conclusion of peace treaty with Hungary, assurance of most-favored-nation rights and guarantee of nondiscriminatory treatment of US nationals, associations and corporations in Hungary, without limitation to the treaty of 1925.

For your information, it is understood that the British propose taking the position that their prewar rights and interests including

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[81] Repeated to Paris as No. 5597.

[82] Repeated to Moscow as telegram 2425. Telegram 1008, December 3, 5 p. m. from Budapest, reported that Schoenfeld had spoken to Prime Minister Tildy in accordance with the instructions set forth in this telegram and had left a memorandum confirming his oral statement. Tildy expressed the view that the American statement would strengthen the position of the Hungarian Government in dealing with the matter of the Soviet-Hungarian economic collaboration agreement. (661.6431/12–345)

[82a] Telegram 536, same as telegram 2159, October 13, to Moscow, p. 888.

most-favored-nation treatment are categorically restored by armistice agreement with Hungary. For your further information, Dept is considering possibility of an agreement with the Hungarian Govt prior to the peace treaty recognizing renewed validity of US-Hungarian treaty signed June 24, 1925, as demonstration of US interest in resuming mutually advantageous commercial relations with Hungary and protecting American interests. Dept not disposed at this time to make statement on whether all or parts of treaty may have survived state of war. In the meantime, Dept takes position that Hungary is not in position to take action inconsistent with US rights under the treaty of 1925.

BYRNES

740.00119 Control (Hungary)/11-2345 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, December 1, 1945—7 p. m.

757. Dept suggests that at next meeting of ACC Gen Key inform Voroshilov that US Govt finds it difficult to understand his action in threatening to remove from agenda question of reduction of Hungarian Army unless Brit and US Reps would give immediate concurrence on spot (Key's tel Z-1172 Nov 16 and Mistel 957 Nov 23) and in issuing orders without waiting for expression of US views or permitting study of technical aspects by staffs of three Reps. We regard Voroshilov's action as particularly unfortunate since US views were made available by tel (Dept's 684 Nov 16) sent day following ACC meeting and are in substantial agreement with Soviet views. It is regretted that on this question, which is of concern to US as armistice signatory and is related to terms of future peace treaty with Hungary, Marshal Voroshilov did not take opportunity to seek tripartite agreement before issuance of order to Hungarian Govt.

For your and Gen Key's info, Dept and War Dept, which has approved present tel, consider 25,000 (Key's tels Z-1147 [83] and Z-1172) reasonable figure for aggregate strength of Hungarian Army in interim period as well as of permanent force to be authorized by peace treaty.

Sent Budapest rptd Moscow as 2430.

BYRNES

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[83] Telegram Z-1147, November 14, 1945, from General Key to the War Department, not printed. It was in answer to telegram Warx 80529, November 1, not printed, in which the War Department requested General Key's recommendations on the nature of the military clauses for a Hungarian peace treaty. In his reply, General Key stated that although he filed a protest with Marshal Voroshilov on the methods used in presenting the directive to the Hungarian Government regarding the reduction in army strength, the proposed reduction to 25,000 men was probably appropriate and should be accepted as the strength of the permanent force to be authorized in a peace treaty. (Budapest Legation File: File 820 Hungarian Army)

661.6431/12–445 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, December 4, 1945—6 p. m.
[Received December 4—4:15 p. m.]

4059. On November 30 British Ambassador replied Vyshinski's letter October 30 re British request for copies agreements for economic cooperation with Hungary, Rumania and Bulgaria (Emtel 3866 November 15 and Embdespatch 2260 November 15 [84]) taking note of Soviet Govt assurances that legitimate British interests not affected but repeating request of October 17 that text of agreements be communicated officially at early date and maintaining condition [*contention?*] one ally not entitled unilaterally to conclude treaty with enemy state possibly prejudicial to interest other allies until peace treaties are concluded. Clark Kerr also states British Govt assumes agreements not designed to prevent Hungary and Rumania from trading with foreign countries other than Soviet Union, since agreements seeking deny most favored nation rights to other United Nations would be contrary to terms armistice agreements with Hungary and Rumania both of which categorically restoring any Allied rights existing before war.

Sent to Dept repeated Budapest.

HARRIMAN

864.50/12–545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 5, 1945—5 p. m.
[Received December 8—3:23 a. m.]

1028. Minister Finance Gordon gave us account of his meeting yesterday with Sova, Soviet ACC Economic Adviser, reported my 1004, December 3.[85] Naumenka, who carried Sova's invitation to Gordon, was present together with Stewart of British Mission and another British officer.

Gordon thanked Sova for ACC's concern with Hungary's economic problems and explained that following Sova's request that he report on inflationary situation he collated relevant information and discussion summarized his findings in writing. Gordon then handed Russian version of memo dealing with Hungary's financial and economic situation to Sova and English version to Stewart. Sova inter-

[84] Neither printed.

[85] Not printed; it reported that the Hungarian Finance Minister had been requested by the Soviet representation on the Allied Control Commission to confer on currency inflation and related problems; neither the American political mission nor the military mission was asked to participate in the conference (864.51/12–345).

rupted to say that purpose of meeting had nothing to do with inflation; that he had called meeting to consider proposal British wished to make to Hungarian Government. Sova then returned Gordon's memo and Stewart followed suit.

Sova may have learned that Finance Minister's memo, mytel 1029, December 5,[86] concludes with request that Allied Powers appoint commission to examine Hungary's financial and economic situation and prepare economic program to enable Hungary to meet its obligations for reparations, other armistice obligations, the pre-war foreign debts.

After considering British proposal which related to establishment of Hungarian Govt account in London finance forthcoming Hungarian mission, Gordon reverted to question of inflation saying that continuation of present situation will bring complete collapse within few weeks for which he could not accept responsibility and therefore he had to request early ACC consideration of Hungary's economic problems. Sova made noncommital reply saying he would discuss problem with him soon. Gordon calls this maneuvering to avoid consideration of problem in presence of Anglo-Americans.

Gordon had hoped this meeting would enable him on behalf of govt to raise question of Hungary's economic situation with three powers and assumed responsibility for doing so without specific govt authorization because in view of Soviet attitude on reparations (my 945, November 22[87]) reference to Hungary's inability to pay reparations would have embarrassed Prime Minister.

Gordon told us he still expected to find opportunity to transmit his memo officially to three powers but hoped that since his request for ACC consideration was made in presence of British representative, Anglo-Americans would force consideration of Hungary's economic rehabilitation by three govts represented on ACC. Finance Minister spoke critically about continued passive role of English and Americans, saying there could no longer be doubt as to course of events if Anglo-Americans did not act soon. After observing developments to date, he could only conclude that Soviet was deliberately engineering complete economic collapse knowing that it would be followed by revolution. USSR with use of its occupying forces "would then come out on top while Hungary and Anglo-Saxons would be losers." This parallels suggestion last paragraph my 989, November 28.[88] Similar views have been expressed by other Hungarian officials but

[86] Not printed; it transmitted a summary of Finance Minister Gordon's report. The concluding paragraphs of the report are quoted in the Department of State *Bulletin*, August 4, 1946, p. 231.

[87] Not printed.

[88] Apparent reference to telegram 989-A, November 26, 1945, 6 p. m., from Budapest. The final paragraph of this telegram stated that the Soviet sensitivity on the reparations matter suggested the possibiliy that ". . . Voroshilov does not countenance discussion of Soviet policies which are throttling Hungarian goose that lays the eggs because those policies are deliberate." (740.00119 EW/11-2645)

never so bluntly. Szalai recently told us he attributed Soviet's attitude on Hungarian economy to their determination to punish Hungarians for sympathy with Western democracies.

Supply Minister [89] called on me yesterday described country's economic condition and likewise appealed for US assistance. He explained that food distributed to Budapest population through rationing system provides only 560 calories per day, less than that distributed in any other European city and less than half of Berlin ration. Baranyos laid more stress on need for evacuating large army of occupation to enable Hungarian economy to function than he did on imports.

Govt business and financial circles are growing daily more panicky about economic situation and appeals for help now appear regularly in Hungarian press.

I believe present trends will lead to economic chaos, large-scale starvation and civil unrest by end of January or latest mid-February. (My 1019, December 4,[90] 945, November 22 and Ecker Racz report no. 5 November 5 [91]). Such developments would liquidate present govt and recent progress of democracy in Hungary. Voters who may be said to have exhibited courage in national elections notwithstanding divers intimidations will be easy prey of forces opposed to western democracy. Say world public opinion may then incline to place partial responsibility for this course of events on lack of aggressive American policy pointing to America's responsibility as signatory to Yalta and Hungarian Armistice agreements.

In view of above and Soviet's silence re US proposal for tripartite consideration of Hungarian rehabilitation and nothwithstanding view expressed in my 893, November 9 favoring Hungarian initiative I recommend that Dept instruct General Key to request that consideration of Hungary's economic rehabilitation be placed on agenda for next ACC meeting. Key (?) thinks Voroshilov might be willing to discuss matter at least informally if presented by Key with a view to issuing directive to Hungarian Govt to submit its proposals for rehabilitation to ACC. Matter of curbing currency inflation has already been subject of informal discussion by Key with Voroshilov and Edgcumbe but no effective action has resulted.

I recommend further that policy of economic assistance to Hungary stated urtel 757 [*752?*], November 30 be accelerated and broadened

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[89] Karoly Baranyos, Hungarian Minister of Supply.

[90] Not printed; it reported that two-thirds of the Hungarian budget estimates for the month of December went for armistice obligations although amounting to only one-third of the amount due to the USSR; the Finance Minister lived in fear of a breakdown of the currency printing press which financed 95 percent of the budget; informed economic circles took for granted the complete Hungarian financial collapse within a few weeks (864.51/12–445).

[91] Report No. 5 of November 5 by L. Laszlo Ecker-Racz, senior economic analyst of the American Mission in Hungary, not printed.

despite risk that part of such assistance might also benefit a third power.

Sent Dept, repeated to Moscow as No. 117.

SCHOENFELD

864.6363/12–1045 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, December 10, 1945—7 p. m.

808. Your 819 Oct 24.[93] When an appropriate occasion arises please inform the Hungarian Govt that while this Govt of course does not object to the nationalization of natural resources by a sovereign state in accord with its own laws, it feels that Hungary should not take such a step affecting foreign owned property while that country is under an armistice regime. This consideration is specially valid in respect to the substantial American investment in petroleum property in Hungary which, according to Article XIII of the armistice, the Hungarian Govt is obligated to return in complete good order but which it has not yet restored to its American owners.

This Govt furthermore feels that if the Hungarian Govt undertakes an extensive program of nationalization, subsequent to the signing of a treaty of peace, should it be obvious at that time that it would not be in a position to make immediate, effective and adequate compensation in free exchange for American-owned property expropriated, such action would inevitably present the possibility of conflict with the obligation which the US Govt has to protect the interests of its nationals.[94]

BYRNES

864.50/12–545 : Telegram

The Acting Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, December 13, 1945—6 p. m.

823. Developments in Hungarian financial and economic situation reported your 1028 Dec 5 and others receiving Dept's attention. As

[93] Not printed; it reported on a joint election manifesto of October 24 issued by the leadership of the Smallholders, Social Democratic, Communist and National Peasant Parties; the manifesto pledged, *inter alia*, the transfer to state control of underground national resources and of power producing plants (864.00/10–2445).

[94] Telegram 1105, December 15, 1945, 6 p. m., from Budapest, reported that a note had been sent to the Hungarian Foreign Minister in the sense of the Department's instructions. It further reported that Hungarian Government nationalization program pertained to mines and sources of electrical energy but excluded oil properties. No specific request for the exemption of American-owned coal mines from nationalization laws was planned unless specifically instructed by the Department. (864.6363/12–1545)

Dept believes essential approach broad aspects problem on tripartite basis, it agrees Gen Key be requested ask inclusion question agenda next meeting ACC. If Soviets agree, ask Key emphasize seriousness situation and our concern in view of joint obligations assumed at Yalta. He should request consideration be given to immediate formation tripartite preliminary commission from within the ACC to propose measures which would encourage and assist promptest possible reestablishment economic equilibrium in order that Hungary may then be in a position to meet reparation and other obligations under the armistice. Key should point out that this preliminary commission, which would consider only emergency measures, might be succeeded as soon as possible by a group of experts selected by the three Allied powers who would make recommendations for a more long range program.[95] For your confidential info, Secretary has under consideration suggestion that he made proposal concerning adoption of tripartite approach to Hungarian economic problems.

ACHESON

864.6363/12-1545 : Telegram

The Representative in Hungary (Schoenfeld) [96] *to the Secretary of State*

BUDAPEST, December 15, 1945—3 p. m.
[Received December 18—9:55 p. m.]

1102. Ruedemann, representative of American shareholders of Maort and Bolton, Standard Oil of New Jersey official, have written me regarding their findings during inspection of Maort oil producing fields and state with reference to Russian activities in their fields that:

(1) Company owned equipment is removed without requisition or receipt and practice continues in spite of protest;

(2) Company's properties are operated in manner contrary to sound oil field practice. Soviet officers issue detailed orders directly to junior engineers or workmen without consulting field superintendent. One engineer who defended company's viewpoint was ordered from fields;

(3) Company's administrative and supervisory staff has no freedom of movement and must secure passes for each trip to fields or particular plants. Ruedemann and Bolton were prohibited from inspecting a plant because they lacked local commander's pass;

(4) Company houses needed for company personnel have been requisitioned without compensation for use of Russian military;

[95] Telegram 1164, December 28, 1945, from Budapest, reported that the Allied Control Commission for Hungary at a meeting on December 27 had agreed to consider what action might be taken with regard to the Hungarian economic and financial conditions (864.50/12-2845).

[96] On December 14, 1945, the Senate confirmed the nomination of Mr. Schoenfeld to be American Envoy Extraordinary and Minister Plenipotentiary to Hungary. It was not until January 26, 1946, that Schoenfeld presented his credentials as Minister and the American Mission was changed to a Legation.

(5) Company workshops are required to repair military vehicles and to supply parts;

(6) Soviet officer who was refused data pertaining to company's creditors demanded and obtained from staff in oil fields complete record of equipment purchased from Germany. This officer indicated that compressors obtained from Holland and US were considered to be of German manufacture and Ruedemann fears this statement to be prelude to claiming under Potsdam Agreement [97] equipment worth several million dollars.

Letter voices objection to injurious domination of Maort by Soviet Army of Occupation and requests earliest possible intercession to obtain withdrawal of Russian troops from Maort operations.

Dept's instructions are requested.

Rptd Bucharest as 46; to Moscow as 132.

SCHOENFELD

740.00119 Council/12–1845 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, December 18, 1945—8 p. m.

2573. Secdel [98] 21. For consideration of Secretary and Ambassador. First part of following refers specifically to Soviet reply to representations on Soviet-Hungarian agreement for economic collaboration. Second part based on assumption that if this subject comes up in FonMins discussions, it will and should lead to general consideration three powers economic interests in and possible assistance to liberated and former enemy states of Eastern Europe.[99]

I. It is suggested that, if the Secretary believes it desirable, and provided subject not covered by FonMins discussions, note on Soviet-Hungarian and Soviet-Rumanian economic collaboration agreements be delivered to Soviet FonOff in reply to Vyshinsky's letter of Oct 31 (your despatch 2260 Nov 15 [1]) during or after meeting of FonMins. If subject comes up in FonMins discussions Dept suggests desirability making points indicated in outline proposed note below.

Note would state that US Govt has taken note of Soviet assurances that economic collaboration between USSR and Hungary contains no

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[97] See Communiqué of August 2, 1945, section IV, Reparations from Germany, paragraphs 1, 8, and 9, *Conference of Berlin (Potsdam)*, vol. II, pp. 1499, 1505, and 1506.

[98] Series designation for telegrams to American delegation to Conference of Foreign Ministers (American, British and Soviet) at Moscow, December 16–26, 1945. For documentation regarding this Conference, see vol. II, pp. 560 ff.

[99] There is no evidence that the matters taken up in this telegram were discussed at the Conference of Foreign Ministers.

[1] Despatch 2260, November 15, from Moscow, not printed. For Vyshinsky's letter of October 31 to Ambassador Harriman, see telegram 3735, November 2, from Moscow, p. 901.

element of discrimination against third countries, and considers this assurance as covering specifically the 5-year economic collaboration agreement. In view of the assurances which Soviet Govt has given with respect to its economic collaboration agreements with Rumania (Embtel 2896 Aug 14 [2]) and Hungary, Soviet Govt should have no objection to communication to US Govt of texts of these agreements. On basis of informal info available regarding terms of these agreements US Govt continues to be deeply concerned over the apparent exclusive features thereof, particularly since it seems clear that execution of Soviet-Rumania economic collaboration agreement of May 8, 1945 is likely to result in progressive monopolization by Soviet-Rumanian enterprises of important segments of the Rumanian economy.

Note would add that development of economic relations between Italy and US is proceeding on normal non-discriminatory short-term commercial basis and involves none of the elements mentioned in previous US note in connection with Soviet-Hungarian and Soviet-Rumanian economic collaboration agreements (reDeptel 2159 Oct 13).

Note would add that US Govt is ready, in accordance with the Crimea Declaration on Liberated Europe, to concert immediately with Soviet and Brit Govts in the preparation and implementation of concrete measures to assist Hungary and Rumania to solve their pressing economic problems. This Govt continues to believe that the conclusion of bilateral long-term agreements with states still under armistice regime such as the economic collaboration agreements between the USSR and Hungary and Rumania without consultation with other signatories of Yalta Declaration is justified neither by the economic situation in those countries nor by the extension of recognition pursuant to the Berlin Conference decisions, in view of the clear obligations set forth in the Yalta Declaration. Soviet Govt should be assured that this Govt fully understands mutual economic interests between USSR and neighboring states of Hungary and Rumania, and desires to see those interests develop to the advantage of those three countries. Principal basis of this Govt's concern over economic collaboration agreements is that they appear to affect directly the interests, rights and obligations of other countries, which also have an interest in the development of economic relations with Rumania and Hungary, and accordingly require consideration by Yalta powers with view to agreement on economic program in Rumania and Hungary satisfactory to all concerned. This Govt assumes that implementation these agreements would be adjusted to accord with any such joint programs that may be worked out and in any event to eliminate any discriminatory features.

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[2] Vol. v, p. 656.

II. With reference to material supplied Secretary by economic divisions on agreements concluded between USSR and countries of Eastern Europe (which covers whole subject Soviet economic penetration all these countries) Dept suggests that positive approach be adopted to supplement recommendations regarding discriminatory features of Soviet agreements for economic collaboration, based on Yalta Agreement to concert policies of three Govts in assisting peoples to solve economic problems. If subject of Eastern Europe comes up at FonMins discussions it would seem desirable to make most strenuous effort to recreate community of purpose implied in Yalta Agreement but never carried out by joint action. This approach has merit of being based on written undertaking entered into by this Govt in good faith and seems more likely to secure at least limited benefit of checking speed and extent of penetration than negative method of merely protesting against arrangements such as Hungarian and Rumanian agreements for economic collaboration and not offering any constructive alternative.

First objective of any program for these areas would be to make their economic futures reasonably predictable at least insofar as action of three powers concerned. In order to start on a firm basis in the former satellites, it is essential that their economic commitments in form of reparation schedules and prices, restitution, war booty, rates of exchange, and requisitions of occupying forces must be definitely fixed, and it is suggested that the most definite possible understandings to attain this end be worked out in FonMins meeting. This would involve in case of ex-satellites agreement on details within framework of armistice agreements.

To make predictable so far as possible the economic futures of these states it would also be necessary to take positive steps to check inflation and restore basis for sound economic development. Plans to this end could scarcely be elaborated by FonMins but initial steps could be indicated and machinery for collaboration be set up. A desirable safeguard for all parties would seem to be as indicated above not to forbid bilateral arrangements as such but to require that other Yalta powers shall be consulted on any long-term bilateral arrangements involving any participation in domestic economies of liberated countries or former axis satellites, and eliminate discriminatory features of existing arrangements.

In connection with above Collado[3] invites your attention to Big Three agreement to article XX of Berlin Protocol[4] and especially

[3] Emilio G. Collado, Deputy on Financial Affairs to the Assistant Secretary of State for Economic Affairs, William L. Clayton.

[4] For text of Protocol of the Proceedings of the Berlin Conference, August 1, 1945, see *Conference of Berlin (Potsdam)*, vol. II, p. 1478.

last paragraph of US proposal referred to as Annex II which states as follows:

"We deem it essential that the satellites not conclude treaties, agreements, or arrangements which deny to Allied nationals access on equal terms to their trade, raw materials and industry; and appropriately modify any existing arrangements which may have that effect."

ACHESON

661.6431/12–1945: Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 19, 1945—1 p. m.
[Received December 20—2:05 a. m.]

1126. PriMin Tildy called today explaining he did so as courtesy for first time since taking office in that capacity. He expressed grave concern about present economic situation of Hungary and alluded to currency devaluation plan announced today along lines reported mytel 1109, December 17.[5]

Tildy also informed me (mytel 1108, December 17 [6]) that political committee of National Assembly is expected tomorrow to recommend ratification of Soviet Hungarian economic collaboration agreement by adopting formula approved by Voroshilov taking express cognizance of Hungarian Government's declaration that economic and commercial agreements with third countries will not be affected by agreement. Further Tildy said Hungarian Government would convey notes to British and ourselves this week in answer to our representations as to most favored nation rights under our respective commercial treaties with Hungary and would give us assurance that such rights will continue in force. Tildy volunteered statement that formula chosen in recommending ratification is in accord with American Government objective as made known at Moscow and here of tripartite cooperation in dealing with Hungarian economic situation. He added he hoped ratification of agreement would give Hungary breathing spell.

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[5] Not printed; it reported that a plan to accomplish devaluation of currency by affixing stamps to bank notes would be announced on December 19 and completed by December 31 (864.515/12–1745). Budapest's telegram 1129, December 20, 1945, 5 p. m., reported that the Hungarian Government's currency stamping program had further undermined public confidence in the Hungarian currency and had caused an acute shortage of currency on the eve of Christmas (864.515/-12–2045).

[6] Not printed; it reported that the Political Committee of the Hungarian National Assembly was scheduled to meet on December 20 to consider ratification of the Soviet-Hungarian economic collaboration agreement (661.6431/12–1745).

I took opportunity of Tildy's visit to intimate to him (urtel 823, December 13) that as previously stated to Hungarian representatives, we consider it essential to approach broad aspects of economic problem in Hungary on tripartite basis. I added for his personal information only that we had proposed this matter be considered by ACC with view to prompt creation of commission within ACC to examine economic and financial position. To his inquiry whether ACC would take such action I answered our proposal had been made so recently that I was not yet informed of decision. I may add for Department's information that Col. Townsend informed us today he has made proposal as instructed but does not expect meeting of ACC scheduled for tomorrow to take place in view of Gen. Key's illness and since recent practice has been to dispense with formal meetings of ACC. In any case it would have been unliklely that this matter could be included in agenda for tomorrow's scheduled meeting.

Sent Department, repeated to Moscow as 140 and to London as No. 74.

SCHOENFELD

661.6431/12-2145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 21, 1945.
[Received December 25—8 a. m.]

1135. Foreign Minister today handed me *note verbale*[7] dated yesterday stating National High Council at yesterday's session ratified economic cooperating agreement between Hungary and the USSR signed August 27 last. Note says ratification will be exchanged in near future in Budapest.

Note adds that in deciding on ratification National High Council took into consideration resolution of Political Committee of National Assembly as follows:

"Political Committee of National Assembly presents for ratification Hungarian Soviet agreement of economic cooperation to the National High Council and takes cognizance of government's declaration that this agreement by no means impedes Hungarian State to conclude economic or commercial agreements of any kind with other states".

Foreign Office note ends by adding that agreement of economic cooperation concluded with Soviet Union does not affect validity of

[7] For text, see Kertesz, *Diplomacy in a Whirlpool*, p. 261.

most favored nation clause in US Hungarian treaty signed Washington June 24, 1925.

Sent Dept, repeated to London as No. 78 and to Moscow as No. 145.

SCHOENFELD

661.6431/12–2145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 21, 1945—7 p. m.
[Received December 23—1 : 40 p. m.]

1138. When handing me note quoted in mytel 1135 today ForMin said Hungarian Government's decision to proceed with ratification of Soviet Hungarian economic collaboration agreement was designed to meet wishes of USSR for removal of an obstacle in Hungarian Soviet relations which had somewhat "chilled" those relations. Hungarian Government had received assurances from Soviet Minister here that ratification would clear the way for active assistance by USSR in present economic distress. To my inquiry whether Soviet Minister had indicated what form Soviet assistance would take for rehabilitation of Hungary ForMin replied these assurances were thus far only on the political level and had not been accompanied by any offer of study or recommendation of concrete measures on part of Soviet economic experts. Hungarian economists he said remain very skeptical that Soviet technical assistance can produce desired results. There was no reason to believe Soviet economists and other experts had even approached the problem of Hungarian rehabilitation.

Gyöngyösi intimated definitely that Soviet Government does not favor any effort to bring about tripartite examination of Hungarian economic situation with view to remedial action.

Sent Department repeated to London as 76 and to Moscow as 147.

SCHOENFELD

[During the Moscow Conference of Foreign Ministers, December 16–26, 1945, agreement was reached by the United States, the United Kingdom, and the Soviet Union with respect to the procedures to be followed in preparing peace treaties with Italy, Rumania, Bulgaria, Hungary, and Finland. During the Conference, the situation within Hungary was also discussed, particularly at the meeting of the Foreign Ministers on December 22 at noon and the meeting between Secretary Byrnes and Generalissimo Stalin on December 23 at 5 p. m. For documentation regarding the Conference, see volume II, pages 560 ff. For the Report of the Conference of the Foreign Ministers, issued as a communiqué on December 27, 1945, see telegram 4284, December 27 from Moscow, *ibid.*, page 815.]

CONCERN OF THE UNITED STATES REGARDING THE EXPULSION OF HUNGARIAN MINORITIES FROM CZECHOSLOVAKIA, YUGOSLAVIA, AND RUMANIA

864.4016/5–1645 : Telegram

The Acting Secretary of State to the United States Representative in Hungary (Schoenfeld)

WASHINGTON, June 4, 1945—7 p. m.

70. Preliminary views of United States Government relative to expulsion of Germans from Czechoslovakia were expressed in note to Czech Government last January [8] as follows:

1. Solution of this problem must take into account not only the needs of Czechoslovakia but also general considerations connected with future peace and security of Europe and particular problems facing Allied occupation authorities in Germany.
2. Transfer of minorities should only be carried out pursuant to appropriate international arrangements and under international auspices.
3. Processes of transfer should be gradual to facilitate orderly settlement of transferred persons.
4. Pending such international arrangements no unilateral action should be taken to transfer large groups.

Department considers these principles equally applicable to the case of explusion of Hungarian-speaking minorities from Czechoslovakia, Yugoslavia or Rumania (reurtels 14 and 21 May 16 and 141 May 10 from Squires [9]).

Question of responsibility of these Hungarians for crimes against the states of which they are citizens concerns primarily the governments of those states. Department, however, would regard as unjustified any attempt to treat all members of an ethnic minority group as criminals against the state subject to expulsion solely on the basis of their ethnic origin. In connection with the International Military Tribunal which it is proposed to organize for the purpose of trying the major European war criminals, the United States Government

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[8] See instruction 41, January 16, 1945, to the Chargé to the Czechoslovak Government in Exile at London, vol. II, p. 1246.

[9] In telegram 14, May 16, from Budapest, Representative Schoenfeld reported on a conversation with Hungarian Foreign Minister János Gyöngyösi in the course of which the latter asked what the policy of the United States Government was with respect to the proposed expulsion of Hungarian minorities from Yugoslavia and Czechoslovakia (123 Schoenfeld H. F. Arthur). Telegram 21, May 16, from Budapest, reported that the Hungarian Foreign Ministry had asked the British Political Representative in Hungary, Alvary D. F. Gascoigne, to ascertain the British Government's position with respect to the expulsions of Hungarian minorities from Czechoslovakia (864.4016/5–1645). Telegram 141, May 10, from Leslie Albion Squires in Budapest, transmitted to the Department as telegram 2273, May 21, from Caserta, reported on measures by the Czechoslovak Government to force Hungarians to leave the country (764.00/5–2145). Squires was the head of an advance party of the American Mission in Budapest.

proposed the adoption of a procedure which would assure just and expeditious trial of major individuals and of organizations accused of atrocities and war crimes in Europe. There is no disposition on the part of this Government to regard entire ethnic minority groups as included among such organizations. Czech Foreign Minister[10] stated on May 21 at San Francisco that only those Hungarians who had plotted against Czechoslovakia and had fought on the side of the Nazis would be punished and that those who had been friendly to Czech cause could continue to live there with full citizens' rights.

You may inform the Hungarian Government of the substance of the foregoing. For your own information the Department is proposing to the Soviet and British Governments that joint representations be made to the Czechoslovak and Yugoslav Governments requesting they refrain from unilateral action in expelling or transferring to Hungary the Hungarian-speaking minorities in those two countries. We are proposing also that appropriate instructions be given by the Allied Governments to ACC's in Rumania and Hungary. Meanwhile informal representations are being made to Czech and Yugoslav Governments along present lines.[11]

It is understood that the term "Hungarian minority" referred to in the present telegram includes only permanent residents and not displaced persons or recent immigrants.

GREW

840.4016/6-445 : Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, June 4, 1945—7 p. m.

4462. Accounts reaching the Department indicate relatively large scale expulsion of Hungarians from Czechoslovakia, Yugoslavia and Rumania into Hungary.

Please ascertain whether the government to which you are accredited is agreeable to a common approach to the Czechoslovak and Yugoslav Governments on this subject, making the following points, which the United States Government has already put on record in a note to the Czech Government last January as its preliminary views on the similar question of expulsion of Germans from Czechoslovakia:

(1) No unilateral action should be taken by the Czech (Yugoslav) Government to transfer, in whole or in part, its Hungarian-speaking minority.

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[10] Jan Masaryk.

[11] Instructions to the Ambassador in Yugoslavia to make representations along the lines set forth in this telegram were contained in telegram 124, June 4, 7 p. m., to Belgrade (840.4016/6-445).

(2) Ethnic minority groups should be transferred only under international auspices and pursuant to appropriate international arrangements.

(3) To facilitate orderly settlement of persons, all transfers should be gradual.

(4) Not only the needs of Czechoslovakia (and Yugoslavia) but also general considerations connected with the future security and peace of Europe and the problems facing the Allied occupation authorities in Hungary must be considered in any solution of the minority problem.

The Department further considers as unjustified any attempt to treat all members of an ethnic group as subject to expulsion on grounds of war responsibility.

Please propose also that appropriate instructions be given to ACC in Rumania to prevent unilateral action on the part of Rumania and to ACC in Hungary to establish necessary measures of control on the Hungarian frontiers.

It is understood that the term "Hungarian minority" referred to in the present telegram includes only permanent residents and not displaced persons or recent immigrants.

Please inform Schoenfeld so that he may bring substance of foregoing informally to attention of Czech Government.[12]

Sent to London and Moscow.[13]

GREW

840.4016/6–745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 7, 1945—6 p. m.
[Received 1:42 p. m.]

5751. ReDepts 4462 June 4, 7 p. m. Today we handed Sir Orme Sargent [14] a note on the expulsion of Hungarians. On reading it Sir Orme said that the procedure to be proposed to the Czech and Yugoslav Govts was sound but that judging from past experience he did not believe much could be accomplished through the ACC in Rumania and Hungary. A considered reply to our note would be given us as

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[12] Rudolf Schoenfeld was the Chargé to the Czechoslovak Government in Exile in London. Although at this time the Czechoslovak Government had already been reestablished at Praha, the American Embassy in Praha was not opened until May 29 and direct communication with Washington had not been set up. The views of the Department of State were subsequently brought to the attention of Czechoslovak Foreign Ministry representatives in London and directly to Czechoslovak officials in Praha.

[13] Repeated to Moscow as telegram 1216.

[14] Deputy Under Secretary of State in the British Foreign Office.

soon as possible.[15] Consideration of the question would however be facilitated if the source of the reports of large scale expulsion of Hungarians were known and has asked us to request the Dept for this information.

Could we have this information for transmission to Sir Orme?[16]

Repeated to Moscow as 190.

WINANT

864.4016/6–1245 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, June 12, 1945—11 a. m.
[Received June 13—4:52 p. m.]

143. I handed Minister of Foreign Affairs today memo[17] in sense of your 70, June 4. He read statement carefully and expressed great satisfaction with position of US Govt as therein set forth.[18] I intimated subject was under discussion with Allies and he expressed hope agreement among them would lead promptly to concrete action to prevent continued indiscriminate expulsion of Hungarians particularly from Slovakia. Govt's information though incomplete indicated some 20,000 Hungarian speaking persons had already been expelled in conditions of great destitution while a group perhaps numbering 10,000 was being kept in internment camps in Bratislava. This situation was particularly ironical inasmuch as there had been proportionately more sincere collaborationists among Slovaks than even in Hungary. Hungarian Govt had scrupulously withdrawn all

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[15] Telegram 6567, June 29, 7 p. m., from London, reported that the British Embassy in Washington had been instructed to communicate the observations of the British Government (840.4016/6–2945). In a communication from the British Embassy to the Department of State dated June 28 (vol. II, p. 1258) the British proposed a full exchange of views between the British and American Governments on the question of transfers of ethnic minority groups in Europe. In a memorandum to the British Embassy dated July 11 (*ibid.*, p. 1262) the Department stated that such an exchange of views was not required at that time and should be deferred.

[16] In telegram 4692, June 11, 7 p. m., to London, it was stated that the sources of reports concerning expulsion of Hungarians included the Hungarian press and the Hungarian Foreign Minister (840.4016/6–745).

[17] For text of the memorandum of June 12, 1945, see *Hungary and the Conference of Paris*, vol. II: *Hungary's International Relations Before the Conference of Paris; Hungaro-Czechoslovak Relations, Papers and Documents Relating to the Preparation of the Peace and to the Exchange of Populations Between Hungary and Czechoslovakia* (Budapest, Hungarian Ministry for Foreign Affairs, 1947), p. 4.

[18] On June 19, 1945, Foreign Minister Gyöngyösi sent a note to Representative Schoenfeld formally thanking him for the memorandum of June 12 and setting forth the views of the Hungarian Government with respect to the situation of the Hungarian minority in Czechoslovakia. For text of the Hungarian note, see *ibid.*, p. 5.

post-1938 Hungarian officials from territories annexed under Vienna award [19] but members of Hungarian speaking group continued to be expelled without adequate humanitarian provisions. Sanitary conditions in Bratislava Camp he said are reported extremely bad. He estimates there are about 500,000 Hungarian speaking people in Czechoslovak territory excluding Carpatho-Ukraine.

SCHOENFELD

[For additional documentation dealing *inter alia* with the question of the transfer of Hungarian populations from Czechoslovakia, see note 7539/II/S/1945 dated July 3, 1945, from the Czechoslovak Under Secretary of State for Foreign Affairs to the Chargé in Czechoslovakia, telegram 144, August 2, 1945, from Praha, note No. C.20.532/45/II dated August 16, 1945, from the Czechoslovak Under Secretary of State for Foreign Affairs to the Ambassador in Czechoslovakia, and telegram 226, September 14, 1945, from Praha, volume II, pages 1261, 1266, 1269, and 1275, respectively.]

740.00119 Control (Hungary)/8–3145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, August 31, 1945—10 p. m.
[Received September 3—7 : 10 a. m.]

520. Foreign Ministry has given us copies of 17 notes of protest on treatment of Hungarians in Slovakia submitted to Allied Control Commission chairman over last 6 weeks. In note dated August 24 Hungarian Government regrets that previous protests had not alleviated situation which it says is rapidly deteriorating.

Hungarian Government states their nationals live under reign of terror and are oppressed on nationalistic grounds, a fact which is deeply resented by every Hungarian citizen. Hungarian Government requests Control Commission to impress on Czechoslovak Government that democratic principles should be applied to Czechoslovak Hungarians and that the inhumane persecution and despoilation of Hungarians in Czechoslovakia on nationalistic grounds should be terminated.

According to information received by this Mission and previously reported to Department it is apparent that the Hungarian Government has some justification in its protest regarding continuance of deportations and terroristic oppression of Hungarians especially in Slovakia and that these acts are continuing in spite of representations previously

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[19] The arbitral award by the Italian-German Commission regarding the cession of certain territories by Czechoslovakia to Hungary, made at Vienna, November 2, 1938; for text, see *Documents on German Foreign Policy, 1918–1945*, series D, vol. IV (Washington, Government Printing Office, 1951), p. 125.

made by government. Chairman of Allied Control Commission here has not indicated any action which may have been taken in behalf of Commission to correct this situation.

Copies Foreign Ministry notes being sent by despatch.[20]

Sent to Praha as No. 7.

SCHOENFELD

764.71/9-745 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, September 7, 1945—8 p. m.
[Received September 10—1:17 p. m.]

551. My No. 531, September 5, section II.[21] Hungarian Ministry for Foreign Affairs has submitted note of [*to?*] ACC (Allied Control Commission) that information has been received Rumanian Prime Minister's [22] office has published order pertaining to expulsion of Hungarians from Rumania. In accordance with alleged order Rumanian Office for Nationalities is advised to expel Hungarians under the pretext of "Fascistic activity, spreading of false rumors, fostering of sedition, lack of cooperation with Russians and sabotage". Persons expelled are not allowed to sell properties and can only take limited amount of movable possessions. Expulsion order can only be given orally and written orders are forbidden. Order allegedly provides for publication of complaints against chauvinistic activities of Hungarians and purpose is said to be to influence plebiscite in question of Rumanian-Hungarian border which peace conference is thought likely to hold. Hungarian ACC is asked to request Rumanian ACC to demand satisfactory reply from Rumanian Government in this matter which Hungarians feel endangers friendly relations between two countries. Text of note by despatch.[23]

Sent to Dept as No. 551, repeated to Bucharest as No. 23.

SCHOENFELD

840.4016 DP/9-1045

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

No. 85 PRAGUE, September 10, 1945.
[Received September 20.]

SIR: I have the honor to refer to Minister Schoenfeld's telegrams from Budapest to the Department, the most recent of which was re-

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[20] These notes were transmitted to the Department in despatches 244 and 245, both of August 31, from Budapest, none printed.

[21] Not printed.

[22] Petru Groza.

[23] Transmitted to the Department in despatch 263, September 7, from Budapest, neither printed.

peated to Prague as No. 7 of August 31,[24] reporting the protests of the Hungarian Government at the treatment of the Hungarian minority in Slovakia. I have discussed this subject with officials of the Czechoslovak Government and particularly with officials of the Slovak National Council during my recent visit to Banska Bystrica.

All of the officials with whom I have talked deny the existence of a "reign of terror", "inhumane persecution", or "terroristic oppression". They do not deny that what they describe as "a few Hungarians" have been expelled from Slovakia to Hungary "where they will presumably have no further cause for complaint" and that the property of "a limited number" has been seized. They contend that the sovereignty of the Czechoslovak Republic having been undermined and then wiped out by and with the active aid of the Hungarian and German minorities who, they point out, were accorded the most generous treatment of any minority in Europe with equal civil rights, their own schools and newspapers, parliamentary representation, etc., and who in return constituted the advance guard of the Nazis in Czechoslovakia, the new Republic is determined that these same individuals are not to remain within the frontiers of the new Republic. They assert that as only a few of the ring leaders have thus far been arrested or expelled most of the loudest complaints of alleged ill treatment are coming from individuals who are known in their local communities to have been active Nazis who either took part in or encouraged the inhumane treatment to which the Slovaks were subjected by the Hungarians during the Nazi occupation. The Slovak authorities state that they are prepared to prove that individuals who have recently complained to the Hungarian Government of alleged persecution and of the existence of a reign of teror are the same individuals who were directly or indirectly responsible for the deaths of thousands of Slovak citizens including most of the Jewish population of Slovakia. They describe the protests now being made by the Hungarian Government on behalf of Hungarian Nazis residing in Slovakia as "hypocritical, disingenuous and as a device to influence public opinion in the United States and Great Britain and to gain sympathy for defeated Hungary". They argue that it stands to reason that Hungary desires to keep its fifth column in Czechoslovakia in the hope of some day avenging its defeat.

In my opinion, the repeated protests by the Hungarian Government (which I do not believe has as yet been recognized by the Czechoslovak Government) are merely serving to increase the determination of the Czechoslovak Government, and particularly of the Slovak National Council, to rid themselves of the greater part of the Hungarian and German minorities as well as to fan their indignation

[24] Same as telegram 520, August 31, from Budapest, p. 932.

at what they describe as the audacity of Hungary and Germany enemy States defeated ony a few weeks ago in criticizing the internal affairs of one of the United Nations after what the world knows of the sufferings of the Czechs and Slovaks at the hands of the Germans and Hungarians when they were in the saddle.

It may be of interest to the Department that I have already received no less than 200 letters of protest from members of the German minority who seek American intervention to prevent their expulsion from Czechoslovakia or the confiscation of their real estate. On causing a few of these letters to be investigated I subscribe to the use of the word "audacity" in that several of the authors have been identified as having actively participated in the overthrow of the Czechoslovak Republic and as having in certain instances been responsible directly or indirectly for the sending of many Czechs to concentration camps or their deaths, the seizure of their property including real estate, and other inhumane acts. Under the circumstances I am inclined to the view that more or less the same situation on a smaller scale exists with respect to certain members of the Hungarian minority.

It is my intention as soon as time permits to visit the area of Slovakia in which the Hungarian minority is located and to send the Department a report of my impressions of the treatment being accorded them in general. Judging by the treatment being accorded the German minority in the areas I have thus far been able to visit, I am of the opinion that notwithstanding individual acts of injustice or inhumanity the Czechs have exercised commendable self-restraint in dealing with about 2,800,000 Sudeten Germans and about 1,000,000 German refugees having regard to the treatment to which they were subjected for nearly seven years by the German minority within their frontiers and by the German forces of occupation.

Respectfully yours, LAURENCE A. STEINHARDT

840.4016/9-2645 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, September 26, 1945—4 p. m.
[Received September 27—11 : 25 a. m.]

648. General Key [25] in ACC (Allied Control Commission) meeting September 24 raised question of eviction of Hungarians from Czechoslovakia and Rumania. Voroshilov [26] stated he had received many complaints from Hungarians copies of which I have been sending

[25] Maj. Gen. William S. Key, Chief of the United States Military Representation on the Allied Control Commission for Hungary.

[26] Marshal of the Soviet Union Kliment Yefremovich Voroshilov, Chairman of the Soviet Element of the Allied Control Commission for Hungary.

Department but that in his opinion, they were based on rumors and did not have factual basis.

Voroshilov had forwarded notes to local Czech [27] and Rumanian representatives. Presumably Russians here are taking no further action in matter.

Repeated to Moscow as 77, to Praha as 10 and to Bucharest as 26.

SCHOENFELD

840.4016/10-945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 9, 1945—noon.
[Received 5:40 p. m.]

729. Reference Depts airmail instruction 124, Sept 21,[28] transmitting copy of Aug. 16 [note], from Czechoslovak Govt to Ambassador Steinhardt regarding transfer of German and Hungarian minorities from Czechoslovakia.[29] It is highly desirable that this Mission be advised whether Czechoslovak Govt's assumption mentioned in penultimate paragraph of Czechoslovak note is correct that the Allied great powers "agree with the exchange of the Hungarian population". Omission from Potsdam agreement of any reference to exchange of Hungarian population in Czechoslovakia for Slovak population in Hungary [30] has been interpreted here as meaning that no such proposed exchange was contemplated there. Consequently it is important for this Mission to learn whether the expulsion of Hungarians from Czechoslovakia which Hungarian Govt alleges still continues is in harmony with the policy of the Allied Powers.

Sent Dept. Rptd to Praha as No. 11.

SCHOENFELD

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[27] Dalibor Krno, Czechoslovak Representative in Hungary.

[28] Not printed.

[29] Note No. C.20.532/45/II, August 16, 1945, from the Czechoslovak Under-Secretary of State for Foreign Affairs to the Ambassador in Czechoslovakia, vol. II, p. 1269.

[30] For the decisions of the Potsdam Conference regarding the transfer of German populations, see the Report on the Tripartite Conference of Berlin, August 2, 1945, *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. II, pp. 1499, 1511, and the Protocol of the Proceedings of the Berlin Conference, August 1, 1945, *ibid.*, pp. 1478, 1495.

840.4016/10-1945 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, October 19, 1945—3 p. m.

316. Please inform Czech Govt that Berlin Conference decisions did not include agreement to exchange of Hungarian population in Zecho for Czechoslovak population in Hungary and that assumption made in Czech note of Aug 16 [31] your despatch 43, Aug 17 [32] that US Govt has agreed to such exchange is without foundation in fact.

Dept's position on this question remains as set forth in its 4462 June 4 to London (communicated to Brit Govt and by Rudolf Schoenfeld to Czech Govt) which stated our view that no unilateral action should be taken by Czech Govt to transfer, in whole or in part, its Hungarian-speaking minority, and that ethnic minority groups should be transferred only under international auspices and pursuant to appropriate international arrangements.

Inform Czech Govt that, since no such international arrangements have been made, US Govt hopes that Czech Govt will not proceed at this time with plans for the transfer from its territory of its Hungarian-speaking minority. You may add, however, that this Govt is ready to discuss question with other Allied Govts both directly and through Reps on ACC Hungary, and that, if other Govts represented on ACC have no objection, US Govt would look favorably on attempt by Czech and Hungarian Govts to work out plan directly between themselves for submission to Allied Govts.

If it is possible for discreet investigation to be made, preferably by member of your staff, in Hungarian-populated area of Slovakia where persecution and deportations allegedly taking place, Dept would find factual report very useful in further consideration of this question.

Sent to Praha, rptd to Budapest.[33]

BYRNES

840.4016/10-945 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, October 19, 1945—3 p. m.

563. Reurtel 729 Oct. 9. Praha is being instructed, in tel rptd to you as 562,[34] to inform Czech Govt that latter's assumption, stated

[31] See footnote 29, p. 936.
[32] Not printed.
[33] As telegram 562.
[34] Same as telegram 316, October 19, 3 p. m. to Praha, *supra*.

in note of Aug 16 [35] that three Allied Govts agreed at Berlin Conference to exchange of Hungarian population in Zecho for Czechoslovak population in Hungary, is without foundation in fact.

Dept's views on question remain as set forth in Deptel 70 June 4. In absence of international arrangement for transfer of Hungarians from Zecho such as was agreed upon at Berlin with respect to Germans in Zecho, Poland and Hungary, it cannot be assumed that US "agrees with" the Czechoslovak plan for the exchange of minority populations between Zecho and Hungary.

You may inform Hungarian Govt of US views set forth above.

Dept has been reluctant to take further initiative in this question without having more detailed and reliable info. If discreet investigation could be made in frontier area, preferably by member of your or Gen Key's staff, Dept would find report thereon most useful.

BYRNES

840.4016/10–2945 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, October 29, 1945—5 p. m.
[Received October 29—2 : 58 p. m.]

830. I spoke to Foreign Minister today in sense of your 563, October 19 and left memorandum confirming my oral statement. When I inquired (my telegram 520, August 31) as to his view of reason for apparent interest of Russians here in this matter, he said Russian attitude was "unclear". Gyöngyösi said he had reason to believe statements made particularly by Slovak Communists to effect that Soviet Government had approved proposed expulsion of Hungarians in Czechoslovakia may have been based on certain promises made by Russian Pan-Slav advocates, authenticity of which, however, was not admitted by Soviet representatives here. Russians nevertheless, seemed inclined to consider question of expulsion of Hungarians from Czechoslovakia as related to proposed expulsion from Hungary of German minority. Gyöngyösi said it was not appreciated that Hungary proposed under Potsdam Agreement to expel only some 200,000 Germans who had shown themselves to be definitely Nazi-minded but was anxious to keep Germans who had been loyal and were practically assimilated in this country. Nor was it fair to exchange Slovak population here without its own consent for Hungarians in Czechoslovakia. Hungarian Government did not believe more than 10,000 to 15,000 Slovaks would consent freely to leave this country while expulsion of

[35] See footnote 29, p. 936.

Hungarians from Czechoslovakia involved half million Hungarians who were being given no opportunity to express themselves regarding return to Hungary.

Referring to charge that Hungary's agitation of this question had revisionist purpose, Gyöngyösi said it would obviously be desirable if large excess of Hungarians over expelled Germans and Slovaks were thrust into Hungary that such Hungarians should have some land on which to live after having been settled on it for centuries.

Gyöngyösi said he had received invitation 4 or 5 days ago from Czechoslovakian Representative here to undertake direct negotiations on this matter, but had pointed out that in view of impending national election here it would be best to postpone such negotiations until new govt takes office. This may be result of recent visit of Hungarian Social Democrat leaders last week to Praha where press reports they discussed minority problem with Czech leaders.

At my suggestion Gyöngyösi indicated he would prepare as subjective and factual statement as possible regarding this problem and communicate it to me and representatives of other Allied Govts here. I expect to examine possibility of independent investigation by ourselves or by Gen Key's mission in near future, but of course, refrained from intimating any such intention in talking with Hungarian Foreign Minister.

Sent Dept; repeated to Praha as 14.

SCHOENFELD

860F.00/10-3145 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

[Extract][36]

PRAHA, October 31, 1945—midnight.
[Received November 3—1:15 p. m.]

509. . . .

. . . . . .

The President[37] expressed concern at the manner in which the Allies continued to ignore the Czechoslovakian proposal for an exchange of minorities between Hungary and Slovakia, remarking that until the minority problems in Central Europe have been disposed of there could be neither stability nor permanent peace. He observed that in his opinion sufficient importance was not being attached by the Allies to the imperative need for solving once and for all the

[36] For remaining portions of this telegram, see *ante*, p. 503, and vol. II, p. 1304.
[37] Eduard Beneš, Czechoslovak President.

minority problems in and around Czechoslovakia which have been the cause of so many wars for several centuries.[38]

. . . . . .

STEINHARDT

840.4016/11-2745 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

Budapest, November 27, 1945—3 p. m.
[Received 10:30 p. m.]

979. My telegrams 968, November 24,[39] and 830 October 29. Prime Minister and Foreign Minister [40] told me last night Czechoslovakian Govt was pressing for early visit of Foreign Minister to Praha to discuss expulsion of Hungarian population from Slovakia in exchange for Slovak population in Hungary.[41] Foreign Minister said mistreatment of Hungarians in Slovakia had recently grown worse so that he doubted any useful purpose would be served by his visit to Praha at this time. It was his impression Slovak authorities were acting more or less independently of Praha and Hungarian minority question seemed to be involved in internal politics within Czechoslovakia. If he should decide to proceed to Praha he would probably leave early next week but in meantime Prime Minister will be obliged to make statement before newly elected National Assembly which will convene November 29 and Foreign Office planned to submit note to Czechoslovak Govt emphasizing that recently intensified action of Slovak authorities affecting Hungarian minority does not create propitious atmosphere in which to conduct fruitful conversations.

Prime Minister and Foreign Minister asked my advice as to whether latter should go to Praha under present conditions. I answered as before that our Govt would welcome direct settlement between Czechoslovak and Hungarian Govts (Deptel 562, October 19 [42]) but that I was not sufficiently informed as to political situation in Czecho-

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[38] Telegram 453, October 12, from Praha, reported that during a visit to Slovakia, President Beneš had declared that Czechoslovakia must insist upon the exchange of minorities between Hungary and Czechoslovakia and that at least 400,000 Magyars would have to leave Czechoslovakia (840.4016/10-1245).

[39] Not printed; it reported that Foreign Minister Gyöngyösi, at a press conference, had stated he would leave for Praha on December 2 (760F.64/11-2445).

[40] Zoltan Tildy became Prime Minister in the Hungarian Cabinet announced on November 16, 1945. Foreign Minister Gyöngyösi retained his post in the new Cabinet.

[41] Telegram 630, November 27, 10 a. m., from Praha, reported that Ambassador Steinhardt had been informed by Czechoslovak Foreign Minister Masaryk that the Czechoslovak Government had invited the Hungarian Foreign Minister to Praha to discuss an exchange of minorities (760F.64/11-2745).

[42] Same as telegram 316, October 19, 3 p. m., to Praha, p. 937.

slovakia to be able to express opinion as to prospects of successive [*successful?*] negotiations.

Foreign Minister said Slovaks here are almost unanimously against their transfer to Czechoslovakia as illustrated by recent incident when Slovak high school was opened in a provincial town and no Slovak registered for attendance, their leader explaining privately that Slovaks were not anxious to be identified as such in view of possibility of their transfer from Hungary.

In response to my inquiry as to present view of Soviet Minister[43] here, Foreign Minister said Pushkin denied that Czechoslovak authorities or Slovak Communists, principal agitators against Hungarians at present, has [*have*] received assurances from Moscow of support for proposed expulsion of Hungarian minority. Meanwhile, conditions involving Hungarians in Slovakia are deteriorating rapidly and increasingly grave incidents were taking place. Recently Slovak press had also been inciting anti-Hungarian action which was bad augury for success of any conversations between govts. I gained impression, however, that Gyöngyösi will proceed to Praha to show Hungarian good-will even if not successful in securing abatement of Hungarian persecutions while conversations are proceeding.

I hope shortly to send Dept report of confidential investigation made on behalf of this Mission in border areas.[44]

Sent Dept, repeated London as 58 and Praha as 26.

SCHOENFELD

840.4016/11–3045 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, November 30, 1945—7 p. m.
[Received December 1—3:37 p. m.]

997. Foreign Minister requested again today in note to me dated November 20[45] that an international commission be formed to investigate present Hungarian-Czechoslovak controversy over Hungarian

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[43] Georgy Maximovich Pushkin.

[44] Despatch 671, December 7, 1945, from Budapest, transmitted to the Department a summary of the findings of an investigation made in the areas along the Hungarian-Czechoslovak frontier during the month of November 1945. The despatch stated that the report, which had been prepared by a former Hungarian newspaperman, could not be evaluated as either a thorough or an entirely unbiased study of the situation of Hungarians in Slovakia and was to be regarded only as supplementary to the documentation on the subject previously submitted to the Department (840.4016/12–745).

[45] For text of the note, 120 res/Be.–1945, dated November 20, 1945, see *Hungary and the Conference of Paris*, vol. II, p. 15. The note was also sent to the Soviet Minister and the British Political Representative.

minority in Slovakia. Original request dated September 14 was reported to Department as my telegram 892 [*592*], September 14 and despatch No. 297, September 15.[46] Gryöngyösi has suggested also pending appointment this commission and with reference to principles laid down at Crimea that part of Slovakia inhabited by Hungarians be placed under international control. Gyöngyösi adds in his note that international control of these districts is urgent due to recent chauvinistic excesses of the Slovak press particularly since Hungarian Government declared [its willingness to conduct direct "informatory" negotiations with the Czech Govt] [47] in Praha. He states there is obviously little hope of concluding successful negotiations in such an atmosphere and under conditions which deprive Hungarians in Slovakia of their human rights. Text of note by despatch.[48]

Sent to Department. Repeated to London 62 and Praha 29.

SCHOENFELD

840.4016/11-3045 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, December 3, 1945—7 p. m.

433. If appropriate occasion arises in connection with forthcoming Hungarian-Czechoslovak conversations in Prague on subject of Hungarian minority in Zecho (Budapest's 979 Nov 27 and 993 Nov 30[49] to Dept rptd to Praha as 26 and 28), please impress on Czech Govt earnest hope of US Govt that mutually satisfactory agreement may be reached which will contribute to development of stable and friendly relations between Zecho and Hungary and will not involve inhumane treatment or unnecessary hardships for the individuals involved (reDeptel 316 Oct 19). On latter point you may mention reports which Dept has received of mistreatment of Hungarians in Slovakia, as well as info to the effect that Hungarian-speaking residents of Zecho are not regarded as eligible to receive UNRRA [50] supplies

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[46] Neither telegram 592 nor despatch 297 is printed. For text of the note, 61 res/Be-1945, dated September 14, 1945, addressed to the United States, British, and Soviet Representatives in Budapest, see *Hungary and the Conference of Paris*, vol. II, p. 13.

[47] Corrected on basis of text of telegram in Budapest Legation files.

[48] Despatch 620, December 1, from Budapest, not printed.

[49] Latter not printed; it reported that the Hungarian Foreign Minister was leaving for Praha on December 2 to discuss the minority question, but that he was by no means optimistic as to the outcome of the conversations (840.4016/-11-3045).

[50] United Nations Relief and Rehabilitation Administration. For documentation regarding the participation by the United States in the work of this agency in the year 1945, see vol. II, pp. 958 ff.

(Budapest's despatch 194 Aug 17 to Dept [51]), and express our hope that this info may be incorrect. Discrimination against minority groups, on grounds of language or nationality, in distribution of relief or in other ways would certainly make unfortunate impression on American public opinion, which has consistently regarded Czechoslovak Govt and people as devoted to democratic principles, and would inevitably make more difficult attainment of satisfactory solution of Czech-Hungarian differences.

If you have occasion to talk to Gyöngyösi, you should impress on him also our hope that direct Czecho-Hungarian agreement will be reached and that he will not, by reason of unjustified expectation of outside support of Hungarian position, neglect opportunity to make realistic settlement with Czechs.

Sent Praha rptd Budapest.[52]

BYRNES

840.4016/12–745 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, December 7, 1945—8 p. m.

10634. The Govt feels it particularly desirable, in view of present visit of Hungarian FonMin to Prague, that Zecho and Hungary reach agreement on realistic solution of problem raised by Czechoslovak measures against Hungarian minority and by desire of Czech Govt to bring about exchange of minority populations between those two countries. Dept has accordingly instructed Embassy Prague to impress upon the Czech and Hungarian FonMins, if a suitable occasion arises, the importance of their making every possible effort to reach a satisfactory solution of the problem by direct bilateral negotiations.

Hungarian Govt requested in note to USRep in Budapest that international commission be formed to investigate present Hungarian-Czech controversy over Hungarian minority in Slovakia, and that meanwhile the part of Slovakia inhabited by Hungarians be placed under international control. Similar requests may have been made to Brit and Soviet Govts. In US Govt's view preferable method of seeking settlement of problem is through direct Czech-Hungarian conversations.

Please bring foregoing to attention of FonOff stating US Govt hopes Brit and Soviet Govts agree with US views set forth above and if so

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[51] Not printed.
[52] As telegram 769.

will send instructions their Reps in Prague similar to those sent our Embassy. Dept would welcome suggestions of Brit and Soviet Govts regarding any other action which Allied Govts might appropriately take with view to bringing about early equitable settlement of problem.

Sent London and Moscow repeated Budapest and Praha.[53]

BYRNES

840.4016/12-745 : Telegram

The Secretary of State to the Ambassador in Czechoslovakia (Steinhardt)

WASHINGTON, December 7, 1945—8 p. m.

453. Please report reDeptel 316 Oct 19 whether you have been able to obtain any unbiased first hand information on reports of persecution and expulsion of Hungarian minority. Dept desires such info as may be available for use in connection with (1) possible exchanges of views with Brit and Soviet Govts, (2) consideration request of Hungarian FonMin (see Budapest's 997 Nov 30 rptd you as 29), and (3) possible efforts on part of US Reps in Prague and Budapest to impress on Czech (reDeptel 433 Dec 3 rpted Budapest as 769) and Hungarian Govts desirability of direct compromise settlement.

Sent Praha rptd Budapest.[54]

BYRNES

840.4016/11-3045 : Telegram

The Secretary of State to the Representative in Hungary (Schoenfeld)

WASHINGTON, December 7, 1945—8 p. m.

799. Please convey informally to PriMin, unless you perceive objection, Dept's view that it would be a mistake for Hungary to count on outside support for unyielding position in controversy with Zecho on question of Hungarian minority in Zecho (reDeptel 433 Dec 3 to Praha rptd to you as 769), and that postponement of settlement would be of no benefit to either country and would be unfortunate for the people who are the subject of the dispute. You may say also that while Dept is consulting Brit and Soviet Govts on proposals contained in your 997 Nov 30, preliminary US view is that adoption of proposals

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[53] Sent to Moscow as telegram 2471, repeated to Praha as telegram 452, and to Budapest as telegram 797.

[54] As telegram 798.

is unlikely and that every effort should be made to achieve settlement through direct Czech-Hungarian agreement.

Dept hopes PriMin will convey our views to Gyöngyösi.

Sent Budapest rptd Praha.[55]

BYRNES

840.4016/12–1045 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 10, 1945—6 p. m.
[Received December 14—8:10 p. m.]

1060. Deptels 797[56] and 799, December 7. I called on Hungarian Foreign Minister this afternoon upon his return from Praha and spoke to him in sense of last mentioned.

Gyöngyösi said he had spent 4 days in Praha in constant negotiation with Under Secretary Clementis of Czechoslovak Foreign Office who is Slovak himself. Masaryk had left ostensibly for London 2 days before Gyöngyösi's arrival and later had impression Czechoslovak Govt desired Hungarian matter to be discussed with Slovak officials. Gyöngyösi had also seen President Beneš whose attitude was "stiff" and who insisted that in view of past experience Czechoslovakia had had with Hungarian [*Hungary?*] good relations with new Hungarian state could only be built up upon consolidation of national state in Czechoslovakia and elimination of minorities.

Gyöngyösi said that within 2 days of beginning of negotiations substantial agreement was reached regarding plan for exchange of populations. Hungary would take Hungarians already expelled from Slovakia and Hungarian prisoners of war still held by Czechs and so many additional Hungarians as made up total Slovaks willing to leave Hungary. Gyöngyösi pointed out that in 1941 Hungarian census some 75,000 had declared themselves as Slovaks and that there were probably a maximum of 120 to 150 thousand Slovak speaking people in Hungary. He estimated that not exceeding maximum of 40 to 50 thousand Slovaks would be willing to leave this country under the proposed exchange plan.

Foreign Minister said Czechoslovak Govt was willing to proceed with exchange plan by itself but wished whole matter settled at once. Czechoslovak Govt was not willing to grant bulk of Hungarians remaining in Czechoslovakia above number to be exchanged any

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[55] As telegram 454.
[56] Same as telegram 10634, December 7, to London, p. 943.

minority rights. Czechs had however undertaken to suspend until January 15 decrees confiscating Hungarian property. They were unwilling to concede withdrawal of decrees requiring forced labor to which Hungarians were being sent in northern Slovakia and Bohemia and away from border districts. Czech intransigence regarding treatment of surplus Hungarians afforded little hope that settlement could be reached by direct negotiations but Hungary remained prepared to go ahead with exchange plan. Gyöngyösi felt international action would be necessary on larger aspects of the problem including suspension of persecutions to which Hungarians were now subjected while such action is under consideration.

Gyöngyösi said he would furnish local Soviet representatives soon full account of Praha negotiations.

Sent Dept; repeated to London as 66 Moscow as 122 and Praha as 31.

SCHOENFELD

840.4016/12–1145 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, December 11, 1945—midnight.
[Received December 12—10:20 p. m.]

721. ReDepts 453, December 7, the unbiased firsthand info I have been able to obtain of reports of persecution and expulsion of the Hungarian minority from Slovakia indicates that these reports have been grossly exaggerated and have been designed to operate as a spearhead to win the peace after having lost the war.

Admitting that there have been limited expulsions of individuals whose conduct was particularly obnoxious, if not criminal, during the period of the Hungarian invasion of Slovakia as recently as April 1945 and that the Hungarian minority in Slovakia now has been deprived of its pre-war privilege of maintaining a state within a state, unbiased observers have expressed surprise at the moderation of the Czech and Slovak authorities in their treatment of the Hungarian minority since May 1945, having regard to the excesses committed by the Magyars during the 6 years of their occupation of Slovakia.

While the hardships now being borne by the Hungarian minority and the limited expulsions that have taken place since May are deplored, most unbiased observers express the opinion that the local Slovak authorities and particularly the Czech Government should be commended for the restraint exercised by them in not permitting vengence against individuals who not only sought to undermine the

Czech Republic but stabbed it in the back immediately after Munich.[57] That the Hungarian Government embarked sometime ago on a studied course in an endeavor to wipe out Hungary's defeat and change roles with victorious Czechoslovakia appears to be indicated by the steady drumfire of formal protests to the Allied Control Council, scores of which were individual complaints, and the insistence of Gyöngyösi in his recent talks with Clementis that there could be no satisfactory or permanent solution of Hungarian Czech differences unless Czechoslovakia cedes to Hungary the territory occupied by the Hungarian minority and which was seized in 1938 under the Vienna Award of November 2 and which Hungary now has been obliged to return as a result of its defeat in the war.

The pessimism expressed by Gyöngyösi to Schoenfeld in connection with his impending visit to Praha (see Budapest's November 27 and November 30 to the Department [58]) would seem to indicate that territorial concessions rather than an exchange of minorities was uppermost in his mind. That a partial agreement was reached notwithstanding Gyöngyösi's pessimism tends to confirm the assumption that the Czech Government is sincerely seeking a mutually satisfactory solution in an orderly and humane manner.

A striking inconsistency in the Hungarian position which should not be lost sight of is the determination to expel the German minority from Hungary while objecting to the expulsion in Czechoslovakia of the Hungarian minority. This German policy unquestionably results from Hungarian territorial aspirations against Czechoslovakia.

With reference to Hungarian request (see Budapest's 997, November 30 to the Department) that an international commission be constituted to investigate the controversy over the Hungarian minority in Czechoslovakia, in effect a request that an international body be created at the instance of a defeated nation to investigate the conduct of one of the victorious nations, and such step would create deep resentment throughout Czechoslovakia and might well raise the cry that Czechoslovakia was again "being sold down the river by the Western democracies". It would reopen the wound resulting from the treatment accorded Czechoslovakia at Munich, the seizure of

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[57] The Munich Agreement, signed on September 29, 1938, between Germany, the United Kingdom, France, and Italy, provided for the cession to Germany of certain Czechoslovak territories inhabited in whole or in part by ethnic Germans; for text, see *Documents on German Foreign Policy, 1918–1945*, series D, vol. II (Washington, Government Printing Office, 1949), p. 1014. For documentation concerning the German-Czechoslovakian crisis of 1938, see *Foreign Relations*, 1938, vol. I, pp. 483 ff.

[58] Apparent reference to telegram 979, November 27, 3 p. m., from Budapest, p. 940, and telegram 993, November 30, 3 p. m., from Budapest; latter not printed, but see footnote 49, p. 942.

Tesin by Poland,[59] and the seizure of Danubian Slovakia by Hungary.[60] The consequences to American prestige in Europe which might result from our taking the initiative and the possible resulting newspaper outcry are difficult to foresee.

As to the desirability of exchanging views with the British and Soviet Governments on the subject of an international commission as requested by the Hungarian Government, the Department may wish to consider the possibility that the Soviet Government might find an advantage in the existence of such a commission by prolonging its occupation of Hungary and perhaps reoccupying Czechoslovakia.

In view of the foregoing and particularly having regard to the progress thus far made in the direct negotiations between Gyöngyösi and Clementis, the success of which apparently was not anticipated by the Hungarian Government, it would seem as though suggestion No. 3 in Department's 453, December 7 should be pursued.

For the Department's info Masaryk's trip to London was planned long prior to Gyöngyösi's visit to Praha.

STEINHARDT

840.4016/12–1245 : Telegram

The Ambassador in Czechoslovakia (Steinhardt) to the Secretary of State

PRAHA, December 12, 1945—midnight.
[Received December 16—2 : 31 p. m.]

726. I have had a talk today with Dr. Slavik of Ministry of Foreign Affairs in the absence of Masaryk in London and Clementis in Paris. Dr. Slavik, who was a member of the Czecho delegation during the visit of the Hungarian FonMin was present at all of the conferences. Slavik has very kindly furnished me with a detailed résumé of the course of the negotiations with the Hungarian delegation including copies of the opening remarks of Clementis at the first meeting, the first Czecho proposal made prior to the discussions, the second Czecho proposal made at the conclusion of the discussions, the Hungarian proposals made at the conclusion of the discussions, and a statement by Clementis at the conclusion of the conference.[61] These documents

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[59] On October 1, 1938, the Czechoslovak Government yielded to an ultimatum by the Polish Government for the immediate cession of Tesin (Czech spelling; in German, Teschen, and in Polish, Cieszyn) to Poland. For the text of the Polish ultimatum and the Czechoslovak response, see *Documents on British Foreign Policy, 1919–1939*, Third Series, vol. III (London, His Majesty's Stationery Office, 1950), document 101, p. 68. For documentation regarding the cession, see *Foreign Relations*, 1938, vol. I, pp. 708–718.

[60] The cession of Slovak territory to Hungary under the Vienna Award of November 2, 1938.

[61] For documentation regarding the Czechoslovak-Hungarian negotiations at Praha, December 3–December 5, 1945, see *Hungary and the Conference of Paris*, vol. II, pp. 35–49.

are being transmitted to the Department by the next airmail pouch.[62] I have every reason to believe that they constitute a detailed factual report of the course of the negotiations to date.

In response to my inquiry Slavik estimated the total number of Hungarians expelled to date from Czecho as about 10,000 of whom he said not less than 9,000 were Hungarians, carpetbaggers who had arrived subsequent to 1938 for the sole purpose of enriching themselves as the result of Hungary's seizure of Danubian Slovakia. He pointed out that under the stipulations of the armistice agreement signed in Moscow Hungary had specifically agreed to recall these carpet baggers but had failed to do so and that in consequence their expulsion was in accordance with the provisions of the armistice agreement. He said that when this point was raised in the course of the recent discussions in Prague Gyöngyösi had given as an excuse for his Government's failure to recall the carpetbaggers unsatisfactory transport conditions and insufficent food and housing in Hungary.

Slavik said it was abundantly clear throughout the negotiations that the primary purpose of Gyöngyösi's visit to Prague had been to explore the possibility of territorial concessions by Czecho to Hungary and that he had made no effort to conceal his objective.

STEINHARDT

840.4016/12–1545 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 15, 1945—7 p. m.
[Received December 24—8:36 p. m.]

1106. ForMin has handed me note [63] on negotiations in Prague as referred to in tel 1060 December 10. Note gave details similar to those in mytels 1060 and 1063,[64] December 10. It stated also that since no concessions to assure legal economic and personal security of Hungarians in Czecho could be obtained pending settlement of whole program Hung delegation could not consent to agreement on basis of concessions promised to be granted by Czech Government. Furthermore it could not concur even temporarily in a settlement which penalized Hungarians in Czecho collectively without moral or legal

[62] Transmitted to the Department in despatch 317, December 12, from Praha, none printed.

[63] For text of the note of December 11, 1945, from Foreign Minister Gyöngyösi to Schoenfeld, see *Hungary and the Conference of Paris*, vol. II, pp. 50–53. Identical notes were sent to the Soviet Minister and the British Chargé of Mission.

[64] Latter telegram not printed.

ground, merely on racial grounds aimed at their removal. These were the very Hitlerite ideals against which war was waged.

However since agreement for an exchange of populations on voluntary basis might be possible, Hung delegation proposed committees operating exchange should have international character and comprise besides representatives of two interested countries those of three Allies and requests for Government to nominate delegation should an agreement for exchange of populations be concluded.

Hungarian Government also requested US Government to support Hung attitude which was directed to bring about removal all Czech discriminative measures depriving Hungarians of rights simultaneous with agreement relating to exchange of populations which might possibly be concluded pending definite settlement of fate of entire minority.

Full text by despatch.[65]

Sent Department; repeated Moscow as 133; London as 70 and Praha as 36.

SCHOENFELD

840.4016/12-1745 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 17, 1945—4 p. m.
[Received December 18—2:38 p. m.]

1112. View of Embassy Praha as to degree of exaggeration in reports of treatment of Hungarians expelled from Slovakia is difficult for me to comment upon (reference Depcirtel Dec. 14 [66]) in the absence of any copies of reports from Embassy Praha. Condition of arriving Hungarian deportees, however, is uniformly reported as being one of complete destitution as Dept has been informed through this mission and American press.

I have not received impression that territorial question was raised in revisionist spirit by Hungarians who contend it arose from position taken by Czechs that all Hungarians shall leave Slovakia without adequate provision for their future livelihood depending mainly on land apart from other rights under minority treaty or general considerations of humanity. It is claimed here that population density in Hungary is already excessive for agricultural country and especially so by comparison with Czechoslovakia following deportation

[65] Despatch 731, December 20, from Budapest, not printed.

[66] Not printed (800.00 Summaries/12-1445); it summarized the contents of telegram 721, December 11, midnight, from Praha, p. 946.

of Germans from latter country and if entire German minority is not to be expelled from Hungary.

I cannot help but feel we are justified in advocating investigation by International Commission with view to settlement of a problem for solution of which among others we have responsibility under Yalta declaration and which if left unsettled may well lead in no distant future to complications ultimately involving us on the pattern of numerous precedents in similar circumstances in eastern Europe.

In any case it seems desirable to ascertain Soviet Govt's attitude as apparently contemplated in Deptel 797, Dec 7 [67] before acting upon assumption that occupation of Hungary may be unduly prolonged or Czechoslovakia reoccupied.

Sent Dept; repeated to London as 72 to Praha as 37 and to Moscow as 137.

SCHOENFELD

840.4016/12-2145 : Telegram

The Representative in Hungary (Schoenfeld) to the Secretary of State

BUDAPEST, December 21, 1945—5 p. m.
[Received December 23—4: 30 p. m.]

1136. ForMin told me today latest reports suggest improvement in treatment being accorded Hungarians in Slovakia. He said deportations had stopped, that property confiscation decrees not being applied to Hungarians and that in some cases Hungarians who had been removed from their real property had been returned.

Gyöngyösi said he was desirous of resuming conversations with Czech Government regarding limited exchange of population as agreed during Praha Conference. When I emphasized point that Hungarian Government was hardly in position to press Czech Government for invalidation of decrees affecting all minorities including Germans as well as Hungarians as prerequisite to settlement Gyöngyösi readily agreed and said Hungarian Government had no intention of insisting on any procedure involving Czech prestige. They would be satisfied if Czechs merely refrained from enforcing decrees against Hungarians during negotiations. Basic settlement, however, he still believed was practicable only under international auspices. I reiterate earnest belief direct settlement between the two Governments was by all odds most desirable solution.

Czech representative Krno told me yesterday that if this controversy is not settled to his Government's satisfaction there would be no

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[67] Same as telegram 10634 to London, p. 943.

alternative to revival of pre-war policy of Little Entente:[68] Reports have later been received here of campaign in Yugoslav press against alleged Hungarian chauvinism and irregularities involving schools for Yugoslavs in southern Hungary. Yugoslav representative Cicmill has stated this should be construed here as "warning".

Sent Department repeated London as 77, Moscow as 146, Praha as 39 and Belgrade as 30.

SCHOENFELD

[68] The formulation of the "Little Entente" was completed in 1921, with Yugoslavia, Czechoslovakia, and Rumania as members. A convention was signed at Geneva, February 16, 1933, transforming the "Little Entente" into a permanent organization. For text, see League of Nations Treaty Series, vol. CXXXIX, p. 233.

ICELAND

AGREEMENT BETWEEN THE UNITED STATES AND ICELAND FOR THE TERMINATION OF THE DEFENSE AGREEMENT OF JULY 1, 1941

[Under the terms of the agreement between the United States and Iceland regarding the defense of Iceland by United States forces, effected on July 1, 1941, United States forces were to withdraw from Iceland immediately on the conclusion of the war. For text of the agreement, see Department of State Executive Agreement Series No. 232; for documentation on the agreement, see *Foreign Relations*, 1941, volume II, pages 776 ff. On October 1, 1945, following exchanges with the Icelandic Government earlier in the year, the United States proposed the basis for negotiation of a new agreement that would make military facilities in Iceland available for the joint use of Iceland and the United States after the termination of the war. Assurances were given to the Icelandic Government that any rights granted to the United States under such an agreement would be exercised with full regard and respect for Icelandic sovereignty and independence. The United States proposals were also made known to the British, Soviet, Danish, Swedish, and Norwegian Governments. In November 1945 the Icelandic Government informed the United States Government that it was not ready to enter negotiations on the basis of the United States proposals. Exchanges were resumed in 1946 and resulted in the agreement of October 7, 1946, between Iceland and the United States for the termination of the defense agreement of July 1, 1941, and for provision for the interim use of Keflavik airport by United States forces. For text of the agreement of October 7, 1946, effected by an exchange of notes of that date, see Department of State, Treaties and Other International Acts Series No. 1566. Documentation on the exchanges and negotiations eventuating in this agreement is included in the files of the Department of State, particularly under file number 859A.20.]

AGREEMENT BETWEEN THE UNITED STATES AND ICELAND RESPECTING AIR TRANSPORT SERVICES, EFFECTED BY EXCHANGE OF NOTES SIGNED JANUARY 27, 1945

[For text of agreement, signed at Reykjavik, see Department of State Executive Agreement Series No. 463, or 59 Stat. (pt. 2) 1464.]

734-362—68——61

AGREEMENT BETWEEN THE UNITED STATES AND ICELAND RESPECTING TRANSPORTATION BY AIR OF ICELANDIC PASSENGERS AND MAIL, EFFECTED BY EXCHANGE OF NOTES SIGNED JANUARY 27 AND APRIL 11, 1945

[For text of agreement, signed at Reykjavik, see Department of State, Treaties and Other International Acts Series No. 1621, or 61 Stat. (pt. 3) 2874.]

ITALY

APPROVAL BY THE UNITED STATES OF DECLARATION BY ITALY OF WAR AGAINST JAPAN

701.6511/3-645

Memorandum of Conversation, by the Assistant Secretary of State (Dunn)

[Extracts]

[WASHINGTON,] March 6, 1945.

Mr. Alberto Tarchiani, the Appointed Ambassador of Italy to the United States, made an informal call on me today. He said that he was not taking any matters up officially with this Government as yet, but he did wish to express himself on certain matters which gave him concern and which he felt would be of interest to this Government in its consideration of its relations with Italy and in the consideration of the general situation in the world.

. . . . . .

The Ambassador then said that he would like to bring up a point very confidentially with the Department in order to obtain the attitude of this Government toward the question. He said that the Italian Government was desirous of declaring war against Japan but that of course under the regime of the surrender terms [1] it was not possible to do so without the approval of the British and American Governments. He asked if he could be informed as to the attitude of this Government towards such a step by the Italian Government, expressing the hope that the United States would favor such a move by the Italians. He said that there were many reasons why the Italian Government wished to declare war against Japan, one was to give living proof of the fact that the Italian Government and people were entirely against the association which Mussolini [2] had bound them to with the Axis,[3] and furthermore they wished to demonstrate in the strongest manner their desire to fight through to the end of this war with the Allies and destroy the last vestige of Fascism, as ex-

[1] For text of Instrument of Surrender of Italy, signed September 29, 1943, see Department of State, Treaties and Other International Acts Series No. 1604, or 61 Stat. (pt. 3) 2742.

[2] Benito Mussolini, Premier of Italy from 1922 to July 25, 1943.

[3] For protocol indicating adherence of Italy to the German-Japanese Alliance, see *Foreign Relations*, Japan, 1931–1941, vol. II, p. 159.

pressed in the tripartite Axis arrangement.[4] He said furthermore that Italy felt strongly that she could make decided contribution to the war against Japan, if not through the sending of troops certainly through her navy and air force, if the Allies are ready to employ those forces.

I told the Ambassador that as far as my personal opinion was concerned I could see no objection from a political viewpoint to a declaration of war against Japan, but that I was not in a position to express the view of this Government without consultation among the other officials of the Government, including the military. I said that I would endeavor to find out what the attitude of the United States Government would be toward such a move on the part of Italy and would take steps to inform him later what that attitude would be.

The Ambassador concluded with remarks to the effect that he wished to strengthen in every way the relations between the two countries and hoped that we could have many talks in the future on the problems confronting his country at this time. I assured him that this Government was most anxious to be of every assistance we could to Italy in her present difficulties, and we would be very glad to be of any help we could whenever he wished to call upon us.

JAMES CLEMENT DUNN

701.6511/3-1545

Memorandum of Conversation, by the Secretary of State

[WASHINGTON,] March 15, 1945.

The Italian Ambassador called upon me at his request this morning.

The Ambassador stated that his Government was anxious to declare war on Japan, and in view of the wording of the surrender terms he wished to know if we had any objection. I said this would have to be worked out with our Allies and that the Department would give this matter the closest attention and would communicate with him at an early date.

E[DWARD] S[TETTINIUS]

740.0011 P.W./4-2745

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] May 1, 1945.

In March the Italian Ambassador asked President Roosevelt and the Secretary of State what would be the attitude of this Government

[4] For text of Three Power Pact of Assistance between Germany, Italy, and Japan signed September 27, 1940, see League of Nations Treaty Series, vol. CCIV, p. 387, or *Documents on German Foreign Policy, 1918–1945*, series D, vol. XI, p. 204.

toward an Italian declaration of war upon Japan. In arriving at a decision on this question the Department sought the views of the War and Navy Departments through the State–War–Navy Coordinating Committee. The views of the State, War and Navy Departments, as well as those of the Joint Chiefs of Staff, may be summarized as follows:

From the political point of view, the participation of Italy in the war against Japan along with the United States would further identify Italy with the United Nations and the victorious powers. The prestige of the present Italian Government would thus be strengthened and increased support for it acquired in Italy at a time when the North of Italy is being liberated and when the Government in Rome will require the greatest possible stability. Italy is trying to "work her passage" back to a respectable place in the family of nations. It has been given an opportunity to do this through its contribution to the war against Germany. Participation in the war in the Far East after the defeat of Germany will give the Italian Government and people an increased and prolonged opportunity to contribute to the common war aims of the United Nations and to increase Italy's chances for an early and more secure place among them.

From the military point of view, Italy's participation in the war against Japan would be of negligible, if any, advantage to the overall conduct of the war. It should be made clear to the Italian Government that United States concurrence in its proposal to enter the war against Japan would include no commitments of any kind involving Allied resources, especially with respect to shipping.

For political reasons it is recommended that the Italian Government should be informed that the United States Government would welcome an Italian declaration of war against Japan but that such action involves no commitments with respect to Allied resources or shipping. It is further recommended that the United States Government obtain the concurrence of the British and Soviet Governments to this policy before replying to the inquiry of the Italian Government.

If you concur with these recommendations, I will instruct our Ambassadors in London and Moscow to inform the Governments to which they are accredited of our position and to ask for assurances from the British and Soviet Governments that such a reply to the Italian Government would not be contrary to their views on this subject.

JOSEPH C. GREW

740.0011 PW/5-345

Memorandum of Conversation, by Mr. William Phillips, Special Assistant to the Secretary of State

[WASHINGTON,] May 3, 1945.

During his conversation this afternoon, the Ambassador [5] referred again to Italy's desire to declare war against Japan. This desire had been expressed as far back as October last, and no reply has been received. He mentioned that in conversation with President Roosevelt, the latter had told him by all means declare war against Japan. On the other hand, Italy's position did not permit any such action without Allied consent, and it was this consent that he had been most anxious to obtain before the surrender of Germany. He felt that there was still time to do something about it.

WILLIAM PHILLIPS

740.0011 PW/5-945: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, May 9, 1945—3 p. m.

3632. The Italians have for some months been seeking our permission to their declaring war on Japan. Having obtained the views of War, Navy, and JCS the Department recommended and the President has now approved that after obtaining British concurrence and notifying the Soviets of our intentions we inform the Italian Government that the United States would welcome a declaration of war on Japan but that such action involves no commitments with respect to Allied resources or shipping.

Please seek British concurrence to this step, which would afford Italy an opportunity to sever publicly her relations with Japan under the 1940 Tripartite Pact in the same manner in which she was permitted to align herself with the United Nations against Germany. If of negligible military value, acceptance of Italian participation in the Far East war would contribute to the prestige of the Italian Government during this difficult period and to the support of the moderate elements included in it. To refuse the Italian request, on the other hand, would be a discouraging rebuff.

As soon as the British reply, telegraph the Department and repeat your answer to Moscow so that, if the British agree, Moscow can immediately inform the Soviet Government of our intention.

Sent to London as No. 3632, repeated to Moscow as No. 1039.

GREW

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[5] Alberto Tarchiani, Italian Ambassador.

740.0011 P.W./6–745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 7, 1945—7 p. m.
[Received June 7—2:35 p. m.]

5758. Your 4527, June 6.[6] We asked the ForOff today whether it had reached any decision on Italian declaration of war on Japan. An official told us that the delay in reaching a decision had been caused by the necessity of asking the opinions of the Dominions govts and that the Emb can expect to have a reply "within a week".

WINANT

740.0011 P.W./6–1345 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, June 13, 1945—8 p. m.
[Received June 13—4:10 p. m.]

5982. Deptel 3632, May 9, 3 p. m.; Embtel 5144, May 23, 7 p. m.[7] Today we recd communication from FonOff giving British views on Italy's request to declare war against Japan. Substance of communication follows:

"Emb's letter May 11 informed HBM Govt[8] that Italian Ambassador Washington had intimated that Italian Govt was anxious declare war on Japan. It was pointed out that while military value of such declaration of war might be negligible it would, in opinion of US Govt, contribute to prestige of Italian Govt in present difficult period and would strengthen moderate elements included in the Govt. Accordingly, US Govt proposed that if HBM Govt concurred and after Soviet Govt had been informed of what was intended, Italian Govt would be told that US would welcome Italian declaration of war on Japan, but that such action would involve no commitments regarding Allied resources or shipping.

British Govt had not been approached by Italian Govt in this matter and, apart from press articles some months ago, Emb's letter was first indication that Italian Govt were seriously contemplating a declaration of war on Japan. After considering all the factors put forward by US Govt, however, HBM Govt are inclined to agree with views of US and are accordingly happy to concur in proposal outlined in communication under reference. HBM Govt attach particular importance to reservation made that intimation to Italian Govt that US would welcome an Italian declaration of war on Japan

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[6] Not printed.
[7] Telegram 5144 not printed.
[8] His Britannic Majesty's Government.

would involve no commitments regarding Allied resources or shipping.

FonOff would appreciate being informed in due course of instructions which it is intended to send to US representatives at Moscow and Rome and requests Emb to ascertain from Dept whether it is desired that HBM representatives associate themselves with any communications to be made to the Govts of Italy and the USSR."

Sent Dept as 5982; rptd to Moscow as 198.

WINANT

740.0011 PW/6-1445: Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, June 14, 1945—7 p. m.

1304. Our 1039, May 9,[9] London's 198, June 13.[10] After consulting your Brit colleague inform Soviet Government we intend replying to request of Italian Govt substantially as follows:

"US Govt would welcome declaration of war on Japan by Ital Govt. It is, of course, understood that such declaration of war would entail no commitment on part of Allied Govts to allocate Allied resources or shipping to Italy for prosecution of hostilities against Japan."

Brit Govt being informed of this instruction to you with request its Embassy Moscow support it. Similar communications are being made to French Govt. For your info we intend on Saturday[11] to send reply to Ital Embassy and instruct Rome to inform Advisory Council for Italy.

Sent Moscow as 1304, rptd Rome as 994.

GREW

740.0011 PW/6-1645

The Italian Ambassador (Tarchiani) to the Acting Secretary of State

No. 4295

The Ambassador of Italy presents his compliments to the Honorable the Acting Secretary of State and has the honor to acknowledge the receipt of his note dated June 16th, 1945,[12] concerning an Italian declaration of war on Japan.

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[9] Same as telegram 3632 to London, p. 958.
[10] Same as telegram 5982, *supra*.
[11] June 16.
[12] Not printed, but for substance see telegram 1304, June 14, to Moscow, *supra*.

The Ambassador, who has highly appreciated the friendly terms in which it was drafted, wishes to express the sentiment of his warmest thanks and of his personal gratitude.

The Ambassador has the honor to assure the Honorable Acting Secretary of State that the text of the note mentioned above has been immediately transmitted to the Italian Government.

WASHINGTON, June 16, 1945.

740.0011 P.W./6-1645 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, June 16, 1945—3 p. m.

1002. Italian Embassy last March requested permission for Italy to declare war on Japan. We are today delivering to Italian Embassy note indicating we would welcome such declaration, thus extending to conflict with common enemy in Far East that solidarity with United Nations which Italian Government and people have recently demonstrated against common enemy in Europe. We add that this involves no commitment on Allied resources or shipping. (Our 994, June 14 [13]).

Please inform ACI [14] after consulting your British colleague who may wish to take similiar action.

To Rome as 1002. Repeated London as 4853, Moscow as 1325, Paris as 2786.

GREW

740.0011 P.W./6-2045 : Telegram

The Ambassador in the Soviet Union (Harriman) to the Secretary of State

Moscow, June 20, 1945—6 p. m.
[Received 8:30 p. m.]

2187. Emb's 2135, June 17.[15] Supporting our notification to Soviet Govt that Amer Govt was informing Italian Govt it would welcome Italian declaration of war on Japan British Amb [16] on June 17 wrote Molotov [17] that his Govt agreed with proposed American action. Clark Kerr added that British had recd no communication from Italians on subject and did not intend to raise question with them.

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[13] Same as telegram 1304 to Moscow, p. 960.
[14] Advisory Council for Italy.
[15] Not printed.
[16] Sir Archibald Clark Kerr.
[17] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.

British Ambassador Rome [18] instructed to say, if queried by Italians, that British were consulted by Americans and agreed to American proposed action.

Rptd London 307, Rome 49.

HARRIMAN

740.0011 PW/7-745 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, July 7, 1945—2 p. m.

1128. In conversation yesterday Tarchiani said Italian Govt had decided to declare war against Japan. In reply to his inquiry as to when announcement should be made, he was told this must be determined by Ital Govt but that we hoped it would be soon.

GREW

740.0011 PW/7-1445

The Italian Ambassador (Tarchiani) to the Acting Secretary of State

The Italian Ambassador presents his compliments to the Honorable the Acting Secretary of State and, with reference to the note of the Department of State dated June 16, 1945 [19] and to subsequent conversations, as well as confirming his verbal communication of yesterday, July 13, has the honor to bring to his knowledge, in accordance with instructions received by his Government, the following.

The Italian Government have sent yesterday, July 13, telegraphic directions to their Minister in Stockholm instructing him to approach the Swedish Government, which are in charge of Italian interests in Japan, and to ask them to notify the Japanese Government that Italy will enter into war against Japan on the 15 July 1945.

On the same day, the Italian Government will issue an official communiqué announcing the Italian declaration of war on Japan, which will be kept secret until then.

The Ambassador has been directed to communicate to the Government of the United States that the Italian Nation, by joining the struggle against the Japanese aggressor in the Far East, want to extend to this conflict the same full solidarity with the United Nations—and particularly with the United States of America—that the Italian people have already shown in the war against the common enemy in Europe.

The Ambassador has also been instructed to point out that Italy, in spite of her present plight, reaffirms her will to take an active part with her armed forces in the conflict for justice and democracy.

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[18] Sir Noel Charles.

[19] See footnote 12, p. 960.

The Italian people are confident that the American Nation will greet their decision and interpret it in the same spirit of friendship with which it is being taken.

WASHINGTON, July 14, 1945.

ATTITUDE OF THE UNITED STATES REGARDING THE FORM OF GOVERNMENT TO BE ESTABLISHED IN ITALY FOLLOWING END OF THE WAR

865.01/12–744

The Secretary of State to the Ambassador in Italy (Kirk)

No. 129 WASHINGTON, January 20, 1945.

The Secretary of State refers to despatch No. 621 [20] of December 7, 1944 from the United States Representative on the Advisory Council for Italy [21] concerning the Italian institutional question.

Preliminary studies in the Department on implementation of the pledge [22] that the Italian people shall have an untrammeled decision on the institutional question have led to the conclusion that a properly supervised referendum would afford a more certain expression of popular will than would a constituent assembly. There is enclosed for the Embassy's information in this connection a copy of a paper on the subject prepared by the Department's Interdivisional Committee on Italy.[23]

In order that the Department may have all possible elements of fact upon which to base its ultimate recommendation, discreet soundings should be taken of views on the foregoing question among the various Italian parties and social categories. In particular an effort should be made to ascertain the fundamental reasons underlying the opposition, which certain parties manifest, to decision by referendum.

865.00/4–1145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, April 11, 1945—7 p. m.
[Received April 12—12:44 p. m.]

941. The following is a paraphrase of a memorandum which the Chief Commissioner [24] Allied Commission is sending today to AFHQ

[20] Not printed.

[21] Alexander C. Kirk was United States Representative on the Advisory Council for Italy until December 8, 1944, when he became Ambassador to Italy.

[22] See joint statement by President Roosevelt, Prime Minister Churchill, and Marshal Stalin released to the press October 13, 1943, *Foreign Relations*, 1943, vol. II, p. 387.

[23] No copy found in Department files.

[24] Adm. Ellery W. Stone, United States Navy.

regarding a conversation with De Gasperi on the institutional question (see also my 936 April 11 5 p. m.[25]) :

The Minister for Foreign Affairs De Gasperi came to see me the afternoon of April 9 to discuss various matters, the most important of which was Togliatti's [26] recent move to reopen at this time the institutional question. Togliatti, according to De Gasperi, contended that the commitment given June 18, 1944 [27] by the First Bonomi [28] Government ended with the liberation of northern Italy. Bonomi and De Gasperi argued that the institutional question could not be reopened "until such time as Italy has been liberated and the Italian people have the opportunity of themselves determining the form of Government", in accordance with the language of the commitment.

The Foreign Minister apparently was not aware that the Prime Minister had renewed this commitment on December 10, 1944 at the time his second government was formed. Moreover, Bonomi on April 6 informed me that he had been unable to find his own file copy of the commitment of December 10 and requested me to send him a copy. This I have done. De Gasperi inquired if the Allies were disposed to agree with the contention of Togliatti that the institutional question could be reopened as soon as the north had been liberated. I replied that the language of the June 18 commitment was unequivocal and was not limited purely to the question of liberation, that the government had committed itself to that language both in June and again in December, and that I did not see how the question was debatable.

When I inquired concerning the nature of the change in the present institutional setup advocated by Togliatti, De Gasperi said that Togliatti was proposing a three man regency for the throne and the abolition of the position of *Luogotenente*.[29] None of the regents would be of royal blood, but would be three outstanding figures, of whom Croce [30] and Sforza [31] might be two. Togliatti argues that the position of *Luogotenente* is inconsistent with the commitment not to reopen the institutional question, stating that the functioning of the Prince as *Luogotenente* was constantly reopening the institutional question.

I reminded the Minister that the commitment of the First Bonomi Government had been given just 5 days after the appointment of the Prince as *Luogotenente* and therefore the undertaking "not to reopen the institutional question" would appear to mean the continuation of that particular solution of the monarchial question which had just been placed in effect.

De Gasperi asked me informally what were my personal views as to the reaction of the Allied Governments if the Italian Government should ask permission to reopen the institutional question immediately

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[25] Not printed.

[26] Palmiro Togliatti, Italian Minister without Portfolio.

[27] See telegram 234, June 18, 1944, from Naples, *Foreign Relations*, 1944, vol. III, p. 1135.

[28] Ivanoe Bonomi.

[29] Luogotenente generale del regno (Lieutenant General of the Realm).

[30] Benedetto Croce, Italian Minister without Portfolio.

[31] Carlo Sforza, Italian Minister without Portfolio and formerly Minister for Foreign Affairs.

upon the liberation of the north and before the Italian people had any "opportunity of themselves determining the form of government". I told him that my personal and private opinion was that I imagined that the British Government would oppose any modification of the existing institutional commitment, that the Russian Government might well be favorable (it did not seem to me that Togliatti would be pressing this subject if Moscow did not approve) and that as to the views of the Government of the United States I was unable to hazard a guess. *End paraphrase.*

To this memorandum the Chief Commissioner has added the following comment:

Begin paraphrase: The Russian Government, through Togliatti, might possibly be preparing the ground for requesting a consultation with the British and United States Governments on Italy, in accordance with the Crimean agreement for consultations on liberated countries,[32] to offset the Rumanian and Polish situations. There is evidence of Communist concern arising from the recent increasingly favorable receptions which the *Luogotenente* has had from Italian patriots, regular troops and civilians both at the front and in rear areas. At Taranto, where he was warmly received by the recently repatriated Garibaldi division, this was particularly noticeable. Strong support of the monarchy and marked anti-Communist feelings here shown by the soldiers of the Garibaldi division. *End paraphrase.*

KIRK

865.00/4-1245 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, April 12, 1945—6 p. m.
[Received April 13—11:35 a. m.]

945. In amplification of my 941, April 11, 7 p. m., I submit that to approve consideration by the Italian Government of the proposal to substitute the Lieutenant General by a Regency would in fact amount to reopening the institutional question in contradiction to the position assumed both by the Allies and the Italian Government and would, owing to the attitude of the several political parties in the Government coalition, result in bickerings and strife at a time when the Government should be free to devote its full energies to the political and economic integration of northern and southern Italy. The solution of the many problems which will then arise could, it seems to me, only be rendered more difficult by postponement while consideration was being given to a matter which is scheduled for decision and final settlement at a later date.

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[32] See *Foreign Relations*, The Conferences at Malta and Yalta, 1945, pp. 971–973.

It is my opinion also that this decision and final settlement would itself only be complicated by the introduction of a temporary element such as envisaged in the proposal for a Regency. As the Department is aware (my despatch No. 621 of December 7 [33]), the legal subcommission of the Allied Commission is of the opinion that under Decree Law 151 of June 25, 1944, the institutional question must be determined by the Constituent Assembly. This position is taken also by the Communist, Socialist, Action and Republican parties. On the other hand, Bonomi has several times expressed to the Chief Commissioner, Allied Commission, his personal opinion that the Decree Law did not preclude a decision by referendum, and recently expressed his hope that the Allied Governments would require a decision by this method. This view is apparently shared by the Liberals and the Christian Democrats, although neither party has taken an unequivocal public stand. The Democratic Party has, however, publicly affirmed its desire for a referendum as has the Democratic Liberal Concentration, while the Labor Democrats appear to be equally divided on the issue and have avoided any public statement thereon.

While none of the parties have publicly declared the reasons for their position, it is generally accepted that the extreme left parties desire a decision by the Constituent Assembly because of a fear that a majority of the voters, while prepared to support party nominees who might themselves favor a republic and would so vote in the Constituent Assembly, would find it difficult to overcome their traditional loyalty to the House of Savoy and would therefore hesitate to cast a direct ballot against the monarchy. The extreme left parties also fear the loyalist tendency of the Armed Forces and the possible effect this may have upon the electorate. It is possible that this view is shared also by the Democratic Party, the Democratic Liberal Concentration and the Liberals, although they appear to feel that the majority of Italians are loyal to the monarchy and can be counted upon to vote for it if they are not misled by extreme political elements. They also insist that if this decision is left to the Constituent Assembly, its members will be subjected to political pressure from the extreme left which will be difficult to resist. As regards the Christian Democrats, their preference for a referendum seems to spring from a sincere conviction that it affords the fairest choice to the people.

In view of the foregoing I share a conviction which is growing among Allied Commission officials that a properly supervised referendum is to be preferred to a decision by the Constituent Assembly as an expression of the popular will. I shall be glad to be informed

[33] Not printed.

for my guidance in further conversations with the Allied officials if I may state that my Government supports this preference. (See Department's instruction No. 129 of January 21 [*20*].)

KIRK

865.00/4-1145

The Acting Secretary of State to the Ambassador in Italy (Kirk)

No. 342 [WASHINGTON,] May 1, 1945.

The Acting Secretary of State refers to his instruction No. 129 of January 20, 1945, and subsequent correspondence regarding methods of resolving the institutional question in Italy.

The document CAC [33a]-315 dated November 27, 1944,[34] and entitled "Italy: Future Government: Methods of Securing a Free Expression of the Wishes of the Italian People Regarding their Form of Government" which was transmitted to the Embassy in instruction No. 129 represents the views of the Inter-Divisional Committee on Italy. That committee discussed a variety of plans for the decision of the Italian people regarding their form of government, quite without reference to the party discussions and governmental pronouncements in Italy. In no way was the committee's preference for a simultaneous plebiscite and election of a constituent assembly influenced either by the Italian law No. 151 of June 25, 1944, or by the personal views of the Lieutenant General as expressed to Herbert Matthews, *New York Times* correspondent, on October 31. Document CAC-315 represents the result of considerable study and discussion at the inter-divisional level, but it was not brought before the policy-deciding officers of the Department for consideration.

There now appear to be certain serious difficulties in the way of implementing such a plan, arising from its incompatibility with certain aspects of the policy which we have pursued toward the Italian Government and the parties represented in it. After the signing of the surrender instrument [35] the efforts of the Government of the United States were directed toward broadening the basis of the Italian Government and securing for it the support of the whole Italian population including the anti-Fascist parties. In the period from November 1943 until April 1944 a great number of pronouncements on the institutional question were issued by the various parties and

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[33a] Civil Affairs Committee.

[34] No copy found in Department files.

[35] Instrument of Surrender of Italy, signed September 29, 1943; for text, see Department of State, Treaties and Other International Acts Series No. 1604, or 61 Stat. (pt. 3) 2742.

committees of national liberation in Italy. None of these mentioned the possibility of a plebiscite. Most of them specified a constituent assembly as the necessary organ for deciding on the form of the State at the end of the war. The Bari Congress[36] of the six anti-Fascist parties demanded a constituent assembly.

After King Victor Emmanuel's public statement of April 12, 1944, regarding the eventual appointment of the Lieutenant General, leaders of the Communist party took certain steps indicating a willingness to take office under Marshal Badoglio.[37] That party issued a declaration on April 15 demanding as a condition of accepting office an explicit assurance "of the people's right to decide on the form of the State, after the war, by sovereign means through a Constituent Assembly." On the same date the Permanent Executive Giunta of the anti-Fascist parties declared publicly that, by the issuance of a declaration on the part of the new government that the future form of the State would be decided by a constituent assembly, the obstacles which had hitherto prevented their service in the Government would be removed. (Report of Sir Noel Charles,[38] Minutes of the tenth meeting of the Advisory Council for Italy, Naples, April 21, 1944, Despatch No. 490, Algiers, April 29, 1944).[39] In short, the record is clear that the anti-Fascist parties insisted on a specific pledge that the institutional question would be resolved by means of a constituent assembly as a condition of their taking office under Marshal Badoglio.

Such an assurance was given by the Italian Government. Immediately after the formation of the enlarged Badoglio Government a declaration was issued April 27):

"Many proposals which are well known and of the utmost importance must be put aside now because they are not timely. First among these is the institutional form of the State, which cannot be decided until the country is fully liberated and the war ended. Then the Italian people shall be called together in free public meetings and, acting under universal suffrage, shall elect a constituent and legislative assembly.

"The Government will in due course present an electoral law inspired by these concepts."

(Despatch No. 497, May 3, 1944,[39] from United States Political Adviser, Allied Force Headquarters.)

With the liberation of Rome King Victor Emmanuel formally turned over his royal powers to Prince Humbert as Lieutenant Gen-

[36] Congress held at Bari, Italy, on January 28, 1944; for a summary of a report on the Congress, see telegram 322, January 30, 1944, 5 p. m., from Algiers, *Foreign Relations*, 1944, vol. III, p. 1012.

[37] Pietro Badoglio, Head of the Italian Government and Prime Minister.

[38] British High Commissioner in Italy with the rank of Ambassador.

[39] Not printed.

eral, and the Bonomi Government issued the *Decreto Luogotenenziale* No. 151 of June 25, 1944. This decree is equivalent to law, and, in the opinion of the Legal Subcommission of the Allied Commission, its meaning is clear and unequivocal (Despatch No. 621, Rome, December 7, 1944.) [39a]

At no time has the Government of the United States or any of the Governments associated with it in the occupation of Italy issued any pronouncement on the method to be employed for determining the permanent form of the Italian Government. On the other hand we have accepted the Lieutenant General as head of the State and encouraged leaders of the Committee of National Liberation and of the anti-Fascist parties to serve in the Government. These anti-Fascist leaders accepted office on the specific pledge that the institutional question would be resolved at the end of the war by means of a constituent assembly.

If the Government of the United States or the British Government were now or later to announce that the proper method for resolving the institutional question is a plebiscite or referendum rather than a constituent assembly, certain of the anti-Fascist leaders might raise the charge of inconsistency, in that they had been induced to enter the Government, breaking the constitutional impasse and bringing to the Government a considerable measure of popular support, but on the specific condition that, after serving under the Lieutenant General and thus permitting legal continuance of the monarchy for the duration of the war, the decision regarding the ultimate form of the State would be made by means of a constituent assembly. If the Allied Governments acting through the Allied Commission were to urge a modification of the Law of June 25, 1944, to make provision for decision of the institutional question by means of a referendum such action might precipitate a serious Government crisis.

Moreover, if the Government of the United States were to insist that the method for resolving the institutional question be a referendum, such action would involve a certain inconsistency with our general policy, for we have publicly proclaimed a policy of entrusting to the Italian Government itself the chief responsibility and control over its own domestic affairs in so far as they do not involve the Allied prosecution of the war and the armistice terms.

For these reasons the Department has not taken any steps to implement the plan formulated by the Inter-Divisional Committee and has recently looked with more favor on the Inter-Divisional Committee's second preference solution, namely, the plan for a Constitu-

[39a] Not printed.

734-362—68——62

ent Assembly. What is of chief importance is to maintain in some form the general pledge of President Roosevelt and to avoid any widespread violence or civil war in Italy after the liberation of the North. These general aims might be achieved by recognizing the validity of Decree No. 151, of June 25, 1944, and thereby recognizing the obligations which the Italian Government itself has undertaken toward the various parties and committees of National Liberation. In this case the efforts of the United States Government, in cooperation with the powers associated with us in the occupation of Italy, would be confined to providing that the elections were free and fair and without violence. Properly supervised and arranged, a single national election of a constituent assembly may be expected to achieve approximately as free and fair a decision on the institutional question as a referendum or plebiscite.

Recognition of the validity of the law which provides for a constituent assembly at the end of the war would have the following advantages. It would be wholly consistent with our policy of entrusting the Italian Government with an increasing control over its own domestic affairs. In as much as the authority of the Council of Ministers to issue decrees having the force of law is based on article four of that law, we would continue to recognize the legality of the decrees issued by the ministry subsequent to that act. There would not arise the difficult legal problem which would ensue if we recognized article four of the law but not article one. It would avoid the risk of a crisis which might develop within the Italian Government itself or between the Italian Government and certain of the anti-Fascist parties if we were to insist on a referendum as the means of resolving the institutional question.

Finally, recognition of the validity of the whole of the law No. 151 of June 25, 1944, would simplify our own course and make the handling of some immediate problems easier than they would be if we contemplate insisting on a referendum. The proposal of Minister Togliatti for a three man regency and other similar proposals which may be brought forth later can easily be refused by action of the Italian Government itself on the basis of article three of that law. The law is a *decreto-legge luogotenenziale*, issued in the name of Umberto di Savoia, *Luogotenente Generale*, and consequent to his assumption of the royal powers on the basis of King Victor Emmanuel III's royal decree No. 140 of June 5, 1944. The ministers are consequently bound by article three of the law of June 25 not to commit acts which might prejudice the institutional question (as stabilized in the institution of the Lieutenant-Generalship) prior to the actual convocation of the constituent assembly.

For the reasons given above the Department is inclined to favor the policy of accepting the program for a constituent assembly. Before reaching a definite decision it would appreciate the Embassy's views on the question.

740.00119 Control (Italy)/5–1545

The British Embassy to the Department of State

AIDE-MÉMOIRE

In conversation with Sir Noel Charles in Rome and with Mr. Harvey [40] at the Foreign Office, Count Carandini [41] has indicated that the Italian parties of the Left are considering raising shortly the "Institutional Question", that is, the form of the Italian State. It would seem that after the end of fighting in Italy and before the election of the Constituent Assembly which may involve some delay, these parties would like to see the formation of a Council of Regency for the present Crown Prince's son in place of the present arrangement whereby Prince Umberto exercises the royal power as Lieutenant-General of the Realm. The Regency would be modelled on that in Yugoslavia, that is, there would be three Regents: the names suggested are Signor Bonomi, Count Sforza and Signor Croce. This, in Count Carandini's opinion, would probably be the first step towards the abolition of the Monarchy.

2. Like Marshal Badoglio, Signor Bonomi gave the Allies an undertaking in writing that the Italian Government would not reopen the "Institutional Question" without the prior consent of the Allied Governments until such time as Italy had been liberated and the Italian people had the opportunity of themselves determining the form of government. The question with which the United States and His Majesty's Government may be faced before long is, therefore, whether they are prepared either to waive this undertaking if the Bonomi Government continues in office after the liberation of the North or not to insist on the renewal of the pledge if a new Government comes into power.

3. The interest of His Majesty's Government in the matter is

(i) to ensure that nothing happens which is likely to endanger the safety of the lines of comunication with Austria or to start internal disturbances which might require the use of British troops.

(ii) to avoid intervention in Italian internal affairs or with Italian political parties;

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[40] Oliver Charles Harvey, British Assistant Under Secretary of State for Foreign Affairs.

[41] Nicolo Carandini, Italian Ambassador in the United Kingdom.

(iii) to encourage as far as possible the establishment of a form of government which fairly represents the wishes of the majority of the Italian people.

4. In present circumstances the most important of these points is the first, namely security. Accordingly His Majesty's Government believe that the "Institutional Question" should continue to be postponed until after elections have been held in Italy and that Signor Bonomi should be held to his undertaking not to raise it. Any departure from this course would seem to them justified only if it were clear that this was the wish of the majority of the Italian people, and that a refusal to allow the issue to be raised would in itself be likely to create internal disturbances.

WASHINGTON, May 15, 1945.

740.00119 Control (Italy)/5–1545

The Department of State to the British Embassy

AIDE-MÉMOIRE

The Department shares the apprehensions of the British Foreign Office regarding the internal political situation in Italy. The interests of the Government of the United States are similar to those of the British Government outlined in the Embassy's *Aide-Mémoire* of May 15.

The pledges of the Government of the United States and of Great Britain toward the Italian people are clear: a free and untrammeled choice of their permanent form of government after the termination of hostilities. Now that the war in Europe has ended and all Germans have been expelled from Italian territory, the institutional question enters a new phase. Hence it is necessary to be prepared to state publicly and precisely how the occupying powers intend to implement their pledges.

It has been the constant purpose of the Government of the United States to encourage the Italian Government to stand on its own feet. In lieu of elective bodies we have recognized the claim of the anti-Fascist parties to be represented in the Italian Government. Yet it is the conviction of the Government of the United States that a free and untrammeled choice by the Italian people of their permanent form of Government means some form of national election and that a national election can scarcely be held with success unless it be preceded by the institution and operation of local elections.

The Department proposes this program for joint action by the British and American Governments as the powers responsible in Italy, the Soviet Government to be invited to concur:

I. That the two Governments formally and publicly take cognizance of the *Decreto-Legge Luogotenenziale* No. 151 of June 25, 1944, which reads in part:

> Article 1. "After the liberation of the national territory the institutional forms shall be decided by the Italian people who for that purpose will elect by universal, direct, and secret suffrage a Constituent Assembly to determine the new constitution of the State."
>
> Article 3. "The Ministers and Under-Secretaries of State swear on their honor to exercise their functions in the supreme interest of the nation and, until the convocation of the Constituent Assembly, not to commit acts which in any way would prejudice the solution of the institutional question."

By explicitly and formally accepting this decree-law the British and American Governments would achieve the aim of avoiding intervention in Italian internal affairs or with Italian political parties. They would place upon the Italian Government itself the burden of responsibility of maintaining the present provisional structure of the Italian Government until convocation of the Constituent Assembly. This structure includes: (*a*) the Lieutenant General as titular head of the Italian State and (*b*) the Council of Ministers which is charged with the administration and which collectively has the power, by virtue of Article four of the decree of June 25, 1944, to issue decrees with the force of law. The British and American Governments will continue to recognize this government as the legal government of Italy.

If the Government should resign in response to new conditions and a new Government be formed, the newly appointed Prime Minister will solemnly pledge the acceptance of his Government of the obligations to the Allied powers under the Armistice terms. The new Prime Minister and the new Ministers and Under-Secretaries of State would furthermore reaffirm the decree law of June 25, 1944, and take the oath provided for in Article three of that law.

II. That the two Governments require, with the concurrence of the Soviet Government, that satisfactory electoral machinery be established and put into operation in the communes before the convocation of the Constituent Assembly.

The United States Government considers it a solemn obligation to see that the Italian people are given a truly free and untrammeled choice of their permanent form of government. It wishes, as does the British Government, to avoid interference in Italian internal affairs or with Italian political parties. The Department also wishes to avoid for the occupying powers the obligation of detailed supervision of an Italian national election of the constituent assembly which could only be possible if satisfactory electoral machinery were already established and operating.

The British and American Governments will jointly urge the Italian Government to provide for the creation of adequate democratic local electoral machinery and local elections. Only when these local elections have been held throughout Italy would it be appropriate to convoke the Constituent Assembly. A public statement of the Allied Governments' position might be useful in this regard at the appropriate time.

III. The phrase "convocation of the Constituent Assembly" will be interpreted to mean the issuance by the Italian Government of a call for election of members of the Constituent Assembly.

Between the issuance of the call for elections and the actual assembling of the members of the Constituent Assembly there should naturally be an appropriate interval permitting campaigning by the various political parties. Inasmuch as the form of the State will be a fundamental issue in this election, the party leaders who are ministers or under-secretaries will be relieved of their pledge regarding the institutional question at the time the call for the election is issued.

At this time the Italian Government should provide legislation suspending for the Italian armed forces the oath to the Crown, in order that this traditional obligation may not impede a free expression of the members of the armed forces themselves, as well as lessening the chances of possible coercion of the electorate by the armed forces.

IV. That the British, Soviet, and American Governments jointly and publicly proclaim their program of implementation of the pledge that the Italian people shall have the free and untrammeled choice of their permanent form of government.

As the *Aide-Mémoire* of the British Embassy of May fifteenth suggests, there is the likelihood, now that hostilities in Europe have terminated, that some parties in Italy will seek to re-open the institutional question at this time. Furthermore there is a widespread interest in this question in other parts of the world. It is quite possible, unless their position be made clear and public, that the British and American Governments will be accused of perpetuating the Italian monarchy by means of their military occupation and for ulterior purposes. Such accusations might be made to appear the more plausible if the occupying powers should insist, without explanation, on renewal of the pledge by members of the Italian Council of Ministers not to re-open the institutional question.

The Department of State takes this opportunity to recall point six of the Moscow Declaration on Italy of November 1, 1943,[42] that "Democratic organs of local government shall be created." It is the view of the Government of the United States that some steps should be taken now in implementation of this pledge. Accordingly it has proposed through its Embassies in London and Moscow a plan for regional decentralization of the Italian Government. It is the view of this Government that reconstruction of local government should logically precede the establishment of the permanent national government of Italy. Accordingly the British Government is invited to

[42] *Foreign Relations*, 1943, vol. I, p. 759.

concur with the American Government in advising and urging the Italian Government to take the initial steps leading to regional decentralization.

WASHINGTON, May 26, 1945.

865.00/7-645

Memorandum by the Chief Commissioner of the Allied Commission (Stone) to the Supreme Allied Commander (Alexander) [43]

[WASHINGTON,] 30 June, 1945.

1. In discussing the question of the method of determination of the future form of government of Italy, it is assumed that the primary consideration is the maintenance of the pledges of the Governments of the United States and Great Britain toward the Italian people of a free and untrammeled choice of the permanent form of their Government, and the guarantee that, insofar as possible, the will of the majority of the Italian people shall be carried out (*Aide-Mémoire* of British Embassy in Washington to Department of State on May 15, 1945 and Department of State's reply of May 26).

2. Under present conditions in Italy, it would appear that the ultimate decision affecting the institutional question might be most justly brought about by means of a referendum rather than by entrusting the decision to the Constituent assembly. Although it is the opinion of the Legal Sub-Commission of the Allied Commission that Decree Law 151 of June 25, 1944 precludes the Government from deciding this question by a referendum (ACC/4005/L of 6 Oct 1944), paragraph 4 of the same opinion points out that this Decree Law can be at any time abrogated by the enaction of a subsequent similar piece of legislation. Furthermore, since the original legislation was passed without consultation with the Allied Commission, it would appear to be not out of the question to suggest to the Italian Government that a revision of this legislation might be desirable as an expression of the will of the Italian Government to assist the Allied Governments in carrying out their commitments regarding the free and untrammeled choice by the Italian people of their permanent form of Government. The revised legislation might provide that the referendum should be held as soon as the lists of voters for the whole of Italy other than Venezia Giulia have been completed—in other words, that it might take place at the same time as the provincial and communal elections and not await the elections for the Constituent Assembly.

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[43] Copy transmitted to the Department in despatch 1859, July 6, 1945, from Rome; received July 19.

3. Were an effort of this nature to be undertaken, it would be important to review the reasons, not necessarily those of a legal nature, why a referendum would ensure to the Italian people, in practice, a freer and fairer choice in this important matter. In this connection, the President of the Council, Signor Bonomi, expressed to the Chief Commissioner subsequent to the Yalta Conference, the hope that the Allied Governments would require in the peace treaty or otherwise that the Italian institutional question be determined by referendum rather than by constituent assembly "in order to avoid the danger of having this question decided by less than a majority of the Italian people" (6506/COS, CC200 of 31 March 1945) while as early as July 3, 1944, the Chief Commissioner, in commenting to the Supreme Allied Commander on Decree Law 151, stated that it was clear to him and to his advisers that a referendum offered the best chance of a fair decision on the institutional question since it was unrealistic to expect that no attempt would be made to interfere with the result and since it would be immeasurably more difficult to interfere with a referendum (see ACC memo of July 3, 1944 to SACMED). It should further be pointed out that the same memorandum contains the result of conversations between the Allied Commission and members of the Italian Government in which the latter offer assurances that Decree Law 151 does not, in its intent, offer any closed solution to the method of determination of Italy's permanent form of Government. It is hardly necessary to add that events and public statements over the past year have shown that if the institutional question were to be decided by the constituent assembly, strong political interests would undertake a concerted campaign to ensure the result desired by them, perhaps without sincere reference to the needs of the Italian people. Without in any way whatsoever taking sides in this question, it would seem that these utterances seriously prejudice an impartial solution thereof.

4. Therefore, it would appear that only through a properly supervised referendum can the Italian people be assured of the fairest expression of their will, and that this would be the most desirable line of action, given the present circumstances and conditions in Italy.

ELLERY W. STONE
Rear Admiral, USNR

740.00119 Control (Italy)/7-945

The British Embassy to the Department of State

MEMORANDUM OF CONVERSATION

1. *Decentralization of Local Government*

We would welcome this but feel that it is up to the Italian Government to take the necessary steps and doubt whether His Majesty's

Government and the United States Government should interfere in this purely domestic matter. An Anglo-American statement on the subject might imply a lack of confidence in the assurances of the Italian Government or doubt of their ability to implement them.

2. *Institutional Question*

Signor Parri [44] has given the usual pledge not to raise the matter, and in the circumstances His Majesty's Government feel that any Anglo-American statement would only attract undue attention. If the State Department feel strongly on the subject, His Majesty's Government would agree to a short statement which might be issued after the meeting of the Big Three.[45]

It is regretted that the institutional question should have been publicly discussed as though it were simply a question of monarchy versus republic. His Majesty's Government are by no means particularly attached to the House of Savoy. They merely wish to see the setting up of a Parliamentary Democracy in Italy, and it seems to them that the whole institutional question is whether such a government can be set up and made to function effectively as against the possibility of some totalitarian form of government.

3. While there are obvious difficulties in the way of the Allied Governments' suggesting that the institutional question should be referred to a plebiscite, if the Italian Government themselves were to take the initiative in suggesting that the institutional question should be decided either directly by a plebiscite, or referred to a plebiscite by the Constituent Assembly, His Majesty's Government would be inclined to welcome and endorse such a proposal. In particular, His Majesty's Government feel that the real wishes of the Italian people are more likely to be ascertained by a plebiscite than by a Constituent Assembly.

His Majesty's Government feel that there would be no objection to inserting in the peace treaty a provision, in quite general terms, to the effect that the Allies expected Italy to ensure that a democratic form of government was set up in accordance with the wishes of the Italian people. This would be fully in accordance with the Resolution of the Moscow Conference of October, 1943, in regard to Italy,[46] and with the Yalta Declaration on Liberated Areas.[47] The application of such a provision would presumably be left largely to the Constituent Assembly, but it would be the aim of His Majesty's Government, and it is hoped of the United States Government, to give such encouragement as they could to the moderate elements in that

[44] Ferruccio Parri, President of the Italian Council of Ministers.

[45] The Conference of Berlin, July 17–August 2, 1945. For documentation, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference) 1945, 2 vols.

[46] *Foreign Relations*, 1943, vol. I, p. 759.

[47] *Conferences at Malta and Yalta*, p. 971.

body and among the population in general. For instance if asked for advice, they could suggest that the Constituent Assembly, which would presumably set itself the task of drafting the new constitution, should refer either the whole or parts of it to the people direct. Such a confirmatory plebiscite might deter the extremists in the Constituent Assembly from forcing other parties to accept a totalitarian regime as part of a political bargain.

4. Italy should be encouraged to look to the West for assistance and support. To achieve this the United States and the United Kingdom must maintain a continuing interest in Italy. They cannot disinterest themselves when our troops leave Italy. On the contrary, that is just when their interests will be most necessary, as Italy will then be most liable to internal disturbances.

5. Italy must be helped to attain essential supplies as far as practicable and compatible with the needs of other claimants. In particular, Italy's claims for coal must, as far as possible, be met by the European Coal Organisation. His Majesty's Government propose to bring to the attention of their representative on the E.C.O. the political considerations which make the supply of coal to Italy important, and hope that the United States Government may similarly instruct their representative.

JULY 9, 1945.

740.00119 Control (Italy)/7-1045

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government have carefully considered the State Department's *Aide-Mémoire* 740.00119 (Control) (Italy)—5/1545 of May 26th and the proposals for an approach to the Italian Governments in regard to local Government or Regional decentralization, which were communicated by the United States Embassy in London on June 6th. His Majesty's Government have also given further consideration to the State Department's proposal for a joint Anglo-American statement about the "institutional question" and to their own suggestion for an Anglo-American statement welcoming the holding of early elections. All these proposals have been affected by the formation of a new Italian Government, by Signor Parri's inaugural broadcast address, and by the new Government's programme announced on June 26th.

2. As regards the State Department's proposals concerning local Government, while His Majesty's Government do not question the desirability of the Italian Government taking early steps to reform

and decentralize the machinery of local Government and put this on a proper democratic basis, they already had grave doubts as to the desirability of Allied Government "advising and urging" the Italian Government to take any particular steps in that direction or to institute any particular measure of reform, as the United States proposals advocated should be done by the United States Ambassador in Rome with the co-operation of his British and Soviet colleagues. It seemed rather that it must be for the Italian Government or for the Constituent Assembly to decide what specific steps should be taken to reform local government, and that any action by the Allied Governments beyond indicating to the Italian Government in general terms the advisability of giving early consideration to the problem of local government would lead to difficulties and be liable to misinterpretation.

3. His Majesty's Government are fortified in this view by the fact that the new Italian Government in their programme speak of "the setting up of local representative bodies appointed by the people's will" and of "municipal and provincial administrations being speedily reformed by means of elections and a large measure of regional autonomy". This seems a clear indication that the new government intend to proceed to the early reform or decentralization of the local machinery, and His Majesty's Government are disposed to think therefore that action in the sense suggested by the State Department has been rendered superfluous. They would be glad to learn what action the State Department propose to take, though His Majesty's Government desire to make it clear that they would not feel able to instruct Sir N. Charles to do more than impress on the Italian Government in quite general terms the importance of early action to reform and decentralize the local government machinery.

4. As regards the further proposals contained in the State Department's *Aide-Mémoire* His Majesty's Government are very doubtful whether any statement or statements on the lines suggested are now either necessary or desirable in the light of the new Italian Government's own pronouncements. The Italian Government have pledged themselves to summon a Constituent Assembly, to set up the necessary electoral machinery for this purpose and to proceed to democratic reforms. For the Allied Governments at this moment to issue a statement on the lines suggested in the State Department's *Aide-Mémoire* might imply a lack of confidence in the value of the assurances of the Italian Government or in their ability to implement them. If any statement of the kind is to be issued, His Majesty's Government feel it should be quite short and should be limited to taking note with satisfaction of the Italian Government's undertakings about elections, and to saying that the Allied Governments for their part would naturally

be glad to see these elections held as soon as practicable since they are anxious to see the terms of the Moscow Declaration fulfilled.

5. His Majesty's Government do not think it necessary for such a statement to contain any reference to the institutional question. Signor Parri has already given the usual pledge not to raise the matter and his action has not, it is understood, aroused comment in Italy. To make any reference to the matter in a public statement would, therefore, seem unnecesary and only likely to attract undue importance to the matter.

6. His Majesty's Government hope that the United States Government will agree that in the altered circumstances arising from the new Italian Government's own announcements any statement by the Allied Governments is now unnecessary. If, however, the State Department attach importance to issuing some statement, His Majesty's Government would be prepared to agree to a brief statement on the lines set out at the end of paragraph four above. They have an open mind as to whether such a statement should be issued at once in the name of the United States and United Kingdom Governments, or after the three power Conference in the name of the United States, United Kingdom and U.S.S.R. Governments. It is suggested that there might be some advantage in the latter course.

WASHINGTON, July 10, 1945.

865.01/7-3145

The Acting Secretary of State to the Ambassador in Italy (Kirk)

No. 520 WASHINGTON, July 31, 1945.

SIR: I refer to the Department's telegram number 765 of May 4 [48] and previous correspondence regarding the reorganization of local government in Italy. The Department desires an early re-establishment of local electoral machinery in Italy in order that local elections may be held as a prerequisite for calling national elections. The Department is also interested in the organization of local government in Italy along democratic lines.

The British and Soviet Governments were informed of the Department's program for implementing point six of the Moscow Declaration of November 1, 1943,[49] and their concurrence in that program was requested. The Soviet Government informed the American Ambassador in Moscow [50] that the plan required careful study (telegram

[48] Not printed.

[49] Point 6 reads: "Democratic organs of local government shall be created." For text of Declaration, see *Foreign Relations*, 1943, vol. I, p. 759.

[50] W. Averell Harriman.

Moscow to Rome, number 48, June 20). The British Embassy in an *aide-mémoire* of July 10 declined to be associated with the Government of the United States in advising and urging the Italian Government to adopt a specific program of governmental reorganization. The British Government believes that however desirable such a reorganization of local government may be, any action by the Allied Governments except in general terms would lead to difficulties and would be liable to misinterpretation. The Department, therefore, does not contemplate any formal step in advising and suggesting to the Italian Government the adoption of a program of regional decentralization but instead will make its studies regarding local government in Italy available to the Italian Government on an informal basis. The British and Soviet Governments will be informed that we have withdrawn our proposal for joint action by the three Powers and that we are simply confining our action to an informal transmission of the substance of the studies to the Italian Government.

You are instructed to provide for the transmission informally to officials of the Italian Government of PWC documents numbers 314 and 312, as amended for transmission. Two copies of each of these documents are enclosed for this purpose.[51] The Department does not desire to advise, urge, or suggest any particular program to the Italian Government regarding local government and the documents are to be transmitted to the appropriate officials merely for their information.

A similarly amended set of the two documents will also be made available informally to officials of the Italian Embassy in Washington.

Very truly yours, JOSEPH C. GREW

865.00/8–2245 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, August 22, 1945—8 p. m.

1417. Following discussions between US and UK delegations at Potsdam, it was agreed that holding of elections in Italy at an early date should be encouraged and that accordingly the two govts would express their interest to Ital Govt and urge that preparations be expedited so that elections might be held this year if possible.

You should therefore call on Parri and express this Govt's interest in prompt holding of free and fair elections in Italy in keeping with democratic principles which US has always advocated. This Govt desires to see Italy begin to build its govt on an elected basis as soon as honest balloting may be feasible. To this end it feels Ital Govt

[51] Postwar Programs Committee documents 314 and 312 not printed.

should immediately consider calling local elections commune by commune as soon as preparations are completed, with a view to holding national elections as soon as electoral machinery set up for local elections shall be in operation throughout the country. Precisely because this Govt recognizes the grave responsibilities as well as privilege accruing to Ital Govt in holding first elections since pre-fascist days it advocates the above course as the most practical in overcoming material difficulties and as the best guarantee of national democracy: it would restore democratic responsibility to the community, which is the base of the state, and provide machinery already tested for national elections. While this Govt is preparing to conclude a peace treaty with Italy on the assumption that that country is a democratic nation, it cannot to date cite a single commune even in territory first liberated and returned to Ital administration which has a popularly elected body of government. This Govt therefore earnestly hopes that before the end of the year communal elections at least will have been held throughout Italy.

BYRNES

865.00/8–2245

The Secretary of State to the Ambassador in Italy (Kirk)

No. 578 WASHINGTON, August 22, 1945.

SIR: I refer to your despatch number 1790 of June 25 [52] transmitting the Italian Government's preliminary project for reconstitution of local elective authorities. Following the receipt of the *aide-mémoire* of the British Embassy in Washington of July 10 in which the British Government declined to be associated with the Government of the United States in any specific program of suggestion and advice to the Italian Government regarding the form of local government, the Department withdrew its proposal for joint action of the three Powers in implementation of point six of the Moscow Declaration of November 1, 1943. The Department's action will be limited to informal transmission of the substance of its studies to officials of the Italian Government (Department's instruction No. 520, July 31, 1945). I hope, however, that the officials of the Italian Government will take cognizance of the Department's studies in making its plans for restoration of elective councils in the Units of local government.

In as much as the Allied Governments do not intend to present any proposal regarding the reconstruction of local government, it is presumed that the Italian Government will proceed with its plans for electoral lists for communal and provincial elections and will hold such elections at an early date. The Italian Government may hold

[52] Not printed.

elections anywhere in Italy when it is ready. However, in those areas where Allied Military Government is to be maintained pending final settlement of frontier questions, local elections must not be permitted to interfere with Allied Military Government administration.

The decision of the Department not to offer its advice and suggestion to the Italian Government regarding the *form* of local government does not preclude the Allied Commission, operating through its Local Government Sub-Commission, from continuing its function of rendering advice to the Italian Government to ensure that the *procedure* in local elections is free, fair, and democratic. The Allied Commission should renew to the Parri Government the suggestions made earlier to the Bonomi Government that the law of 1915 [53] be so modified as to provide for:

1. Adequate provision for nomination of candidates prior to the voting;
2. Control of electioneering at the polling places;
3. The supplying of official ballots.

The Allied Commission, however, should not insist on changes so elaborate that they would tend to place an excessive burden on the smaller communes. The officers of the Allied Commission should be open to such views as are expressed by Italian officials regarding Italian experience in democratic procedures in local elections. It is the desire of the Department that local elections be held as soon as possible; and, although we must insist that the procedure be free, fair, and democratic, technical objections to minor details should not be permitted to delay the calling of these elections. In any case, it is probable that the procedure followed in the first elections in Italy for twenty years will be subject to subsequent revision.

Very truly yours, For the Secretary of State:
JAMES C. DUNN

865.00/8–2545 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, August 25, 1945—7 p. m.
[Received August 26—11:10 a. m.]

2465. I communicated yesterday evening to Parri substance of Dept's 1417, August 22, 8 p. m., but regret to say that due either to his physical fatigue or his constitutional indecision or complicated political setup which confronts him, his reactions were far from clear. He spoke variously of the necessity for an electoral basis for Italian

[53] Law of February 4, 1915, on communal and provincial government. For text, see *Manuale ad uso dei deputati al parlamento nazionale, XXVIII legislatura* (Rome, 1929), p. 445.

Govt, of his wish to hold elections before end of year, of the commitment to hold elections within a "reasonable" time, of thesis that perhaps they should not be held until next spring, of abstract view that one basis of necessity for a more enlightened electorate 3 or 5 years should elapse before balloting could be representative, of argument to which he appeared to incline to effect that national elections should be held first so administrative elections could take place when the basic form of govt had been determined, of the danger of local uprisings with Government crises during elections while the local police was too weak to cope therewith, of the importance of continued presence of Allied troops and finally of necessity of altering juridical status of Italy as a nation in order to strengthen Govt. Out of this maze of ideas only one clear element evolved, namely, the assertion on Parri's part that the Government had not yet been able to reach an agreement as to when elections should be held.

I subsequently informed Minister for Foreign Affairs of my conversation with Parri and his position was more intelligible. In first place, he liked the views of American Govt which he said were more feasible than those of Bevin.[54] He maintained that local elections should be held before national elections, that he saw no reason why balloting in certain communes should not be held very soon. They should be administrative rather than political in character and that danger of disturbances would be reduced if those elections were held successively in country instead of at one time. He said Parri's state of indecision was due in first instance to his fear that if national elections were postponed, conditions in country with return of prisoners of war and probable improvement in economic life would be more favorable to retention of the monarchy as against a republic. Other considerations influencing Parri were the fact that as his party was numerically small, he disliked the idea of having that fact proved in local elections. Furthermore, he feared that as first elections would naturally be held in the southern provinces where population is more conservative than in industrial centers of north, a more moderate note would be struck which might influence subsequent elections. I gathered that De Gasperi considers preparing some statement for United States and British Govts in reply to these representations.

In conversation which followed, it appeared that De Gasperi's chief preoccupation was situation which would follow the establishment of *costituente*. He said that it was erroneous to believe that elections for that body were same as those for legislative bodies in western democracies. According to majority views of Italian jurists, establishment of *costituente* would automatically put an end to all govt

[54] Ernest Bevin, British Secretary of State for Foreign Affairs.

in Italy including Lieutenant General of Realm, Council of Ministers and present Presidents of Senate and Chamber and power would be vested in President named by *costituente* who would then form "provisional government" resembling that in France. This situation De Gasperi added set stage for dictatorship with either Nenni [55] or Togliatti as probable candidates.

In connection with foregoing, any views which legal advisers in Department may have on law establishing *costituente* would be helpful to me.

KIRK

865.00/9-645 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 6, 1945—11 a. m.
[Received 5:30 p. m.]

2599. Chief Legal Adviser to Chief Commissioner, Allied Commission, has prepared opinion of powers of Italian Govt versus Constituent Assembly along following lines:

(*Begin summary of opinion*) The juridical position of "Assemblea Costituente" and its relationship to Italian Govt of the day is problem to be determined essentially by Italian constitutional law and by construction of Italian Decree Law No. 151 of June 25, 1944. Consequently it is obvious that solution to problem must be found according to canons of Italian law. This problem has been discussed at length with four leading Italian jurists and their views are set out below:

The words "Assemblea Costituente" are words of art and must be considered to envisage an institution juridically associated with the general European concept of a Constituent Assembly, which derives directly from French assembly in 1789 and possesses fundamental idea of sovereign body subject to no authority but its own and invested with all power for all purposes. When formed Constituent Assembly will, on this basis, be invested with all power of govt and will be sovereign power in the state. Assembly could immediately remove any limitation which might be derived from terms of Decree Law 151 by amending it.

In addition to historical background jurists believe general situation and better construction of Decree Law 151 support this opinion for following reasons:

1. Assembly is established and given one definte task by article I of Decree Law, which however nowhere limits its functions to this one job. Rather, anybody elected by universal vote of Italian people must be regarded as sovereign.

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[55] Pietro Nenni, Vice President of Italian Council of Ministers, charged with preparation for the Constituent Assembly.

2. Provision in article III states ministers will not prejudice solution of institutional question "until convocation of the Assembly".

3. Phrase "the functioning of the new parliament" in article IV carries no weight since solution of institutional question will be known "immediately the result of the election is determined" and if solution is republican, King must abdicate and Lieutenant General resign. In such circumstances procedure laid down in article IV could not possibly be followed.

4. There is general feeling among people that Constituent Assembly is being elected by them to legislate upon all major issues of the day as well as to determine future form of state.

Certain arguments may of course be advanced on other side Legal Adviser admits:

1. "Assemblea Costituente" could be regarded as words of description attached to institution invested solely with powers specifically conferred in article I of Decree.

2. It may be inferred from article III that ministers and consequently existing govt will continue to function after convocation of Assembly since, if solution of institutional question is immediately known, no question of it being prejudiced thereafter would arise.

3. Continuance of present form of Govt until new Parliament is established is provided in article IV and even if the King abdicated as result of election of republican Assembly, this need not affect Council of Ministers. Furthermore King should in abdicating provide for govt through Council of Ministers pending establishment of new govt under new constitution.

Legal Adviser however says these arguments are academic since Italian jurists are unanimous.

In opinion of Italian lawyers procedure contemplated, for practical purposes, is that existing Council of Ministers will resign when Assembly convenes. While Assembly will charge them with resumption of office for normal day to day administration, it will retain all questions of policy under its control. (*End of memorandum*).

(See penultimate paragraph my 2465, August 25).

As result Admiral Stone addressed a letter to Prime Minister on September 3 asking for views of Italian Govt with respect to machinery of operation and powers of Italian Govt once Constituent Assembly has been convened.

It is of interest that Foreign Minister expressed view to Counselor British Embassy that "Big Three" should take hand in Italian elections and assure themselves that result is true expression of will of Italian people on basis of Moscow and Yalta Agreements and Declarations.

KIRK

865.00/8-2545 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, September 6, 1945—8 p. m.

1528. Urtel 2465, Aug. 25. You should see Parri again to inform him that this Govt is unimpressed by arguments cited for postponement of elections and that you desire therefore to reiterate this Govt's view that local elections demonstrating workable electoral machinery should precede call for national elections and should begin immediately. Important thing is for a govt. which insists upon its democratic character to take initial step to see that at least local officials in some parts of country derive their powers from election by their fellow citizens.

You may inform Parri that this Govt. perceives no reason why local elections in those communes first returned to Ital administration should be further postponed while Cabinet debates question of holding national election first. Law for Constituent Assembly is still under discussion, and national election could not be held for some weeks yet, while local elections could begin in some communes immediately. It would seem highy desirable, in view of Ital Govt's many previous declarations on this subject, to begin holding local elections now; if subsequent decision is taken to hold national election at once, local elections could then be suspended until national balloting is completed.

In conclusion, you may tell Parri that this Govt will watch with interest steps taken in this connection by Ital Govt. For your information, Dept in separate telegram to AmPolAd [55a] is urging that local Govt Subcommission of AC should reach speedy agreement with Ital Govt re local govt law of 1915 lest Allies seem in any way responsible for additional delays in holding of elections.

ACHESON

865.00/9-745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 7, 1945—7 p. m.
[Received September 9—11:54 a. m.]

2625. Department's secret instruction 578, August 22. Allied Commission has continued with Parri government representations begun with Bonomi government in improvement of Italian electoral law of 1915 without apparent effect. On July 7 Chief Commissioner [56] wrote to Parri recalling previous correspondence between AC and Bonomi

[55a] American Political Adviser. Alexander C. Kirk, Ambassador in Italy, was also Political Adviser to the Supreme Allied Commander, Mediterranean Theater; in this capacity, his office was located at Caserta.

[56] Adm. Ellery W. Stone.

government and latter's proposal to return to "unified text of 1915", to reconstitute collective communal and provincial councilors contemplated therein and to provide provisions re Government method of voting for councilors. The Admiral continued, however, that it was Bonomi government's intention to make certain minor amendments and simplifications in text, such as reduction in number of councilors and abolition of separate presidency of provincial deputation. Stone then reiterated objections he had made to Bonomi on inadequacy of unified text of 1915 in assuring free and secret voting. These were:

1. No official ballot paper.
2. No control of electioneering at polls.
3. No formal nomination of candidates before voting.

He urged Parri to amend this law before holding elections in Italian Government territory, saying that procedural defects of 1915 law are such that AC could not permit elections under it in AMG territory.

Stone said he was representing views of both US and UK Governments in these representations and urged in all seriousness that they be given earliest and fullest consideration. He concluded that three particular defects are not exhaustive and that there are other points some of which may be susceptible of reasonable explanation between AC and Italian Government. Others cannot be reconciled to spirit of modern democracy, such as denying the franchise to non-commissioned officers and men of the Italian armed forces while permitting officers to exercise it.

This letter has been followed up with reminders but no reply or action by the Italian Government has been forthcoming except as the recently appointed commission to study elaboration of electoral procedure for constituent under Nenni may be considered a response (see my 2548, September 2).[57]

AC has inquired informally if US and UK Embassies will support their suggestions to Italians on this important subject by independent and direct representations.

I recommend that Department authorize me, if my British colleague receives similar instructions, to support AC's representations and to approach Italians directly in effort to expedite necessary modifications of 1915 law.

KIRK

[57] Not printed.

865.00/9-1145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 11, 1945—7 p. m.
[Received September 12—10:19 a. m.]

2660. I presented to Parri today observations contained in Dept's 1528, Sept 6, on desirability of starting local elections in Italy immediately. He said that it would be necessary to place these observations before the Council of Ministers which would probably meet tomorrow and he would then be able to make a reply on behalf of his Govt.

Parri added that he could give assurance that his Govt was most anxious that elections should be held as soon as possible but that with a 6-party govt it was extremely difficult not only to agree on the electoral machinery but also on choice of localities where elections should be held first as each party feared that initial voting would result in a local victory for a rival party. He also said that selection for election of provinces first turned back to Italians was not altogether feasible as preparations in certain of these localities were not so far advanced as in areas subsequently returned to Italian administration.

Sent Dept, repeated Caserta 597.

KIRK

865.00/9-745 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, September 12, 1945—8 p. m.

1566. Please see Deptel 808, Sept. 6, to Caserta [58] in connection with your 2625, Sept. 7.

You are authorized to present clearly the U.S. view on defects of Ital electoral law 1915, backing up Stone's previous communications. However you should avoid impression we consider revision of law a condition precedent to communal elections. The important thing in US view is that Italians at last begin to prove rather than argue that they are a democratic nation.

ACHESON

865.00/9-645 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, October 22, 1945—9 p. m.

1899. Dept does not agree with AC Legal Adviser's opinion (urtel 2599 Sept 6) on Constituent Assembly. It is Dept's view

[58] Not printed.

that since Ital constitutional law in strict sense of term is based on *Statuto*,[59] such law cannot determine nature and functions of Assembly.

Present Ital Govt, with ultimate law-making power vested in Council of Ministers and Lieutenant General, is only legal Govt of Italy. This Govt's powers are without legal limits, except those arising from surrender to Allies, and those self-imposed. Having power to provide for Assembly, present Govt also has power to provide for procedures, including power to restrict Assembly to its essential task of forming new constitution, as was in fact done in Decree Law 151, June 25, 1944.

Ital constitutional law in broadest sense may be understood to mean Ital and foreign precedents for Assembly, but there are scarcely any relevant Ital precedents and phrase *Constituent Assembly* as used in modern Italy has had varied meanings.

To interpret term *Constituent Assembly* to mean body which both governs country and drafts new constitution is to choose European precedents wherein revolutions or breakdowns of previously existing legal regimes occurred, thus requiring assembly to perform two different functions of governing and drafting new constitution. Case of Italy is different because legal regime exists which is under obligations to Allies and is competent to administer country during sessions of Assembly.

Strict construction of Law 151 of June 25, 1944, which speaks only of Constituent Assembly to devise new constitution, and which attributes to it no other functions, would require body to confine itself to one task. Law mentions new parliament which means parliament to be created by Assembly, and contemplates continuance of Council of Ministers as governing authority until new parliament comes into being.

Moreover, solution of institutional question must be achieved within framework of Joint Declaration of October 13, 1943, which stipulated right of Ital people to choose democratic form of government by constitutional means. This means legal continuity must be observed. Relevant foreign precedents for such procedure might be Constitutional Conventions as held in U.S. These constituent assemblies confine themselves strictly to constitution-making and do not attempt to govern.

Dept is informing Brit Govt [60] of sense of foregoing with view to initiating discussions with Ital Govt, as it is felt Allied pledges to Ital people require continued efforts of this Govt to promote democratic processes in Italy and to ensure that new Ital state is founded on

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[59] The *Statuto* was the constitution issued by Charles Albert for his kingdom of Sardinia on March 4, 1848. It became, by extension to the other parts of the country that were subsequently annexed, the constitution of Italy.

[60] Memorandum to the British Embassy, November 13, 1945, not printed.

democratic principles. In meantime you may bring Dept's views informally to attention of Allied Commission. Despatch follows.[61]

BYRNES

740.00119 Control (Italy)/12-2245

The President of the Italian Council of Ministers (De Gasperi) to the Chief Commissioner, Allied Commission (Stone)

ROME, 10 December, 1945.

Without the prior consent of the Allied Governments the Royal Italian Government undertakes not to re-open the institutional question until such time as Italy has been liberated and the Italian people have the opportunity of themselves determining the form of Government.

DE GASPERI ALCIDE

PROPOSALS FOR REVISION OF THE ITALIAN ARMISTICE AGREEMENT AND FOR A PRELIMINARY TREATY OF PEACE WITH ITALY[62]

865.50/1-2645

The Italian Minister for Foreign Affairs (De Gasperi) to the American Ambassador in Italy (Kirk) [62a]

ROME, January 9, 1945.

DEAR AMBASSADOR: I draw your close attention to the enclosed Memorandum[63] which intends to show the urgency and necessity of a revision of the economic and financial clauses of the Convention of Armistice.[64]

While warmly begging you to submit it to the consideration of your Government, I take the liberty of pointing out to you once again that an intervention of the United Nations directed to the implementing of a practical program of economic recovery of Italy cannot be further delayed.

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[61] No. 812 of November 16, 1945, not printed; it enclosed two copies of a memorandum prepared in the Department entitled, "Powers of the Italian Government versus the Constituent Assembly." (865.00/9-645)

[62] For additional documentation relating to this subject, see *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, pp. 681-712; and *ibid.*, vol. II, pp. 168-175 and pp. 1079-1098. For texts of the Italian military armistice, September 3, 1943, the Instrument of Surrender, September 29, 1943, and related documents, see Department of State, Treaties and Other International Acts Series No. 1604, or 61 Stat. (pt. 3) 2740-2772.

[62a] Copy transmitted to the Department in despatch 858, January 26, from Rome; received February 6.

[63] Not printed.

[64] i. e., the Instrument of Surrender (Additional Conditions of Armistice), September 29, 1943, Treaties and Other International Acts Series No. 1604: 61 Stat. (pt. 3) 2742.

From the data, contained in the Memorandum, you will readily realize all the gravity of the present economic and financial situation which threatens to plunge Italy into a crisis of unprecedented magnitude and duration.

I am furthering a copy of this Memorandum to Admiral Stone [65] at the Allied Commission and I fully trust, as always, in your friendly and authoritative support for a speedy and favourable examination of the Italian requests.

Believe me, cordially yours [File copy not signed]

740.00119 E.W. 1939/1–1945

The British Embassy to the Department of State [66]

PRELIMINARY PEACE WITH ITALY

Summary of telegram from Secretary of State for Foreign Affairs [67]

The Prime Minister [68] and I have carefully considered the United States proposals for a partial peace treaty with Italy.[69] As we understand the position the United States Government wish to terminate the state of war and to replace the instrument of surrender by negotiated agreements with the Italian Government. These agreements would reserve for later decision those questions such as frontiers which would fall to be dealt with under the final peace settlement and would make provision for military requirements of the Allies for their operations conducted or based upon Italy, as well as covering any special rights which the Allies might require in certain disputed territories. Pending the conclusion of such agreements the Allied authorities would reserve their rights under the armistice but subject to overriding military needs and to the requirements of Italian campaign these rights would be held largely in reserve.

In our view there would be no merit in making an early arrangement with the Italian Government which merely terminated the state of war and did not cover questions relating to the post-war settlement. When we first put forward the idea we were influenced by our desire to strengthen the position of the Badoglio [70] Government in the eyes of the Italian people and also to encourage the Government themselves by not adopting a negative attitude towards their repeated request

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[65] Adm. Ellery W. Stone, Chief Commissioner of Allied Commission.

[66] Handed to the Director of the Office of European Affairs (Matthews) by the British Minister (Makins), January 19, 1945.

[67] Anthony Eden.

[68] Winston S. Churchill.

[69] For an explanation of the United States proposals, see memorandum by the Assistant Chief of the Division of Southern European Affairs, January 23, *infra*.

[70] Pietro Badoglio, Head of the Italian Government after the fall of Benito Mussolini.

for an improvement in their international status. At the same time we had in mind to include stern but necessary conditions regarding colonies and frontiers which will doubtless be confirmed by the Allies in the final peace settlement. On the other hand our intention was only to inform them that we would be prepared to conclude such a treaty as soon as we were satisfied that the military position permitted and that the Italian Government has sufficient authority to speak on behalf of the whole Italian people and not merely that part of it at that time under their administration. We did not in fact proceed with this idea and we do not now propose to revive it.

In the present circumstances we cannot see our way to accepting a suggestion which in our view may gratify but not strengthen the Italian Government who cannot claim to represent the whole of Italy, but which will bring no substantial advantage to the Governments of the United Nations. The measures on which we and the United States Government are now in general agreement for implementing the joint statement of the Prime Minister and the President [71] should be of great assistance to the Italian Government and represent the furthest extent of concessions which we are now prepared to make. This is a matter on which we and no doubt certain other Allied Governments feel strongly. We think that the fact that the Commonwealth has borne by far the greater share of the burden of the Italian war entitles us to ask that our views be respected.

On the other hand we are prepared as soon as the war with Germany is over and as soon as Italy is freed and our military operations in Italy are brought to an end, to consider making peace with Italy ahead of any settlement with Germany. By making this separate arrangement with Italy we should be showing that we regard the association of Germany and Italy as finally terminated. This is a point on which the Italian *amour propre* is particularly sensitive and we think the United States Government would look with favour on this suggestion which is put forward in the desire not to return a wholly negative reply to their proposals.

740.00119 EW1939/1-2345

Memorandum by the Assistant Chief of the Division of Southern European Affairs (Jones) for the Secretary of State

[WASHINGTON,] January 23, 1945.

The British Government first presented a proposal for a preliminary peace with Italy about eight months ago.[72] It suggested that we obtain the concurrence of the Soviet Government and then inform the

[71] Released to the press September 26, 1944; for text, see telegram 205, September 27, 1944, to Rome, *Foreign Relations*, 1944, vol. III, p. 1153.
[72] See British *aide-mémoire* dated May 25, 1944, *ibid.*, p. 1116.

other United Nations of our intentions in this regard. Questions such as frontiers and colonies were to be reserved for the peace settlement. The United States Government concurred in the British proposal. After receiving our reply, however, the British failed to pursue their plan.

The Combined Civil Affairs Committee has recently been considering the views of Mr. Macmillan [73] with respect to a reorientation of the Allied Commission for Italy. The American members of CCAC took this opportunity to raise again the question of a preliminary peace with Italy. They proposed that the Italian surrender instrument be superseded by a convention to terminate the state of war between Italy and the United Nations and by a civil affairs agreement between the Supreme Allied Commander and the Italian Government. It was felt that the termination of the surrender instrument would eliminate the anomaly of Italy's relations to the Allies and bring her legal position with them more in line with the actual relationship which exists under the "cobelligerency" formula.

This proposal was submitted by the British Embassy to London. After some time, the Foreign Office replied rejecting the American proposal. In support of its position the British Government stated that it saw no merit in terminating the state of war and not covering post-war questions; that its original intention had been to strengthen the Badoglio Government; that it considered the present proposal would only "gratify" the Italian Government and present no substantial advantage to the United Nations and that the British Government felt that its views should be respected since the "Commonwealth has borne by far the greater share of the burden of the Italian war". The reply concluded by saying that the British Government was prepared to consider making peace with Italy ahead of Germany when all Italy was liberated and when the war in Europe was over.

A more detailed account of developments in the proposal for a preliminary peace with Italy is attached for reference.[73a]

740.00119 E.W. 1939/2-645 : Telegram

The Ambassador in Italy (Kirk) [74] *to the Secretary of State*

ROME, February 6, 1945—5 p. m.
[Received 6:15 p. m.]

330. A number of newspapers this morning feature interview granted local press correspondents yesterday by Bonomi [75] in which

[73] Harold Macmillan, British Head of the Allied Commission. The CCAC was an Anglo-American Committee centered in Washington.

[73a] Not printed.

[74] Alexander C. Kirk was also United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater. In this capacity, his office was located at Caserta.

[75] Ivanoe Bonomi, President of the Italian Council of Ministers.

he is quoted as saying that the armistice follows the formula of unconditional surrender and thus "confers upon the Allies full powers over the internal, financial, economic and military life of the nation with the aim of placing at their command all of our remaining resources for the prosecution of the war. But in these admittedly stern conditions, there is no reference to the future status of Italy's frontiers or to the disposition of colonies; [76] moreover, there is no reference to Italy's position in the world when peace is made. In other words, the armistice refers to the present rather than to the future". Continuing, Bonomi is reported to have said that Italy has every right to defend its inviolable rights and to appeal to the spirit of justice of the great democracies adding that in this connection Italy must "give to international public opinion two decisive proofs; proof that she has returned to a sound democracy and proof that she has contributed with all her resources to the victory of the democratic cause against the forces of Nazism and Fascism". Bonomi went on to say according to the press that the more Italian democracy replaced polemics with action, the more it would gain in estimation abroad and ended with reiterating the Government's appeal for a stronger army and a greater part in the war effort.

KIRK

740.0011 E.W./2-745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, February 7, 1945—3 p. m.
[Received 3:30 p. m.]

338. The following is text of messages addressed by Bonomi to the President, Churchill and Stalin [77] which are being sent through AC and of which a copy has been furnished me by Foreign Office.

"On the eve of decisive military events, the Italian Government venture to request that the Heads of the United Nations who are now discussing the fate of the new Europe reexamine the very severe conditions imposed upon Italy on [*in?*] September 1943.

At the moment when an earnest exhortation is being addressed to all classes of the Italian nation towards a supreme effort of cooperation with the Allies on the front line, in the rear and in the patriots' warfare, the Italian Government feel it their duty to emphasize once [more] that the ambiguous situation of co-belligerency thwarts their efforts to raise and maintain throughout the country that intensity

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[76] For documentation regarding disposition of Italian colonies, see *Conference of Berlin (Potsdam)*, vol. II, pp. 631–638.

[77] Iosif Vissarionovich Stalin, President of the Council of People's Commissars of the Soviet Union. At this time the heads of the American, British, and Soviet Governments, with their advisers, were meeting in conference at Yalta in the Crimea. For documentation on this conference, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945.

of purpose and determination which can only result from the consciousness of a sacrifice achieved in freedom and dignity.

It is therefore also in the interest of the common cause that the Italian Government ask for a new settlement based on a confident and full association with the Allied Powers in the place of the present one-sided formulas of control and guardianship set up by the armistice.

For the same reason the Italian Government hereby direct to the United Nations their warmest appeal:

1. To see that the Italian people who are still undergoing almost unendurable hardships be granted, particularly in the matter of food and transportation, the possibility of satisfying at least their most elementary needs.
2. To suppress the financial burdens which by an extensive interpretation of the armistice have been weighing for 15 months upon the exhausted resources of an already devastated country and have been hindering any reconstruction and monetary rehabilitation.
3. To afford to half a million Italian soldiers in Allied hands the possibility of giving their contribution, not as prisoners of war but as free men, both in the field and in the factories to the struggle for a new world to which the whole Italian people devote their will and hopes.

The people and the Government of Italy are striving for the establishment of a free, orderly and stable democracy. The Government feels however that should the liberation of the most populated and industrious regions of Italy find the country still under the incumbent menace of inflation and hunger and its Government in a humiliating position for which they are in no way responsible, it would be extremely difficult to allay the causes of unrest, disorder and discouragement and to foster in those long suffering regions the energy indispensable for the reconstruction of a new Italy within a world of free democratic institutions and effective cooperation.

The Italian Government submit these considerations to the generous understanding of the Heads of the United Nations in the full confidence that their appeal will be received with the same spirit of loyalty and friendship by which it was inspired and in order that the gallant efforts of the Allied Armies may bear their full results and that the hopes of the Italian people, fighting against their German and Fascist oppressors, be not frustrated."

KIRK

740.00119 European War 1939/2–945

Press Release Issued by the Department of State, February 8, 1945

With reference to a press report concerning alleged territorial dispositions contained in the Italian surrender terms Acting Secretary of State Joseph C. Grew today made the following statement:

"As I have stated before, the Department of State is not in a position to make public the text of the surrender terms because of over-

riding military considerations. For your guidance I might refer you to an interview which Prime Minister Bonomi gave to the Italian press February 5, in which he stated that the armistice follows the formula of unconditional surrender and thus 'confers upon the Allies full powers over the internal, financial, economic and military life of the nation with the aim of placing at their command all of our remaining resources for the prosecution of the war. But in these admittedly stern conditions, there is no reference to the future status of Italy's frontiers or to the disposition of colonies; moreover, there is no reference to Italy's position in the world when peace is made. In other words, the armistice refers to the present rather than to the future.'

"I may say that the surrender instrument does not contain any provisions with respect to future settlements. Furthermore, in view of the cobelligerency of Italy it has not been necessary to apply the terms as originally drawn up. Italy's economy is being devoted to the prosecution of the war in the same sense as is that of the other countries fighting Germany. In line with the statement of President Roosevelt and Prime Minister Churchill on September 26, 1944, the Allies are assisting Italy in every way practicable consistent with the prosecution of the war and the needs of the liberated Allied countries to meet her present difficult situation."

740.00119 European War 1939/2-2245 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, February 22, 1945—6 p. m.
[Received February 23—10 : 43 a.m.]

499. In a recent conversation with Macmillan, De Gasperi and Prunas[78] stressed to him the necessity that the Italian Government be in a position when the north is liberated to point to concrete achievements for the improvement of Italy's position and in this connection emphasized the importance which the Italian Government attached to a revision of the armistice terms. According to Prunas, Macmillan expressed understanding of the Government's position and suggested to Prunas that the Foreign Office prepare a draft along the lines of the agreement they had in mind.

Prunas today brought me a draft agreement[79] which he intends to present to Macmillan. (See my letter to Dunn of September 23, 1944.)[80] The preamble refers to understanding that armistice terms would be revised in the light of Italy's contribution to the war effort and declares that whereas Italian forces including patriots have cooperated in war against Germany at cost of great sacrifices and have proved Italy's determination to reestablish free institutions in demo-

[78] Renato Prunas, Secretary General of the Italian Ministry for Foreign Affairs.
[79] Not printed.
[80] Not found in Department files.

cratic tradition, it is deemed convenient to substitute armistice terms with agreement consonant with *de jure* and *de facto* relations between Italy and United Nations. There then follow 21 articles of which the following is a paraphrase:

Article 1. Italy undertakes not to make a separate peace or armistice with Germany but will continue to participate in the fight against Germany with all her land, sea and air forces until the total destruction of Nazi tyranny. Italy hereby further declares her adherence to the Atlantic Charter [81] and to the "Declaration of the United Nations" which was signed January first, 1942 at Washington.[82]

Article 2. Italian land, sea and air forces will continue to operate under the orders of the Allied Commander-in-Chief and this article shall be implemented by special military, naval and air conventions to be signed between the representatives of the Allied Commander-in-Chief and the competent Italian authorities.

Article 3. The Italian Government shall be furnished by the Governments of Great Britain and the United States, in addition to the supplies originating and produced in Italy which shall be at the free and full disposal of the Italian authorities, with all supplies necessary to maintain, arm and operate the Italian armed forces in order to enable the latter to participate in the struggle against the common enemy in the largest possible measure.

Article 4. The United Nations shall have the right to use freely Italian territory and territorial waters and the air above them for their land, sea and air forces, war and merchant ships, and military and civil airplanes in the prosecution of the war against the common enemy. The United Nations will be afforded for their armed forces all necessary facilities and assistance to enable the latter to carry out their functions and for the free transit of their war materials and supplies.

Article 5. The Italian authorities shall regulate, in accordance with directions of the Allied Commander-in-Chief, the use of communication systems, ports, shipping and airports within Italian territory.

The Italian authorities, except as provided for by special agreements for Allied military requirements, shall manage and operate transportation means.

Italian communications shall be reestablished, both internally and with countries outside of Italy. Competent Italian authorities shall manage and operate these communications in accordance with conditions to be agreed upon in the interest of military security.

Article 6. The Italian Merchant Marine will continue to be at the disposal of the United Nations and to be employed for the common cause in agreement with the North Africa Shipping Board. The Italian Government shall have a representative on this Shipping Board. A portion of the Italian merchant fleet adequate to meet the urgent needs of the civilian population shall be used for the pur-

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[81] Joint statement, by President Roosevelt and British Prime Minister Churchill, August 14, 1941, *Foreign Relations*, 1941, vol. I, p. 367.

[82] For text, see *ibid.*, 1942, vol. I, p. 25.

pose of carrying supplies to Italy and in the traffic between ports of the mainland of Italy and those of other Italian territories.

Article 7. There shall be corresponding credits and supplies in favor of Italy to balance all monies disbursed by the United Nations in Italy for military expenses or for other expenses in any way connected with the war, whether paid in Italian currency furnished by the Italian Government or in currency issued by the Allied Governments.

Similar credits and supplies shall also be made available in respect to all other burdens borne by Italy on behalf of the United Nations, such as payments, requisitions, supplies, liabilities, services, and other expenses in connection with the cost of the military operations carried out on Italian territory or in Italian waters by the United Nations. The actual figure of above credits and supplies shall be established on the basis of an equitable estimate, which shall take into account the current prices both of the Italian and the international markets.

Article 8. The principles governing economic and financial activities, foreign commercial and financial operations, foreign exchange and the regulation of production and of trade shall be fixed in common agreement between the United Nations and the Italian Government. Special agreements shall be made regarding measures to combat inflation in all its forms.

Article 9. The Italian Government shall have the entire and full administration of liberated Italian territories with the exception of military operation areas, the latter to be administered by the military authorities in accordance with agreements to be made between the Allies and the Italian Government to regulate the question in a manner similar to the one adopted in the case of the territories of the United Nations.

All agreements and understandings reached between the Italian Government and the Allied Commander-in-Chief on the restitution of the provinces to Italian administration shall expire at the entry in force of the present instrument, with the exception of those areas and matters for which it will be deemed necessary to agree on a special transition arrangement.

Article 10. The Allied authorities shall refrain, in territories under direct Italian administration, from direct requisitioning of any kind. In accordance with guiding principles fixed by mutual agreement, the Italian authorities shall provide, also on behalf of the Allies, for the requisitions necessary for the prosecution of the war against the common enemy. These requisitions shall take into account essential necessities of the civilian population, the requirements for economic reconstruction and those for the preservation and protection of the artistic and cultural patrimony of Italy.

Article 11. With the exception of the matter provided for in the particular agreements referred to in following article 12, in territories under direct Italian administration only the competent Italian authorities shall effect arrest of persons and only the Italian judiciary authorities shall be empowered to prosecute in accordance with Italian law anyone suspected of hostile acts or of offences against property to the detriment of the Allied military forces or their members,

or of official representatives and agents of the United Nations or suspected of seditious demonstrations against the Allied forces or of actions which in any way would hamper the war effort or aid the enemy.

The Italian police authorities shall exercise their normal duties of supervision and control in respect of citizens of the United Nations not belonging to the armed forces and in respect of all citizens of neutral countries, who in order to enter Italian territory must be in possession of a regular entry visa issued by the Italian diplomatic or consular authorities in whose jurisdiction the above mentioned citizens of the United Nations and neutral citizens reside.

Article 12. The powers of the Allied military police, and the juridical status of the members of the armed forces of the United Nations on territory under Italian direct administration shall be regulated by special agreements in conformity with the principles followed in this matter by the United Nations.

Article 13. Full diplomatic relations shall be reestablished between Italy and all the United Nations following the entry into force of the present instrument. Full rights, privileges and immunities recognized by international custom shall be enjoyed by the respective diplomatic and consular officers.

There shall be repealed all exceptional legislative and administrative measures of an economic or personal character which had been adopted by the United Nations in respect of the Italian State and or of Italian subjects following the state of war or the interruption of diplomatic relations formerly existing between the United Nations and Italy.

Article 14. Upon the entry into force of the present agreement, Italian servicemen still in the power of the United Nations shall cease to be considered prisoners of war and shall be allowed to participate actively and directly in the fight against the common enemy. They shall be repatriated to Italy to as large an extent as possible, for the purpose of being incorporated within the Italian Armed Forces or otherwise employed in the national war effort.

Any decision contrary to the settlement assured to Italy by the peace treaties at the end of the last war, or any decision affecting Italian interests, shall be taken only with the participation of the Italian Government.

In accordance with conditions which will be established at the earliest opportunity between the Italian Government and the other governments concerned, the status of Italian servicemen operating with the Allied Forces shall be recognized to those servicemen who will continue to serve with above armed forces or will in future be attached thereto.

Article 15. The competent Italian authorities, in conformity with the solemn engagement undertaken by the Italian Government in the declaration of May 10, 1944, shall arrest and try all persons suspected of having committed war crimes or analogous offences whose names appear on lists prepared by the competent body established by the United Nations and who now or in the future are or will be found on territory controlled by the Allied military authorities or by the Italian Government.

Special provisions shall also be taken in order to bring to trial all persons of whatever nationality who, subsequent to September 8, 1943,[83] on or outside Italian territory have committed war crimes or analogous offenses against Italian citizens.

The Italian Government shall be represented on the body created by the United Nations for all questions connected with the punishment of war crimes.

Article 16. For the purpose of providing urgently for the revival of Italian economic life, and without prejudice to Italian rights arising out of the destruction and plundering carried out by the Germans on Italian territory, assets of whatever kind, whether the property of the Italian State, of Italian public and private bodies or of Italian citizens, carried by the enemy to Germany or transferred to neutral countries shall be returned to the Italian Government. Should these assets have been destroyed or dispersed or should it be impossible to return them in good condition, the Italian Government shall be entitled to adequate substitutions. The United Nations shall not recognize, to the detriment of the lawful Italian owners, the validity and effectiveness of any juridical act of the enemy in respect of the above assets.

Italy shall be represented on the Moscow Reparations Committee provided for in the Yalta declaration of February 1945.[84]

Article 17. According to agreements which will be reached with the Italian Government, Italians, members of the armed forces or civilians, found in Germany or German occupied or controlled territory, having been deported there or coerced to take up residence there, shall be liberated and assisted within the limits permitted by security reasons with view to their repatriation.

To provide for assistance to Italian nationals and to cooperate with the United Nations authorities, the Italian Government will be authorized to send representative to the above mentioned territories.

Article 18. The Allied Commission shall proceed with the demobilization of its organization, excepting only those services directly connected with the war effort and with Italian economic rehabilitation.

The Allied Commission shall have the right, however, to intervene on every occasion when a particular situation is considered liable to cause prejudice to either the prosecution of the war or the democratic reconstruction of the country in accord with the principles of the Yalta declaration of February 1945.

Article 19. In order to bring within its scope all the Mediterranean area, the Advisory Council for Italy will extend its tasks and competence, and shall be designated "Ambassadors Committee for the Mediterranean". It shall be parallel and complementary to the European Advisory Council, with which it will work. An Italian representative shall sit on the Committee with the rank of Ambassador.

Article 20. In all discussions intended to further and ensure peace, and in all international organizations which may subsequently be

[83] Date on which General Eisenhower announced that the Italian Armistice was in force.

[84] February 11, 1945; for text, see *Conferences at Malta and Yalta*, p. 968.

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brought into being to further peace and economic reconstruction, the Italian Government shall be called to take part.

Article 21. Superseding the armistice terms of September 3, 1943 and the additional terms of September 29, 1943,[85] the present agreement shall enter into force immediately, and shall remain in force until the end of hostilities with Germany when, having regard to the new situation which shall have then arisen, it shall be subject to reconsideration. (*End paraphrase.*)

In connection with the foregoing I refer to my 388, February 13, 1 p. m., last paragraph, paragraphs 2 and 3 of my 339, February 7, 4 p. m., and my 281 of February 1, 4 p. m.[86]

KIRK

740.00119 European War 1939/4–2545

Memorandum of Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] April 25, 1945.

Mr. Makins[87] called this afternoon at his request and left with me the attached *aide-mémoire*[88] relating to Italy. The *aide-mémoire* indicates that the British Government is now prepared to give consideration to the conclusion of a definitive peace treaty with Italy.

I thanked Mr. Makins for the information contained in the *aide-mémoire* and indicated the personal view that it was highly welcome. I asked when the expected British communication containing their view with regard to the provisions of such a peace treaty would be forthcoming and Mr. Makins said that the Embassy had specifically inquired on that point in London and had been told that probably the document would be ready within five or six weeks. I likewise inquired with reference to the last paragraph of the *aide-mémoire* whether the British Government expected to receive our views on an Italian peace treaty prior to the expected communication of the British Government. He replied in the negative and said that he imagined that we might wish to start working simultaneously.

I said that certain preliminary studies had already been made but that in any event we might pursue them more actively.

H. F[REEMAN] M[ATTHEWS]

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[85] For texts, see Department of State, Treaties and Other International Acts Series No. 1604, or 61 Stat. (pt. 3) 2740 and 2742.

[86] None printed.

[87] Roger Makins, British Minister.

[88] *Infra.*

740.00119 Control (Italy)/4-2545

The British Embassy to the Department of State

AIDE-MÉMOIRE

On February 11th last, President Roosevelt addressed a letter [89] to the Prime Minister, referring to conversations between Mr. Matthews and Sir A. Cadogan [90] on the subject of Italy, and stating that while there seemed to be no basic reason for any quarrel between His Majesty's Government and the United States Government in regard to Italy, he must stress that the two Governments were faced with a real problem for the future. The President considered it in our joint interests to do what we properly could to foster Italy's gradual recuperation and return to the community of peace-loving democratic states. He believed that "some constructive steps should be taken to move away from the present anomalous situation of onerous and obsolete surrender terms which are no longer pertinent to the situation today. I hope that the Foreign Office and the State Department will be able to work out some mutually satisfactory procedure to remedy this situation. As you know, we accepted the Combined Chiefs of Staff directive to Field Marshal Alexander [91] along the lines suggested by Mr. Macmillan. Although we felt that the directive was greatly watered down and much of its substance lost, we went along with you in the hope that we may reach some agreement on further steps in the near future".

2. Mr. Churchill has now replied in a letter to President Truman emphasizing the desire of His Majesty's Government to work closely with the United States Government over Italy, and stating that an approach will shortly be made to the State Department in regard to the United States desire to terminate the Italian armistice regime.

3. Accordingly, His Majesty's Ambassador [92] is authorized to recall that His Majesty's Government have already expressed their readiness, as soon as the war with Germany is over, and as soon as Italy is liberated and military operations in Italy are brought to an end, to consider making peace with Italy ahead of any settlement with Germany. By this arrangement it would be shown that the two Gov-

[89] For text of letter, see *Conferences at Malta and Yalta*, p. 963.

[90] H. Freeman Matthews, Director, Office of European Affairs, and Sir Alexander Cadogan, British Permanent Under Secretary of State for Foreign Affairs, were present at Malta and Yalta during the time of the Conferences there.

[91] Fan 487, January 31, 1945, from the Combined Chiefs of Staff to Field Marshal Sir Harold Alexander, Head of Allied Military Government in Italy and Supreme Allied Commander, Mediterranean, is not printed. See, however, *aide-mémoire* of February 24, 1945, addressed by the Acting President of the Allied Commission (Macmillan) to the Italian Government, printed on p. 1244; this *aide-mémoire* was based on Fan 487.

[92] Lord Halifax.

ernments regard the association of Germany and Italy as finally terminated. His Majesty's Government now propose that this suggestion should be further pursued: they feel confident that this procedure offers a promising basis for joint action, and they are as a matter of urgency, preparing, for communication to the United States Government at the earliest possible opportunity, a statement of the provisions which they for their party would wish to include in such a peace treaty. In the view of His Majesty's Government this treaty would be final and would cover all questions appropriate to a peace settlement with Italy.

4. If, as is hoped, this proposal meets with the approval of the United States Government, His Majesty's Government would be glad to receive some indication of the United States Government's desiderata in regard to the terms of the proposed treaty, and to work out jointly with the United States Government a suitable procedure to be followed in regard to obtaining the views of the other Allied governments and to making some communication to the Italian Government.

WASHINGTON, April 25, 1945.

740.00119 European War 1939/4-2945 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, April 29, 1945—4 p. m.
[Received 11:39 p. m.]

1075. My British colleague [93] tells me that he understands that the matter of some peace arrangement with Italy is being actively considered in London and that he is asking to be acquainted with the terms thereof before they are submitted to the United States Government (see my 876, April 4, noon [94] and previous).

From what Charles said I gathered that these proposals might contain territorial conditions affecting Italy. To my mind the injection of such consideration would be inconsistent with the intent merely to establish at this time some arrangement affecting Italy more conducive to its internal recuperation and to its usefulness in the international field than the present armistice regime; the determination of territorial questions can be postponed until world conditions are such that final and comprehensive international settlements are possible.

KIRK

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[93] Sir Noel Charles, British Ambassador in Italy.
[94] Not printed.

740.00119EW1939/4–2945 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, May 2, 1945—6 p. m.

755. Referring to President Roosevelt's letter to Churchill at Yalta [95] urging that the surrender terms be superseded, the British now propose concluding with Italy a "definitive" treaty which "would be final and would cover all questions appropriate to a peace settlement with Italy". They are preparing for communication to us at an early date the provisions they wish to include. If we agree, they desire a statement of our desiderata in regard to the proposed treaty and suggestions for obtaining the views of the other allied governments and advising the Italian Government of our intentions.

A copy of the British note [96] and Roosevelt letter follow by air pouch.

While sympathizing with the views expressed in your 1075, April 29 and previous, it seems impracticable to delay territorial settlements indefinitely. There is little possibility of obtaining U.S. military forces to help maintain order in disputed areas over an extended period or obtaining the consent of other great powers to postpone all territorial problems. The disadvantages to Italy of prolonged uncertainty over final dispositions would seem to be outweighed by the conclusion of a reasonable settlement in the near future. Even before the conclusion of a treaty an improvement in Italy's international position would be desirable, however, and we hope that some steps can be taken in that direction.

The Department meanwhile is preparing to draw up its views regarding a peace settlement with Italy. Any comments you may have will be welcome.

GREW

740.00119 Control (Italy)/5–2445 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, May 24, 1945—6 p. m.
[Received May 25—1:45 p. m.]

1403. Liberation of northern Italy and end of organized fighting throughout Europe have confronted us with necessity of terminating unworkable and unrealistic Italian armistice regime, unless we are willing not only to discount potentialities of this portion of Europe in problem of general recuperation but actually to turn this country into a fertile hotbed of political and economic disruption.

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[95] Letter dated February 11, 1945, *Conferences at Malta and Yalta*, p. 963.
[96] See *aide-mémoire* dated April 25, p. 1003.

In my considered opinion, without waiting for US or UK to implement history's antiquated and discredited shiboleth that a definitive peace must follow close on a war, there should be negotiated immediately a simpler document which will terminate aforementioned armistice and give Italy sufficient freedom from control, especially as to its internal affairs, to enable it to prove whether it will develop into a going concern or remain as it is now, a kept nation with a government lacking strength, prestige, and even material elements necessary to develop a sound economic and social order.

Since speed is essential, if bad is not to grow worse, document terminating armistice should not pretend to settle long range peace problems, but should be drafted with a view to giving Italian Govt physical possibility of restoring its economy and developing its foreign trade, subject of course to restrictions essential to military requirements of Allies in this area.

Concurrent with termination of armistice regime and abolishment of AC which necessarily follows, there should be set up in Italy a Tripartite Economic Advisory Council with American, British and Italian representation. Council is essential as an interim advisory body to assist in evolution from Italy's defective economic system, both past and present, to a status approaching normal, when regular procedures both in domestic affairs and foreign relations may be possible.

My suggestions concerning organization of proposed Tripartite Economic Advisory Council are:

a. Council to be headed by representatives from US, UK and Italian Governments. US and UK representatives to report to respective Ambassadors.

b. Council heads to be a policy making body and to act in an advisory capacity only.

c. Council personnel to be housed in one building, their activities to cover agriculture (including food), commerce, finance, industry, labor, shipping and transportation. Each of three heads to deal direct with his staff.

d. Personnel should be, at least initially, sufficiently numerous on Allied side to enable US and UK representatives to check data furnished by Italian Govt, make physical examinations of projects as proposed by Italian Govt, prepare documentation on which to base its opinions, et cetera.

e. Ital Govt FO present its problems to Council on a sufficiently complete state so that US and UK will be able to present cases to respective govts through respective ambassadors.

f. All personnel to be civilian; all members of US staff to be State Dept employees.

g. As an interim measure it is proposed that only a skeleton advisory Council staff will be located at Rome. Rome headquarters to initially contain three heads, their deputies and a strictly limited

staff remaining personnel to operate regionally regions to be gradually consolidated.

h. Each of three heads to have a deputy, either head or deputy to spend his entire time contacting regional heads in field.

i. Regional heads will from time to time be revolved dependent upon general conditions. From time to time it may be necessary to attach specialists to certain regions.

j. Personnel for US staff to be drawn from Rome Embassy, AC and AMG. Some additional specialized personnel will be required from US and from time to time experts will be drawn from US on a temporary basis.

k. As a result of gradual strengthening of Ital. Govt. Council personnel will be gradually decreased. It is hoped in due course it will be possible to disband Council and attach residual Allied personnel to their respective Embassies where they will take over normal duties and responsibilities of Embassy Attachés. Pending this however there will be a gradual shift of personnel from regions to Rome headquarters.

In connection with foregoing it may be unneccessary to point out that there are only two courses open to us. We can leave Italy to its own devices or we can provide advice and assistance so that Itals can rehabilitate themselves which is what they should do. Latter is only realistic approach but what I fear most is that due to Washington's preoccupation with other important issues specifically Germany, Italy's urgent need may escape attention. This cannot be permitted.

Italy's problems if promptly and realistically approached are by no means unsolvable. Italy can be used as a test case. What is learned in Italy can be applied elsewhere. Certainly experience gained will be useful in connection with Germany. Any failure to appreciate properly and to take prompt and vigorous action insofar as concerns Italy's economic aspects will have serious world repercussions. There is incipient anarchy in Italy now. This condition can rapidly become epidemic unless Italians can get back to work with a reasonable degree of promptness.

In conclusion and in summary urge that steps be immediately taken to terminate armistice regime and to provide tripartite Economic Advisory Council facilities as briefly outlined herein. It will of course be necessary to have these facilities set up prior to termination of AC, since necessary machinery must be ready to function concurrently with cessation of AC. With this end in view I also urge that a meeting or meetings be arranged in Washington during course of preparation of agreement which is destined to terminate armistice and establish interim *modus vivendi* with Italy. There should be representation from US, UK and Italian Govts including on US side Chiefs of Staff,

State Dept, Treasury Dept and FEA,[97] etc., also representatives from US and UK Rome Embassies. KIRK

865.014/5–3045: Telegram

Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 30, 1945—noon.
[Received 5:35 p. m.]

2403. SAC[98] told us this morning that he had received an inquiry from Churchill as to his views on what should be disposition of Ital Empire from military point of view in connection with negotiations for peace treaty with Itals. SAC said he had informed Churchill that he thought the Allies should not be too hard on Italy and should permit Itals to retain at least Tripoli, Eritrea and possibly also Ital Somaliland. He asserted that he had expressed this opinion to Churchill very strongly and hoped such an attitude would be adopted by the latter. SAC said he hoped US Govt would also support his views inasmuch as "we cannot afford to keep the Itals down too much and thus leave them no alternative but to go Red".

KIRK

740.00119 EW/6–2545

The Acting Secretary of State to the Secretary of War (Stimson)[99]

WASHINGTON, June 15, 1945.

MY DEAR MR. SECRETARY: The British Government has proposed an exchange of views regarding desiderata for the treaty of peace with Italy which they suggest should be negotiated separately from the general settlement with Germany. Accordingly plans are being made for a draft embodying the views of the Government of the United States for the treaty with Italy. This draft, which is being composed under the general supervision of the Department's Inter-Divisional Committee on Italy, will at the outset embrace the sections listed in the enclosed tentative outline of Treaty of Peace with Italy (Tab to Annex).[1]

The general policy of this Government is to assist and encourage the conversion of Italy into a stable, peaceful, and constructive ele-

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[97] Foreign Economic Administration.

[98] Supreme Allied Commander.

[99] The same letter was addressed also to the Secretary of the Navy. A copy of the letter was circulated at the request of the War Department member of the State–War–Navy Coordinating Committee as an enclosure to SWNCC 155, dated June 23, 1945, for consideration by the Committee.

[1] Not printed.

ment among the nations of Europe. The United States repudiates the theory of economic and political spheres of influence. We do not wish Italy to be under the predominant influence of any single power, but to be politically and economically independent. Like other powers of her rank, Italy should be encouraged to look primarily to the International Security Organization for her security in the future. For the immediate post-war period it is our aim to impose only such restrictions on Italy as are necessary to safeguard other countries from Italian aggression; but, in order that Italy may have a genuine independence, that country should not be so reduced in its defensive forces as to invite aggression or diplomatic blackmail on the part of its neighbors. The general formula is therefore "partial disarmament with permission of limited forces."

May I request you to appoint an appropriate officer or committee to draft the articles for the treaty with Italy which would fulfil the general objectives stated above, and which would embrace the military aviation clauses for Part VI of the general draft and also for Part VII dealing with the subject of Prisoners of War and Graves.

Part X of the draft, dealing with economic matters, is being drafted by the economic divisions of the Department of State. Insofar as economic restrictions are essential for achieving the aim of partial disarmament, the Department would appreciate receiving appropriate suggestions for drafting the pertinent clauses of Part X.

It is our aim to have a general draft completed within the next thirty days. May I request that as soon as your drafts for parts VI and VII and for the relevant clauses of part X be completed you appoint the chief drafting officer or officers to act as a reporting committee to present these drafts to the Inter-Divisional Committee on Italy for discussion and incorporation into the general draft of the treaty. It would greatly facilitate our task if you could shortly inform me approximately when the drafts of the parts mentioned above will be completed.

Sincerely yours, JOSEPH C. GREW

740.00119 EW/6-3045

Memorandum by the Acting Secretary of State to President Truman [2]

[WASHINGTON, June 30, 1945.]

Subject: Revision of Italian Armistice Terms

In accordance with your and President Roosevelt's directives with regard to Italy, our objective is to strengthen Italy economically and politically so that the truly democratic elements of the country can

[2] Memorandum was approved by the President on July 1, 1945.

withstand the forces that threaten to sweep them into a new totalitarianism. Italian sympathies naturally and traditionally lie with the Western democracies, and, with proper support from us, Italy would tend to become a factor for stability in Europe. The time is now ripe when we should initiate action to raise Italian morale, make a stable representative government possible, and permit Italy to become a responsible participant in international affairs.

The anomalous status of cobelligerent and unconditionally surrendered enemy has hampered every effort, both by the British and ourselves as well as by Italy herself, to improve her economic and political situation. This anomaly can be resolved only through the negotiation of a definitive peace treaty which has been urged by the British Government but which will require several months. Meanwhile, the Italian internal situation and our own efforts would be greatly facilitated by some immediate interim arrangement whereby the agencies of the Allied Governments would have a clear-cut policy directive and the Italian Government would be accorded tangible recognition of Italy's substantial contribution towards the defeat of Germany.

Only on a military level, without reference to treaty-making bodies, does an interim agreement seem immediately feasible. Revision of the armistice terms after consultation with Great Britain and the USSR is suggested for that reason and also because of mounting pressure for their publication which, unless accompanied by an announced improvement in Italy's status, would have a demoralizing effect inside Italy, would lead to agitation by groups in this country, and might well be exploited against us by certain foreign powers.

It is therefore recommended that the armistice terms be revised immediately so as to terminate all provisions save those required to

(*a*) Cover military requirements.
(*b*) Safeguard proper settlement of territorial disputes.
(*c*) Implement the tripartite pledge concerning democratic government.
(*d*) Safeguard Allied rights pending the final treaty.

[JOSEPH C. GREW]

740.00119 EW 1939/7-1845

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] July 18, 1945.

The Italian Ambassador [3] called on me this morning and left with me the appended papers [4] which he said he hoped I would send

[3] Alberto Tarchiani.
[4] Not found attached, but see *Conference of Berlin (Potsdam)*, vol. II, pp. 1082–1083.

promptly to the President and the Secretary in Potsdam. He said that his Government is seriously worried about indications that a peace treaty for Italy may be drawn up at Potsdam and that the British and Russians are inclined to make the terms as harsh as possible. The Ambassador said that if this were done, it would destroy Italian morale and make it impossible for Italy to recover her position in the world which he believed was in the best interests of the European nations. I said I had no reason to believe that such a peace treaty would be drawn up at Potsdam, and I very much doubted it, but the Ambassador said that what he feared was that the general lines for such a treaty would be laid down and accepted. The Ambassador said that the United States was Italy's best friend and that is why they are taking this matter up with us and asked that our delegation at Potsdam take a position which would avoid the laying down of harsh terms for Italy. I said that I would promptly convey the Ambassador's views to our delegation.

JOSEPH C. GREW

740.00119 Control (Italy)/8–145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, July 31, 1945—7 p. m.
[Received August 1—9 : 30 a. m.]

2158. My despatch 1910, July 13.[5] Question of maintenance of AMG (American [*Allied*] Military Government) in province of Udine beyond August 31 is being discussed at AC (Allied Commission). Regional Commissioner has reported that Udine Province is not yet ready to be returned to Italian administration and recommends that its restoration be postponed for 3 months, that is until December 1. RC reports that Udine Province with a population of 800,000 still contains large number of unruly elements including unsurrendered German soldiers and heavy infiltration of Yugoslav Partisans. Italian administration will not have been sufficiently advanced to cope with administration of this area by September 1. Lines of communication to Austria most of which pass through Udine would be endangered and by December 1 winter weather will have disbursed [*dispersed?*] and neutralized most of these lawless bands and by next spring Italian administration should be strong enough to cope with situation and protect L of C.[6]

We agree that RC made a good case and concurred in his recommendations to Chief Commissioner that return of Udine Province to Italians be postponed for 3 months after turn back of other northern Italian territory (except Venezia Giulia etc). We pointed out

[5] Not printed.
[6] Line of Communication.

that under Fan 536[7] Tarvisio and Environs (in Udine Province) were to be retained under AMG until final determination of northwest frontier. For administrative reasons AC officials consider this would be highly undesirable as recommendations will be submitted to AFHQ (Allied Forces Headquarters).

In event that turn back of Udine is postponed we recommended that Italian Govt be informed that this was necessary for military reasons and that province (except Tarvisio) would be returned to Italian administration not later than December 1.

KIRK

740.00119 Control (Italy)/7-3145: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, July 31, 1945—7 p. m.
[Received August 1—10:25 a. m.]

2159. My despatch 1910, July 13.[8] At meeting in Allied Commission July 31 question of turnback of province of Bolzano to Italians along with rest of north Italy (except Venezia Giulia) on August 31 was discussed. AFHQ (Allied Force Headquarters) has asked AC (Allied Commission) for its recommendations with regard to possible modification of CCS (Combined Chiefs of Staff) directive of April 28 (Fan 536[9]) particularly maintenance of Allied Military Govt in Bolzano. It was decided AC would reply that from administrative standpoint there was no reason why province of Bolzano should not be returned to Italian administration along with rest of northern Italy (except Venezia Giulia) August 31.

In connection with consideration of any modification of Fan 536 I should like to point out that the elements which would make a case for maintaining AMG (Allied Military Government) in Bolzano province until the final determination of Italy's frontiers do not exist in same measure as in case of Venezia Giulia.[10] Aggressive tendencies of Yugoslav Govt and armed forces and official claims which former has put forward for this area requires maintenance of AMG in this territory in order that its final disposition not be prejudiced. No such problem exists with regard to Austria nor is it likely to. According to AC internal situation in Bolzano Province is such that it may be returned to Italian administration without fear of complications.

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[7] Directive from the Combined Chiefs of Staff to Allied Force Headquarters dated April 28, 1945, not printed; but see telegram 323, April 12, p. 1120, which outlines substance of the directive.

[8] Not printed.

[9] See footnote 7, above.

[10] For documentation relating to the concern of the United States over the control of Venezia Giulia, see pp. 1103 ff.

If in final settlement province of Bolzano is to fall to Austria there is no reason why this could not be accomplished regardless of interim Italian administration. By insisting on maintaining Bolzano under AMG where no problem at present exists, I submit that Allied Govts would be prejudicing final disposition of this territory.

I understand that British Foreign Office has changed its views with respect to interim administration of Bolzano since despatch of Fan 536 this based on its present policy that Bolzano should remain within new Italian frontiers. This decision is reported to have been taken in view of developments over the past few months in Austria with special reference to Russian influence and the considerable doubt which exists with respect to future political role of Austria in Europe. I am sure that the Dept has given careful consideration to this aspect of problem as well and I would be grateful for comments for my guidance here and at Caserta.

Sent Dept, repeated AmPolAd 451.

KIRK

740.00119 EW 1939/7-3145 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, July 31, 1945—midnight.
[Received July 31—7:45 p. m.]

3138. Immediately on SAC's [10a] return to AFHQ from Potsdam and London we had general conversation with him during which we raised subject of your 691 Jul 25.[11] He reiterated his views more or less as set forth in our 2964 July 15.[12]

We stated to SAC that during his absence there had been some discussion of peace treaty with Italy in joint planning staff conferences in which we had participated and we were somewhat surprised to note strong opposition to his views on part of Royal Navy and RAF [13] representatives. SAC merely smiled and waved his hand with comment that he expected to have difficulty with Admiral Sir John Cunningham CinCMed [14] but he knew Admiral Sir Andrew Cunningham First Sea Lord of Admiralty shared his, SAC's, views.

During ensuing discussion we pointed out to SAC that we considered there appeared to be a bit of confusion of thought in British

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[10a] Supreme Allied Commander (Field Marshal Sir Harold Alexander).

[11] Telegram 691 not printed; it inquired if further information could be furnished regarding General Alexander's views on the Italian peace problems (740.00119EW/7-1545).

[12] The Supreme Allied Commander expressed the view that the British Foreign Office in its draft for peace treaty with Italy was far too severe. For telegram 2964, see *Conference of Berlin (Potsdam)*, vol. I, p. 700.

[13] Royal Air Force.

[14] Commander in Chief, Mediterranean.

arguments on subject at AFHQ in that they were stating on one hand that they wished to keep Italy from falling into communism or Soviet influence and wished to win Italy's friendship but on other were determined that Italy should be made to learn price of war. We added that if Italy was to be a "bulwark" against police state (one of Churchill's expressions which SAC has used frequently) it should be decided here and now what the "bulwark" was to be.

SAC said that to him there seemed to be three alternatives open to Allies: (1) a completely and permanently subjugated Italy (2) and [*an*] Italy even tho a second class power strong enough to give west time to mobilize itself against east and (3) a compromise i.e. an Italy with small army low armament potential and deliberately kept in suspense as to whether her place is in sun or shadow.

He went on to say that even if we start now it will take many years to build up a second class Italy and it might be too late by 1950 to treat her in kindhearted manner. A compromise by which an attempt is made to combine punishment, threats, indecision and eventual hope of reward appeared to him too reminiscent of Hebrew theology. Today Europe thinks and acts quickly. No donkey allows prospect of amorphous carrot 5 years distant in space to influence its reactions to present. On what we do now will depend whether Italy goes left or right and on how our ideology which at moment is both incoherent and very badly propagated is need to permeate this country. In his opinion the short term measures which are now being proposed by us will only bring bewilderment, irritation, and unemployment on a scale which will undoubtedly force country even more to left.

SAC then said he would insist on handing back to Italy certain colonies even tho he was fully aware of difficulties to handing back places in which British fomented revolts in desert in 40–41. But he thought matter might be handled on mandatory basis.

He added he would not agree that desirable size of Italian Army should be dependent on extent of Italy's overseas possessions. He preferred to determine size of Italian Army on consideration of situation which existed at head of Adriatic.

SAC said that sympathetic consideration should also be given to problem of over population of Italy. In his opinion Abyssinian adventure was largely undertaken to obtain living room. Standard of Italian colonist is lowest of any white man. If in addition to limiting Italian industries we take away such living room as she has had we shall again provoke mass trouble in northern Italy and further swing east. An overcrowded Italy means unrest. An Italy without colonies means unemployment for heavy industries of north. He then summarized that problem of peace treaty with Italy depends primarily on intelligent correlation of her special economic problems

with those of rest of Europe and a clear perception of her place in economic and strategical framework of the new Europe.

SAC concluded with statement that he talked along above lines while he was in Potsdam and found Churchill and British Military sympathetic but that Eden continued to be violently anti-Italian. He remarked that he had had some discussion of this subject with Secretary Stimson[15] who seemed most sympathetic. SAC at one point of conversation said "Now that Winston is out, there is no one in Britain to take lead in Italy. I hope your people will do it. They must be made to realize what a terribly important responsibility it is and that we cannot get away from it."

When we asked SAC if he had been able to get any definite information at Potsdam or London as to Foreign Office views on Italian colonies he said that Eden would not commit himself and that subject was being left open. He indicated very clearly that if US took lead it could reach peace treaty with Italy. He also said no time should be lost in getting started as it would take many months for British Govt to get approval of Dominions which it must consult. SAC said he would raise for discussion general question of peace treaty with Italy at his political committee meeting on Aug. 2. Any views which Dept may care to express would be helpful to us if received by that date.

KIRK

740.00119 Control (Italy)/8–145 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, August 3, 1945—8 p. m.

1303. Urtel 2158, July 31. If it is decided that military considerations require maintenance of AMG in Udine Province until December 1, Ital Govt should be informed and public announcement made of reasons therefor.

GREW

740.00119 EW 1939/8–345 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 3, 1945—midnight.
[Received August 6—12:56 a. m.]

3185. Re last paragraph our 3139 [*3138*], July 31, midnight. At SAC's political meeting yesterday British co-paper on Italian peace

[15] Henry L. Stimson, Secretary of War.

treaty was tabled together with comments thereon prepared for Alexander by Joint Planning Staff. Admiral Cunningham opened discussion with statement he did not agree there was difficulty in reconciling the objective of establishing Italy as a useful and prosperous European state not under Soviet influence with objective of forcing Italy to drop all pretense of being great power and proving to them it did not pay to make war. Air Marshal Garrod [16] supported Cunningham's position. Both British naval and air commanders felt that Sicily and Sardinia must be permanently demilitarized and under no circumstances should Italy ever again control territory on both sides of British communication line to Mediterranean (i.e. Italian mainland, Sicily and Tripolitania). Admiral Cunningham stated he was opposed to signing a peace treaty with Italy before signature of similar document with Germany because German treaty would be so severe we could point out to Italy how much better she had fared than the Germans.

When asked for our opinion we stated that quite aside from the military aspects involved we considered it essential for the moment that an interim *modus vivendi* was urgently required.

After much discussion of this subject Alexander stated that while he sympathized fully with position taken by Admiral Cunningham and Air Marshal Garrod and agreed with them that military requirements which they had pointed out must be provided for, he felt that there were political reasons why it might not be feasible to carry out their views. He added that he must warn them that if they insisted on being too harsh with the Italians Italy would become "Balkanized" rather than western European country. He considered that this would in long run be a greater disaster to British interests than danger of Italy being slightly too strong and being able to threaten British communications in the Mediterranean. He for one favored return of Tripolitania to Italy. Further discussion was postponed to next week.

From discussion which took place at yesterday's meeting we are more convinced than ever of futility of attempting to negotiate the basis of a peace treaty here at this time and consider it all the more desirable to have a *modus vivendi* arrangement for Italy for however short or long period required before conclusion of a peace treaty.

KIRK

[16] Guy Garrod of the British Royal Air Force.

740.00119 EW/8-645 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 6, 1945—4 p. m.
[Received 5 : 10 p. m.]

3218. For the Acting Secretary. Among other statements made by Admiral Cunningham in a discussion of proposed peace treaty with Italy he stated in strongest possible terms that Italian Navy is only one of three Italian services which has maintained a good *esprit de corps* and is a positive contributing factor to maintenance of stability in this country. He stated it is important, therefore, that while Italian Navy should be reduced it should be done in such a way as not to injure Italian prestige unnecessarily. He personally deplored decision apparently made at Tehran to effect transfer of battleships or other warships from Italian fleet to Russia [17] and if such a transfer should take place effect would be most unfortunate. He stated that most thinking people in Italy realize that financial strain involved would in any case prevent Italy from keeping battleships in condition and it may not be difficult, therefore, to persuade Italians to do without battleships altogether and accept other ships instead but if worst came to worst he suggested that Italy be permitted to sink or scuttle such ships as are surplus to her requirements. From discussion we have had on this matter with Field Marshal Alexander we have good reason to believe that he shares views of Admiral Cunningham. KIRK

740.00119 E.W. 1939/8-745 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 7, 1945—5 p. m.
[Received 7 : 41 p. m.]

3230. For the Acting Secretary. Re Deptel 691, July 25 [18] and our 3185 of Aug. 3, midnight, and our 3139 [*3138*], July 31, midnight. We now have reason to believe that SAC will reply to British Chiefs of Staff on question of Italian peace treaty more or less in following sense:

He will state that he feels a very considerable risk will be run of achieving none of the Allied aims toward Italy if it is attempted to reconcile objectives mentioned first paragraph our 3185. He will

[17] For documentation on subject in connection with the Tehran Conference between President Roosevelt, Prime Minister Churchill, and Marshal Stalin, see *Foreign Relations*, The Conferences at Cairo and Tehran, 1943, index entries under Italy: Soviet Union, request for Italian naval and merchant shipping, p. 913.

[18] Not printed.

point out that Italy is now a bankrupt and occupied country whose economy is practically destitute with very little armament potential. He will state that for nearly 12 years she has been ravaged by a war campaign and can have few illusions left as to wisdom of aggression. He will add that in his opinion it is urgently necessary for British and American Govts to avert a crisis in Italian affairs which will otherwise be inevitable in the course of the next few months if we are to attain the objectives of establishing Italy as a prosperous European nation friendly to us. He will state that this will involve assisting Italy as a matter of urgency, to rehabilitate her essential industries before unrest gives way to anarchy.

SAC will add that Italy has been led to believe terms to be imposed at peace treaty will reflect manner in which she has worked her passage since armistice. In SAC's opinion Italy has done her best and contributed material assistance in the war against Germany and therefore has some right to expect leniency. Imposing unacceptable terms on Italy will nullify present Allied efforts at rehabilitation and inevitably precipitate anarchist conditions which would ultimately reduce Italy to level of a Balkan state under Russian influence. (See second paragraph our 3185.)

SAC will also mention his apprehensions over apparent alteration of phrasing of military clauses in draft peace treaty to give Russia in Italy equal rights with US and UK and his assumption that this is contemplated in exchange for similar rights for US and UK in peace treaties with southern European states. SAC feels effect in Italy will be more unfortunate.

On subject of military objectives SAC will recommend that Italian armed forces be restricted in size in view of Italian economic capacity to maintain them: That they must be large enough to maintain internal security and defend frontiers, particularly Yugoslav frontier; that Italian armed forces not be strong enough to offer Italy any prospect of attacking neighbor states or threatening interests of Allied Powers. SAC's military recommendations are based on assumption political clauses of treaty will require Italy to cede territories overseas. Should Italy be allowed to retain control of any of her overseas territories her armed force requirements would be increased.

In addition SAC will disapprove any suggestion that treaty permit stationing of US, UK, USSR and French troops in Italy as such a step would defeat object of preventing Italy falling under Soviet influence. To avoid working clauses to give USA and UK alone right to station troops in Italy SAC will recommend that interim arrangements as required for period British and US forces remain in Italy be made subject of separate civil and military affairs agreement between US and UK on one hand and Italy on the other.

KIRK

865.00/8-845

The Italian Ambassador (Tarchiani) to the Secretary of State

The Italian Ambassador presents his compliments to the Honorable the Secretary of State and has the honor to inform him that he has received instructions from his Government to express to the Government of the United States its warmest and deepest appreciation for the friendly spirit shown and for the expressions contained in the Potsdam communiqué [19] with regard to Italy.

The Italian Government understands that the favorable result reached is mainly due to the well known dispositions of the United States Government toward Italy and to the personal action of President Truman.

The Italian Government, while reaffirming its profound gratitude to the United States Government for this new evidence of sincere friendship at such a decisive moment of the history of Italy, is confident in the future continued assistance of the United States for the establishment of a just and honorable peace.

WASHINGTON, August 8, 1945.

740.00119 Control (Italy)/8-1345: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, August 13, 1945—7 p. m.
[Received August 13—3:40 p. m.]

2329. My 2159, July 31. I would appreciate an expression of the Dept's views regarding the maintenance of AMG (Allied Military Government) in Bolzano Province until its final disposition. This question is being discussed in the Allied Commission at present time and I need guidance.

KIRK

740.00119 Control (Italy)/8-1745: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, August 17, 1945—7 p. m.
[Received August 18—9:40 a. m.]

2379. Chief Commissioner Allied Commission has made following recommendation to Allied Force Headquarters on turnback of north Italy Provinces still under American Military Government:

(*Begin summary*)
Admiral Stone refers to previous recommendations that five divi-

[19] *Conference of Berlin (Potsdam)*, vol. II, p. 1499.

sions of Allied troops be retained in Italy and says that these recommendations have important bearings on his following proposals:

1. He recommends with the unanimous approval of regional commissioners and political advisers that American Military Government territory in north Italy except Province of Udine be handed back to Italian Government on September 15; Udine Province being returned to Italian jurisdiction on December 1 (Provinces in Venezia Giulia under American Military Government are, of course, excepted);

2. He does not believe that usual previous standard for handback i. e. that region is in proper state administratively and that Italian Government is capable of maintaining efficient administration can apply to northern regions if present redeployment plans for Allied troops are carried out. Although at present tranquil, situation in northern Italy contains potential danger of grave disorder for following reasons:

a. Large quantities of arms and ammunition are believed still held by civil population;

b. Persistent rumors re communist *coup d'état* within next 2 months.

Withdrawal of American Military Government followed by rapid total redeployment of Allied troops would be followed in view of regional commissioners at minimum by disorders and bloodshed and at maximum by some kind of armed revolution communist-inspired. Stone desires that there be no misunderstanding on this. He expresses doubt whether Italian Government alone can maintain order during coming winter months attended by political crises.

3. Question is whether American Military Government should be retained through the winter which is recognized as politically retrogressive or if risk should be accepted of handing over territory in present state to Italian Government.

4. Stone recommends latter course feeling greater insurance against disorder and breakdown of government exists if transfer from American Military Government to Italian Government is made while substantial number Allied troops are still in Italy to give confidence to Italian people and government particularly during important period of elections.

5. He expresses opinion that Italian Government should be given every assistance by Allies to assume responsibility for maintenance of law and order.

6. Consequently Stone recommends:

a. Northern regions except Udine Province be restored to Italian Government September 15 or 21 days after receiving Allied Force Headquarters approval, whichever is latest date;

b. Because of serious risk of disorder, renewed and urgent consideration should be given to retention of substantial number of Allied troops in Italy.

7. Stone asks for early decision on turnback date since general impression among Italians is that September first will be date and some publicity and preparation will be required for postponement.

8. Proposals for retention of liaison and economic groups in north after turnback will be made in subsequent telegram.
(*End of summary*).

Sent Department; repeated to AmPolAd 503.

KIRK

740.00119 Control (Italy)/8–1345: Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, August 18, 1945—1 p. m.

1376. Urtel 2321 [*2329*], Aug 13. Dept would have no objection to return of Bolzano Province to Ital administration if in opinion of SAC and AC there is no reason for retention of AMG. Ital Govt should be informed, however, that return is without prejudice to final disposition of Bolzano territory.

It is presumed SAC will recommend to CCS modification of Fan 536 [20] before proceeding with this matter.

BYRNES

740.00119 Control (Italy)/8–2145: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, August 21, 1945—6 p. m.
[Received August 21—4:44 p. m.]

2403. Chief Commissioner sent following telegram yesterday to AFHQ (Allied Force Headquarters).

(*Begin paraphrase*) I informed Prime Minister Parri this morning that instead of Sept 1 which he and I had discussed previously I had recommended that the Northern Provinces be turned back to Italian administration on Sept 15 (see Embassy's 2379, Aug 17). Postponement to Sept 15 did not meet with any objection. However in strongest terms he urged that Udine Province be returned with other provinces of North Italy. While appreciating Allied military requirements he feels that sufficient authority could be left to Military Commander to protect adequately Allied lines of communication. Parri was informed that we would state publicly that Udine Province would be returned to Italians Dec. 1 in any announcement forthcoming on handback of other provinces in north. However, I said I would submit his views to SAC (Supreme Allied Commander).

Re Dept's 1303, Aug. 3. In my opinion return of Udine on same date as other provinces would be undoubtedly politically desirable. However whether political factors should overrule military is problem I cannot determine. (*End of paraphrase*)

KIRK

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[20] See footnote 7, p. 1012.

740.00119 Control (Italy)/8-2145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, August 21, 1945—6 p. m.
[Received August 22—4:45 p. m.]

2407. Department's 1325, August 9.[21] Chief Commissioner has submitted a brief report from Regional Commissioner of Venezia Brigadier Dunlop (British) on sentiment of people of Bolzano for union with Austria.

Memorandum in paraphrase follows:

Reaction of German speaking population of Bolzano at present time is of course conditioned by uncertainty with respect to future policy of Italian Government toward Bolzano and ignorance of future organization and govt in Austria. This section of population a community of Germanic stock is strongly individual in culture and race. Italian promises are distrusted and things Italian are disliked. They are clearly apprehensive of union with Austria of tomorrow although sentimentally closely linked with Austrian Tyrol and govt from Vienna would be resented. Aside from extremist views this population like many other minorities strives for national independence under Allied guarantees or as second choice considerable autonomy within Italy with Allied guarantee of such autonomy. *End of Allied Commission report.*

This report follows very closely the lines of a report brought back recently from Bolzano by British political adviser to Allied Commission. As Department may be aware British Foreign Office has now decided Bolzano should be left to Italy in final determination of northern frontiers and for that reason is opposed to any action (including maintenance of Allied Military Government there) which would indicate that Province of Bolzano is a "disputed area".

For Department's strictly confidential information I feel that both British political advisers report on Bolzano and above quoted report from Allied Commission (prepared by a British Brigadier in Rome last week) are strongly colored by official British policy.

KIRK

740.00119 EW/8-2045

The President of the Italian Council of Ministers (Parri) to President Truman[22]

ROME, August 22, 1945.

MR. PRESIDENT: A short stay in Rome of Ambassador Tarchiani and his return to Washington afford me the opportunity of addressing you

[21] Not printed.
[22] Referred by the White House to the Department of State for appropriate handling.

this letter and of placing myself in direct contact with you, an earnest wish of mine for a long time.

Ambassador Tarchiani has expounded to me verbally and at length the friendly attitude shown towards Italy by the Government of the United States of America and has stressed the constant, cordial and personal support which the Italian cause has always found in their President.

I therefore wish to express to you, in the very first place, the deepest gratitude of the Italian Government and people for the generous assistance afforded us on every occasion and for the cordial support which, in the extremely difficult times we have undergone and we are still undergoing, touches us more than I can say.

It is an established fact that a deep feeling of confidence, of respect and friendship has arisen in Italy towards the United States, shared alike by all social classes; I consider this feeling as one of the most promising and positive results of the tormented period we have lived in, inasmuch as it re-establishes between our two countries, better than any diplomatic agreement, a really sound basis on which it is possible and necessary to build a close, confident and friendly collaboration.

This hour in which I write to you is decisive for us. In a few days our fate will be sealed in London.[23] You may easily realize, Mr. President, our anxiety and our concern.

It would be needless for me to recall the circumstances with which you are so well acquainted and which, on your initiative, have been clearly set forth in the Potsdam declaration, considered by us as the ideal premise of the future settlement of our problems. In other words I do not wish to emphasize again our bitter sacrifices, our devastated cities, our ruined economy, the destructions brought about by the war, the sufferings of our people, the good will with which we have fought on your side for nearly two years, our firm determination to rebuild a democratic, honest and pacified Italy.

I feel bound however to underline with the absolute frankness which the gravity of the times fully justifies that the drawbacks of an unjust peace would by far offset the questionable gains deriving to some Countries from the acquisition of strips of Italian or colonial territory which might be taken away from us.

An unjust peace would exert, in fact, the most unfavourable influence on that healthy and ordered democratic development of 45 million Italians which we have laboriously undertaken and are firmly resolved to achieve despite all difficulties: it would hinder the task of our and indeed of any Government; it would sow new seeds of mistrust and depression in the soul of our people; it would give rise to a feeling

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[23] For documentation pertaining to the London Council of Foreign Ministers, September 11–October 2, 1945, see vol. II, pp. 99 ff.

of diffidence towards the Western Powers, in whose declared ideals of equity and justice we Italians of the resistance movement have always believed and in the name of which we have fought and suffered with unshakable faith.

It is for this, Mr. President, that I turn to you in this decisive hour.

We do not ask for anything which is not just or equitable nor want anything which cannot be legitimately given us or that has been illegitimately taken from others.

Ambassador Tarchiani will summarily advise you, in the course of the interview which you have been so kind as to grant him, and will advise more in detail your Secretary of State of what in our opinion we believe to be a just peace, a peace which does not humiliate us, a peace which would allow a Country of ancient civilisation to take up again with human dignity her place in a pacified world.

I only wish to express to you, Mr. President, my firm belief that in this grave hour you will not fail to assist us with the full weight of your authority.

Believe me [etc.] FERRUCCIO PARRI

740.00119 Control (Italy)/8–2245

The Italian Minister for Foreign Affairs (De Gasperi) to the Secretary of State [24]

ROME, August 22, 1945.

MY DEAR SECRETARY OF STATE: Although I have not yet had the honor of making your personal acquaintance I take the liberty of addressing you with this letter, on the eve of the London Conference. Representing as I do a Country to which the United States have given throughout the period of co-belligerency so much evidence of human solidarity, and being entrusted with the leadership of a political party, forcibly suppressed because it stood for freedom against dictatorship and which, restored through the Allied victory, fully shares the ideals of American democracy, namely the dignity of the human person, tolerance and equality, social justice and government of the people founded on public order and observance of the Law, I feel I can address you, my dear Secretary of State, in an atmosphere of mutual understanding.

The fascist dictatorship, together with nazism, has been responsible for grievous wrongs. As soon as the Italian people were in a position to do so, they did their utmost to redress them and now, in their sense of justice, they do not intend to evade obligations laid upon them by international law and morals.

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[24] Transmitted to the Department through the Italian Embassy in Washington.

However the most substantial reparation Italy can offer consists in her contribution to the building up of a better world through her labor and culture. Although Italy has scattered all over the world so many of her sons in a peaceful competition for progress, and America has welcomed so many of them in a brotherly spirit, her population is still tightly concentrated within a small peninsula, impoverished by a long tyranny and exhausted by war. Nevertheless the natural qualities of industriousness and frugality, the age-long tradition of Christian morality and ancient Law, may yet make of the Italian people a sound and secure span for western civilization, the preservation of which was the fundamental concern of the great American statesmen—Wilson as well as Roosevelt—when they took the grave decision of entering into war.

It is for the cause of this civilization that we ask you now to be allowed to go on fighting with the instruments of peace, just as with your help we have fought with the weapons of war.

At Potsdam, America has already shown her understanding that this is only possible if peace will restore to the Italian people the dignity of the Free and the certainty that no condition essential to their development will be denied or impaired.

You certainly will have every opportunity, my dear Secretary of State, to acquaint yourself with the conditions that the Italian people's conscience deems essential and with the objective and subjective reasons that cause them to be so considered. However you will allow me to refer briefly and in the order of their importance to the principal among them.

Eastern Frontier With Yugoslavia

We willingly admit that, from an ethnical and economical viewpoint, Yugoslavia is entitled to some rectification of the present frontier, although it was freely agreed upon between the two Countries, at Rapallo in 1920.[25] We believe that the line suggested by President Wilson,[26] may be taken as the basis for such an adjustment. This line would mean to Italy the painful loss of two Italian cities, Fiume and Zara, and of nearly 80.000 Italians, while it would re-unite with Yugoslavia over 100.000 Slavs. We feel however bound to ask that account be duly taken of the necessity of safeguarding the autonomy of the cities of Fiume and Zara, by the establishment of special Statutes. As to the remaining territories, since a clear-cut ethnical borderline cannot possibly be drawn, the Italian Government are ready to stipulate with Yugoslavia, under the auspices of the United

[25] November 12, 1920; for text of agreement, see League of Nations Treaty Series, vol. XVIII, p. 388.

[26] For description and map, see H. W. V. Temperley (ed.), *A History of the Peace Conference of Paris* (London, 1921), vol. IV, p. 298.

Nations—or in any case to accept—a mutual obligation for the granting of cultural guarantees and local autonomies to the minorities.

The Italian Government are fully alive to the importance of the harbor of Trieste for the bordering Countries and they are ready to co-operate in order to reach an arrangement which would guarantee both to the harbor and to its railway connections their particular functions. The Italian people intimately feel that a forcible transfer of population entails extreme suffering: however they will not oppose an examination of this possibility, if and when requested by Yugoslavia.

Italy feels that co-operation is necessary with that Country in the field of economic relations and peaceful commercial trade; for this reason she will be all the more willing to accept the demilitarization of Pola, if requested, provided that the same measure be carried into effect for the naval base of Cattaro and on condition that the full independence of Albania constitute a further element of security and equilibrium in the Adriatic.

Northern Frontier of the Brenner Pass

The situation in the upper Adige region has undergone considerable changes since 1919. Italy has built in the district huge electric power plants: those in the provinces of Bolzano and Trento represent 13% of the whole national output. The potential hydroelectric power existing in this region is the only reserve left to Northern Italy for the development of the Po Valley industries and the national system of railway communications. Italy has developed, mainly in Bolzano, chemical and mechanical industries with thousands of Italian workers.

An intense national-socialist feeling penetrated the German-speaking population before and during the war so that the region gave a conspicuous contribution of volunteers to the nazi S.S. It is not true that this circumstance was brought about by a reaction against fascism; on the contrary the campaign in favor of the options, which took place after 1939, was conducted by Hitler's agents in the name of the Third Reich, and the most heated nationalists adhered to it, whereas many farmers and former Austrian nobles, as the Minister Toggenburg—to quote one outstanding example—declared themselves for Italy. The result of the options was due to an intensive nazi propaganda. The creation today of a German "enclave" on the Italian side of the Brenner Pass would be equivalent to establishing a cradle of future German nationalism, pioneered by those S.S. bands which are still roaming on the Alpine slopes.

Between 1919 and 1922, democratic Italy assured the German-speaking inhabitants cultural equality and representation in Parliament. Negotiations were also in progress with a view to establishing local

autonomies in the whole of the Tridentine Venetia. The Fascist dictatorship upset the local situation; but now the Italian democratic Government, in agreement with the A.M.G., has already taken proper measures with regard to German schools and a plan for local autonomies is being completed. The plan will be similar to the one already approved for the Aosta Valley and will be a sound bulwark for every legitimate freedom.

It has been said that the conservative element in Austria would be strengthened by adding to that Country about 200,000 Southern Tyrolese. But, as a former deputy to the Viennese Parliament, I am deeply convinced that either it will be possible to set up a large and economically sound Danubian State, in which case the annexation of a few Tyrolese will be superfluous, or else a small and anemic Austria could only subsist as a protectorate of a great Power closely interested in the Danubian Basin.

Should the Italian and "Ladin"[27] minorities of the Bolzano province and the economic interest of the whole of Italy be sacrificed to this uncertain future? And, moreover, does this precarious outlook warrant the doors of the Brenner Pass to be left wide open to a new German "Drang nach Süden"?

I venture to believe, my dear Secretary of State, that the above stated reasons for the preservation of the Brenner frontier will not be considered either narrow or selfish.

Western Frontier With France

No difficulties should arise. So as to dispel all possible suspicions on the part of France, we signed an agreement on February 28th, 1945, which, at the price of a great sacrifice for us, resigns every Italian claim on Tunis and every form of protection over those Italian laborers, workmen and professional men who through their activity have so considerably contributed to the economic development of Tunisia. On that occasion the French Government stated that they did not intend advancing any other claims than those relating to the Fezzan: now, however, they ask for adjustments of the western frontier. Even in this issue we have no intention of maintaining an uncompromising attitude.

Besides possible measures of demilitarization, we are willing to accept adjustments in the Vesubia and Tinea areas ("hunting grounds"), but the claim to Tenda and Briga Marittima appear, to Italian public opinion, to be wholly unwarranted.

Direct and friendly negotiations between the two Countries in order to reach an equitable and rapid solution of these issues, may be preferable to any other method.

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[27] Rhaeto-Romanic speaking people.

Aegean Islands

For public works, agricultural reclamation, industries and artisan activities, artistic and cultural development in the Aegean Islands (Dodecanese), Italy has spent millions over millions since 1912. The Italian people would willingly see them entrusted to Greece as a compensation and as a token of friendship between the two Mediterranean Countries.

However, the Italians living in Rhodes—whose activity has been intimately connected with the economic life of the island for many years—should be afforded, through equitable guarantees, the possibility of carrying on their work.

Colonies

Before Mussolini's invasion of Ethiopia, democratic Italy never considered colonies as a tool for imperialism, but rather as a means for absorbing Italy's surplus manpower. Present democratic Italy considers them in this same light. No incompatibility, therefore, appears to exist on principle between the interests of Italian labor and the administrative method of a trusteeship. In practice, however, such a collective method hardly corresponds to the peculiar necessities of the Italian colonies, owing to the difference between the Italian colonial conception and praxis founded on emigration, and the Anglo-Saxon system mainly based on raw materials and markets.

As regards the four Libyan provinces and the single colonies, I beg to refer to the Memoranda which we are ready to submit on each subject.

I only wish to mention two questions which, according to information received, appear to be the most debated; the ultimate fate of Cyrenaica and of Eritrea.

We gather that while no objections are raised against Italian sovereignty in Tripolitania, strategic guarantees are being sought in Cyrenaica in order to afford full security to the bordering Countries and to the international sea routes. We believe that such a security could be obtained through the establishment of "strategic areas", air and naval bases and other guarantees in the Tobruk sector and in Marmarica, without depriving Italy of the sovereignty on the Cyrenaica plateau, which she has already partly transformed into a suitable territory for her agricultural emigration.

Similarly, if even for Somaliland a trusteeship system could be discussed, in our old colony of Eritrea the maintenance of Italian sovereignty is essential. This is fully reconcilable with Ethiopia's requirement for a free outlet to the sea, for which purpose Italy has built the road leading from Dessie to Assab. This access could be

guaranteed either within Italian territory or, if requested, through frontier rectifications. Furthermore, to meet the legitimate requirements of the northern Abissinian regions, a free zone could be established at Massaua.

As to other details and other questions of an economic character, I have asked Ambassador Tarchiani to supply all necessary information.

In this letter I have confined myself to tracing the outline of a solution which cannot be considered an Italian national solution, but rather a contribution to international reconstruction and cooperation on the basis of a just peace, envisaged not as a punishment for the past, but as a foundation for a better European future.

I have not followed the traditional methods of expounding maximum propositions from which to recede to other possible ones: I have rather preferred to admit at once and frankly the sacrifices which we feel duty bound to make and to mention the conditions which appear to us necessary in order that the Italian people be enabled to collaborate effectively in the new world settlement founded on justice.

This procedure must be taken as another proof of Italy's absolute confidence in the sense of justice and in the understanding of the United States of America and of their representative to the London Conference.

For the successful outcome of this Conference I beg you to accept my best wishes. In expressing them I know I am interpreting the feeling of the hard working Italian people, who sincerely trust that the United States will impress upon the Conference the full meaning of their ideals of human brotherhood and social justice.

Believe me [etc.] A. DE GASPERI

740.00119 Control (Italy)/8-2145 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, August 24, 1945—6 p. m.

774. Rome's 2403, Aug. 21. Dept believes Udine should be returned to Ital Govt with rest of North Italy unless prohibited by overriding military necessity which could not be covered by arrangement Parri suggests.

Would appreciate your appraisal of extent to which situation indicated in your 3333, Aug. 21,[28] and also Yugo demands during Monfalcone negotiations[29] that special AMG zone include Udine (your

[28] Not printed.

[29] For documentation relating to Monfalcone negotiations regarding disposition of Venezia Giulia, see pp. 1103 ff.

2617 and 2624, June 14)[30] may be influencing the decision to retain AMG. Is necessity for retaining AMG in Udine upheld equally by US and UK military authorities? Inform Rome.

BYRNES

740.00119 EW/8-2445 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 24, 1945—midnight.
[Received August 24—8 : 55 p. m.]

3367. General Morgan informed us yesterday that during his recent visit to London he was instructed by British Chief of Staff to visit Foreign Office in order to receive guidance in connection with Italian peace treaty. He was informed by Sargent[31] that Council of Foreign Ministers had been instructed to place Italian peace treaty at top of its agenda and that Council would deal with settlement of both northeastern and northwestern frontiers of Italy and Italian colonies. He was also informed that everything possible must be done to expedite completion of Italian peace treaty and Sargent stated it was hoped to conclude peace treaty by Christmas of this year. Morgan added that he was requested by British Foreign Office to urge SAC (Supreme Allied Commander) to submit his views with regard to Italian peace treaty as soon as possible after consultation with his advisers at AFHQ (Allied Force Headquarters).

In this connection (re your 767 of August 22)[32] we have seen Spofford's[33] message from War Department to AFHQ (Allied Force Headquarters) requesting information for use in discussions related to Italian peace treaty. We will not fail to expedite transmission of data requested by Spofford from G-5.

KIRK

740.00119 EW/8-2545 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 25, 1945—5 p. m.
[Received August 26—3 : 36 p. m.]

3381. In conversation with CoS (Chief of Staff) last evening, he referred to Secretary's statement with regard to revision of Italian

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[30] Neither printed.

[31] Sir Orme Sargent, Deputy Under Secretary of State in the British Foreign Office.

[32] Not printed.

[33] Brig. Gen. Charles M. Spofford, member of a State-War-Navy Ad Hoc Committee to draft the articles for treaty of peace with Italy. He was Assistant Chief of Staff, G-5, AFHQ.

armistice terms and asked whether we had received any further info thereon. We replied that we had not heard anything recently but, of course, there had been some discussion of revision of Italian armistice terms with which the British Ambassador at Rome was fully familiar. We then communicated to him info contained in our 3117, July 30.[34] He asked if we had any specific suggestions to make in this regard whereupon we took the opportunity to talk to him along the lines of Rome's No. 1983 of July 15 to Dept.[35] General Morgan stated he was most interested and wondered what, if any, action should be taken at AFHQ. He said that he would not wish SAC to be "caught napping" if the Council of Ministers in London should suddenly send an urgent request to Caserta for a draft of revised Italian armistice terms, and suggested that we confer with G-3[36] planners and our British colleagues with a view to getting something down on paper to be ready for transmission to London or Washington if and when SAC should be requested to provide a draft of revised Italian armistice terms. We welcomed his suggestion and unless instructed to the contrary, we shall proceed along the lines of Rome's 1983 of July 15.

KIRK

740.00119 Control (Italy)/8-2945 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 29, 1945—5 p. m.
[Received August 30—6:20 p. m.]

3444. Reference your 744, August 24, 6 p. m. We informed appropriate authorities at AFHQ (Allied Force Headquarters) of Department's views with regard to return of Udine Province to Italian Government. While British and American military authorities at AFHQ (Allied Force Headquarters) state they recognize the desirability of such step at this time, they feel that return of Udine at present in view of military considerations is somewhat questionable, but in any event will give matter full consideration and make appropriate recommendations to Combined Chiefs of Staff. There is no doubt in our minds that Yugoslav demands during Monfalcone negotiations (see our 2617 and 2624 of June 14)[37] is greatly influencing

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[34] Not printed; it reported that the British Ambassador at Rome had received a directive from the British Foreign Office to work out a *modus vivendi* for the Allies in Italy (740.00119 Control (Italy)/7-3045).

[35] *Conference of Berlin (Potsdam)*, vol. I, p. 701. The telegram contained summary of a draft agreement suggested for replacement of the Instrument of Surrender.

[36] Army general staff section dealing with matters of operations and training.

[37] Neither printed.

SAC (Supreme Allied Commander) and General Morgan in this matter and in frank discussion of this subject recently both General Morgan and General Harding have acknowledged that in their opinions it would be absolutely essential to retain Udine under AMG (Allied Military Government) control until question of Yugoslav Italian boundary is settled. American military authorities here agree that Udine Province should be held under AMG until winter at which time snows will make it more difficult to instigate disorders. However, if Department wishes to see Udine Province returned to Italian Government in near future, we recommend that strongest possible representations should be made to CCS (Combined Chiefs of Staff) and to British Foreign Office as there is little doubt in our minds that General Morgan and General Harding, commander of 13th Corps, intend to maintain AMG (Allied Military Government) as long as there is no final settlement of Italian-Yugoslav boundary.

KIRK

740.00119 EW/9-245 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, September 2, 1945—3 p. m.
[Received September 2—1:55 p. m.]

3489. Our British colleague has shown us a copy of draft peace treaty with Italy prepared by FornOff.[38] We assume Department has seen this document which in length is reminiscent of Treaty of Versailles. Quick survey thereof indicates that it is very severe.

KIRK

740.00119 Control (Italy)/8-2245

The Secretary of State to the Italian Minister for Foreign Affairs (De Gasperi)

WASHINGTON, September 4, 1945.

MY DEAR MR. MINISTER: I am grateful for your communication of August 22, 1945, setting forth the Italian views on the general nature of the peace treaty with Italy and on certain territorial problems. This frank and statesmanlike exposition of the Italian point of view is most useful and will receive careful study.

You are, I am sure, fully aware that the objective which the United States will pursue in negotiating the treaties of peace will be the safeguarding of its permanent interests through the establishment of a

[38] See memorandum by the United Kingdom Delegation to the Council of Foreign Ministers (C.F.M. (45) 3), dated September 12, 1945, vol. II, p. 135.

just and lasting peace. I know that aim can only coincide with the interests and intentions of all countries concerned. The experiences of this war have proved how greatly the fate of all of us is interwoven with the fate of each and how much the future of civilization depends upon resolute cooperation in the work of peace.

This Government has always desired Italy to take her place in the post-war world as a real factor for peace and progress in Europe. It is convinced that the peace treaty with Italy must be such as to permit the energies and talents of her people to serve the great work of national and international reconstruction. I am confident that democratic Italy approaches the forthcoming negotiations with realistic awareness of the general necessities as well as of her own, and with full comprehension for the legitimate interests of her neighbors and their need for reassurance that Italy is wholeheartedly pledged to the principles and practices of peaceful collaboration.

Your assurances that Italy is ready to cooperate with her neighbors are received with satisfaction. I also note with pleasure your reference to the intentions of the Italian Government to guarantee full freedom to any minority groups in Italian territory, repudiating the futile methods and spirit of the past. The United States will watch with keen interest the implementation of this policy of tolerance and understanding which is rightfully part of the whole process of restoring promptly to the people of every region of Italy, without distinction of race, language, or creed, their rights and direct responsibilities as free citizens of a free country.

I am [etc.] JAMES F. BYRNES

740.00119 Control (Italy)/9–445 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 4, 1945—7 p. m.
[Received September 5—7:05 a. m.]

2572. I assume that Dept has already seen Naf 1069, September 1 to CCS (Combined Chiefs of Staff) containing SAC's (Supreme Allied Commander's) recommendations on withdrawal of AMG (American Military Government) from north Italy this month. Administrator [*Admiral*] Stone has sent following comments to AFHQ (Allied Forces Headquarters).

(*Begin paraphrase*) I would like to call attention to following points in connection with your Naf 1069, September 1. With full agreement of United States and United Kingdom Ambassadors, I strongly recommended in my 2960, August 1 [39] return of Udine Province on December 1 and return of Bolzano Province on same date as remainder of northern Italy. Supported by equal unanimity here,

[39] Not printed.

I urged in my 3748, August 15 [41] return to Italian administration on September 15 or 21 days after receipt of CCS approval of northern regions including Bolzano and return of Udine including Tarvisio area not later than first of December. I informed Prime Minister of my recommendations re date of turnback and forwarded his views re Udine in my 3937 of August 20.[41]

I have never mentioned to Parri as is obvious from the above record that AMG might be retained in Bolzano after the rest of north Italy had been handed back. It is likewise obvious from Naf 1069 that views of myself and my political advisers on Udine Province (including Tarvisio) and Bolzano have not yet been forwarded to CCS and that whatever form your further recommendations in this regard may take, future of above Provinces will be considered as separate issue after (or at best simultaneously with) consideration of general handback rather than before. Even further delay will result from this procedure I am afraid. Furthermore, as your Deputy President, I have the embarrassing task of explaining to Parri that your recommendations were made to CCS too late to make September 15 effective turnback date, this date in itself being a postponement from the original target date of September 1. On top of this must come the further admission that there is doubt re the return of Bolzano.

Since postponement of return to Italian jurisdiction to month of October would create highly unfavorable impression locally, I urge that my recommendations re Bolzano and Udine be forwarded without delay to CCS. I finally recommend that words "whichever date is the sooner" be substituted for "whichever date is the later". (*End of paraphrase*).

Without commenting on the deplorable delay in presenting this matter to CCS by AFHQ following Stone's message of August 15 (see my 2379, August 17), I wish to state I heartily endorse Admiral Stone's recommendations to AFHQ made on August 1 (see my 2254, August 7 [41] and Dept's 1376, August 18) and hope that Dept will give them full weight when assisting in preparation of reply to Naf 1069.

Sent Dept; repeated Caserta 563.

KIRK

740.00119 E.W./10-645

Report on Military, Naval, and Air Clauses of the Treaty of Peace With Italy by an Ad Hoc Committee of the State-War-Navy Coordinating Committee [42]

THE PROBLEM

1. To draft the military, naval, and air clauses for the Treaty of Peace with Italy which would fulfill the general objectives stated in the enclosure to SWNCC 155.[43]

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[41] Not printed.

[42] This is an enclosure to SWNCC 155/1, dated September 6, 1945.

[43] SWNCC 155, dated June 23, 1945, not printed. For text of a letter of June 15, 1945, from the Acting Secretary of State to the Secretaries of War and the Navy, a copy of which was enclosed with SWNCC 155, see p. 1008.

Facts Bearing on the Problem

2. The fascist regime in Italy declared war against France and Great Britain on June 10, 1940; against Russia on June 22, 1941; and against the United States on December 11, 1941. On July 25, 1943, the fascist regime was overthrown, and on September 3, Italy surrendered unconditionally to the Allies.

3. From then on, the position of Italy changed rapidly, so that by the time the long terms of the armistice were signed on September 29, 1943, General Eisenhower wrote Marshal Badoglio that these terms were "based upon the situation obtaining prior to the cessation of hostilities. Developments since that time have altered considerably the status of Italy, which has become in effect a co-operator with the United Nations." General Eisenhower added that it was recognized that some of the terms were obsolescent.

4. On October 13, 1943, Italy declared war against Germany and was granted the status of cobelligerent by the Allies. Diplomatic relations with Italy were subsequently resumed by the great powers, and on July 15, 1945, Italy also declared war against Japan. In the Potsdam Communiqué of August 2, 1945, the United States, Great Britain, and the U.S.S.R. announced their intention of concluding peace with Italy and supporting Italy's application for membership in the United Nations.

5. Beginning with President Roosevelt's and Prime Minister Churchill's statements [44] on the granting of cobelligerency, the Italians have been led to believe that the final peace terms for Italy would depend upon their progress towards democracy and their contribution to the war effort. Progress towards democracy has been made, Italian cooperation with the Allies has always been willingly granted, and the Potsdam Communiqué recognized Italy's material contribution to the defeat of Germany. Concurrently with their moral support the Allies have assisted Italy economically with a view to preventing disease and unrest and enhancing the Italian war effort. The underlying principle of this policy has been to encourage and assist the development of Italy as a friendly democratic state.

6. This policy is now to be implemented further by the conclusion of a peace treaty with Italy. The policy and the underlying principle form the guides for the drafting of the clauses of the treaty.

Discussion

7. See Appendix "A".

[44] For text of a joint statement by President Roosevelt, Prime Minister Churchill, and Premier Stalin released to the press October 13, 1943, see Department of State *Bulletin*, October 16, 1943, p. 254.

Conclusions

Political

8. Having in mind the foregoing considerations, and taking into account that Italy shortly is expected to assume the obligations as well as the privileges of membership in the United Nations Organization, it is concluded that for political reasons specific limitations with respect to the armed forces should be omitted from the military, naval and air clauses of the treaty. In line with economic policy, and for political reasons, it is also concluded that no limitations on rehabilitation or operation of Italian armament industry are necessary.

9. Given the present political alignment of Italy, and in the light of our determined policy, it is further concluded that international supervision of the Italian armed forces should be avoided. American interests would therefore be best served by treaty provisions binding Italy to the moral obligations which she will assume upon her entry into the United Nations.

Military—Ground and Air

10. In the light of the overriding political directive, it would seem undesirable to include restrictive military clauses unless some material military threat to the United States or its vital strategic interests would so require. The Committee does not find a basis for any such material military threat in the foreseeable future. The problem of preventing Italy from again becoming a tool in the hands of an aggressor is one which should be dealt with as part of general security arrangements rather than in the peace treaty with Italy.

11. Clauses in the treaty relating to the armed forces should, however, contain the adherence of Italy to the policy of non-aggression and to the principle of regulation of armaments. The clauses should elaborate on this policy to the extent of setting forth in general the primarily defensive purposes for which Italian armed forces will be organized.

12. In view of the overriding political directive referred to above, it is considered that no clauses setting a definite ceiling on the army or air force or imposing restriction on training, armaments and equipment should be included. For like reasons no provisions regulating the rehabilitation and operation of war industries are recommended.

13. In order that the United States may keep currently informed of Italian technical developments in the military field and may be in a position to exercise political or economic influence in giving direction in connection with Italian rearmament, the establishment of a strong U.S. Military Mission to Italy is recommended under arrangements which would permit free access to Italian military and industrial installations and facilities.

14. Demilitarization (i.e., restriction as to size and type of armaments, limitation as to air facilities and air fields) is not recommended.

15. Administrative provisions as to repatriation of prisoners of war are recommended for inclusion in the treaty. Provisions as to graves and disposal of remains should be covered in a separate instrument as should provisions continuing the rights of an occupying power for the benefit of troops remaining in Italy during redeployment.

Naval

16. Italy's future naval activities and naval construction should be directed toward her internal security, the local defense of her territories and sea routes, and the support of the United Nations.

17. Treaty stipulations which would impose on Italy retributive measures, dismantling or apportionment for dismantling, specific restrictions on future naval operations, building or shore activities (Including scientific research and experimentation), and apportionment for use among the United States, Great Britain, and U.S.S.R., would be contrary to the interests of the United States and the political policy of its government.

18. Treaty stipulations which would impose on Italy limited reparative measures in favor of France, Greece, Albania, and Yugoslavia would be just in principle, and would conflict neither with the interests of the United States nor the political policy of its government.

19. Since French naval losses suffered directly at Italian hands were small and since the French navy today is considerably more formidable than the Italian (largely by reason of the aid we have extended the former), Italian naval reparations to France should be of a token nature.

20. Greece, Albania, and Yugoslavia should receive relatively substantial naval reparations confined, however, to light surface craft.

RECOMMENDATIONS

21. That the draft of the military, naval, and air clauses, attached hereto as Appendix "B", be approved for incorporation in the Treaty of Peace with Italy.

APPENDIX "A"

DISCUSSION

General Considerations

1. The American objective is to strengthen Italy economically and politically so that she can withstand the forces that threaten to sweep her into a new totalitarianism and thence into an international political alignment diametrically opposed to American interests.

Italian sympathies naturally and traditionally lie with the western democracies; with proper support from them, Italy would become a factor for stability and order in Europe, and a staunch pro-American element on that continent. Italy's strategic position in the Mediterranean and American dependence upon the lines of communication to oil supplies in the Near East are basic factors which require, in the national interest, that the fullest consideration be given to possible long-range effects of the proposed treaty on relations between Italy and the United States.

2. The Italians are essentially a peaceful people, and their conclusive experience in World War II, from which Italy has emerged a bankrupt and devastated country, may be counted upon to ensure that if fairly dealt with now they will not again resort to aggression nor permit themselves to be aligned against their traditional Allies.

3. It is apparent from the progress of events that the imposition of a purely punitive peace on Italy would be contrary to American interests. It is equally apparent that there are wrongs to be redressed, wrongs which the victims of fascist aggression have suffered and for which Italy herself now desires to make reparation. Once these wrongs have been remedied, American interests require that Italy be established as a useful and prosperous state and that advantage be taken of the desire of the Italian people for full cooperation with the United States.

4. It is the Committee's understanding that the draft political clauses of the treaty will contain provisions generally as follows:

Territorial:

a. No revision of the Franco-Italian frontier.

b. No revision of the 1938 boundary between Italy and Austria.

c. Revision of the Italo-Yugoslav frontier approximately along the Wilson line, modified in the North to include within Yugoslavia Slav elements up to the 1914 frontier and in the South to permit the retention by Italy of the Arsa coal mines.

d. Cession of the Dalmatian Island to Yugoslavia.

e. Cession of the Dodecanese Islands to Greece, who will be required not to fortify them.

f. Italy will probably be required to place her African possessions under trusteeship, Italy to be made trustee. An exception will be the southern part of Eritrea, including the port of Assab, which it is proposed shall be ceded to Ethiopia.

Economic

a. Reparations from Italy to be limited to one-time removal of capital industrial equipment, devoted to war purposes, which have no peace-time utility.

b. Italian reparations from Germany to be met from German assets in Italy.[45]

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[45] For documentation relating to German reparations, see vol. III, pp. 1169 ff.

c. War claims against Italy to be met only from Italian assets within the Territory of countries presenting such claims.

d. Italian merchant vessels, cable facilities, et cetera, to be retained by Italy.

e. No restrictions to be placed on Italian industry.

5. Certain basic military and naval considerations may be summarized as follows:

a. The nature of the Italian people is neither warlike nor aggressive and the experience of Italy in this war has probably served to stamp out what martial spirit may have existed. It is hardly conceivable that the Italian people, unless subjected to aggressive foreign influence, would again permit themselves to be involved in a war of aggression.

b. The Italian economy has always been grossly inadequate to support a modern war. As a result of the destruction and general disruption of her economic life in this war, the Italian economy, without foreign support, would not be in a position to support any significant program of rearmament. That economy will be controlled by those who supply the basic materials which Italy has always lacked and of which she is now critically short. Since the United States is now and is likely to continue to be the major source, it will be in a position to influence the direction which the rehabilitation of Italian economy will take.

6. From the foregoing general considerations, the conclusion seems inescapable that for the foreseeable future, Italy, taken by herself, can not put herself into a position to threaten the vital interests of the United States in a military way. As in the past, Italy's military potential would seem to lie solely in her utility to another power or combination of powers. This utility arises more from her geography than from her military potential in men or resources.

7. It follows that the military clauses of the treaty should be considered more from the standpoint of the general arrangements for security and control of the European and Mediterranean areas than from the narrow standpoint of any possible threat by Italy herself. These arrangements will presumably be created under the United Nations charter.

Military—Ground and Air

8. It is assumed that the military clauses are not to be retributive in character. The condition of Italy today offers sufficient object lesson to the Italians and to others that war does to pay. Accordingly, the test of the necessity of military clauses of a restrictive nature is that of the military risk presented. Moreover in view of the overriding political directive which has determined the U.S. approach to the Italian problem generally and against which the proposed treaty provisions must be considered, it is assumed that it will be politically

undesirable to include restrictive military clauses unless the military threat to some vital interest of the United States is material and one which the inclusion of restrictive clauses in the treaty would eliminate or diminish.

9. Restrictive clauses are for present purposes taken to include (*a*) limitations on the future size, composition, and armament of the ground and air force, (*b*) limitations on war industries and production of armaments, and (*c*) provisions for demilitarization of certain areas.

10. From the short range standpoint, that is, for a period up to five years, it is concluded that Italy by itself can present no material threat. The basic consideration is the present condition of the country, already referred to. Italy is now, and will for some time be, completely reliant on substantial outside support to hold its economy together and offers no prospect of establishing any significant war potential. The present military establishment dates from the armistice when the Allies undertook to train, rearm, and re-establish a few units from the remnants of the badly disorganized and demoralized Italian army. The Italian ground force and air force are, therefore, almost wholly dependent on Allied military support and also to a great extent upon Allied administration for continued maintenance. It is not within the realm of probability, even should there be a rapid political realignment, that Italy can offer any material short term threat to U.S. interests.

11. Italy in concert with another power or group of powers presents, of course, a different picture. Access by another power to Italian bases primarily and the incidental use of Italian men and material has accounted for whatever military part Italy has played in both wars. There is no doubt that the Italian mainland in the hands of any great power would present a threat to U.S. strategic interests, particularly the line of communication to the Near East outlets of the Saudi-Arabian oil fields. However, such a threat could certainly not be eliminated, and it is believed would be very little lessened by provisions in the present treaty placing restrictions on the Italian armed forces. Reliance by Russia or another power would primarily be on its own forces. Treaty limitations on the Italian army and air forces, if effective and observed, would have little or no bearing on the use to which the strategic locations in Italy might be put. Finally the problem of protecting our interests against a combination to which Italy might be a party is much broader than the treaty with Italy and should be dealt with through other means.

12. In this connection, possible demilitarization of certain areas should be mentioned. Demilitarization is taken to mean limitation upon the size and specifications of arms and armament in a particular

area and limitation on size of and facilities installed at air fields within the area. Demilitarization of Sicily, Sardinia, and the smaller islands has been proposed by the British. The strategic purpose of demilitarization would be, of course, to prevent closing the straits and cutting the lines of communication through the Mediterranean. While limitations of this sort would undoubtedly have some effect in making less easy the use of these areas by another power, it is doubted that such measures would be of sufficient practical value to warrant inclusion here. Our experience in these areas indicates that without prepared bases these islands can be readily utilized by any power with mobile equipment and forces adapted for the purpose. More important though is the fact that interdiction of the sea passages could be achieved by present types of aircraft and by long range projectiles without use of these bases.

13. Long range aspects of the military threat offered by Italy, either by itself or in concert with other powers, present the same series of considerations, although their implications become more difficult to appraise. Because of the greater uncertainties the risks are greater. However it becomes in proportion more difficult and less realistic to attempt to meet these remote conditions in the drafting of the present treaty.

14. Take first long term limitation on the ground and air forces. Limitations in the past have been directed principally at (*a*) overall numbers, (*b*) composition and distribution, (*c*) training, and (*d*) armament and equipment. It is obviously impracticable at this time to set up fixed and final schedules which will govern the ceiling and armament of the Italian army for an indefinite future or even for a limited period of, say, 10 to 20 years. The rapid developments in types of equipment would make any such tables obsolete practically before they became effective.

15. The need for flexibility and adaptation to changing conditions would therefore make necessary some agency or commission set up and acting under the treaty, such as the various disarmament and armistice commissions under the treaties of the last war. Theoretically such a commission should be effective to fix standards and regulate the level of armaments in the light of changing conditions. Actually they have not operated successfully in the past and in the particular conditions presented here would involve a number of complications. First, any commission would be inter-Allied which would place the Russians in a position of equality with the U.S. and U.K. and would in all probability bring in the Yugoslavs. The political disadvantages are obvious. From the U.S. military standpoint it is not thought desirable to place the Russians on a footing of equality or to give

them in effect the rights the U.S. and British now enjoy by reason of their military effort in Italy.

16. Long term limitations on war industries and production of armaments seem similarly unrealistic, subject to the following comment. One of the few respects in which Italy might become a military factor is through development of new weapons. Italy's scientists, particularly in the electrical and aeronautical fields, have always been advanced.

17. Regulation of Italian scientific experiment for war purposes by an inter-Allied commission does not seem either practical or desirable for the reasons stated above. But if a strong U.S. military mission were established under bilateral agreement with the Italian government, the results of experiments along lines of particular interest to us would undoubtedly be observed and the benefits obtained, at least so long as reasonably close political relations exist. Even if such relations did not exist, it is believed that the fundamental weakness in the Italian economy would for an indefinite period place a limit on any far reaching development of new war implements or weapons.

18. A final and important factor in weighing the implications of long term military clauses is the creation of the United Nations organization. Questions of regional security are to be regulated by this body. It is also specifically contemplated that it will develop a general system for the regulation of armaments. While the effectiveness of this machinery is still to be determined, it undoubtedly offers a more workable long term means of adjusting the Italian military establishment to the needs of its security and our own interests than the proposed instrument. It is therefore concluded that the military clauses should refer to the United Nations organization and should commit Italy to the policies of non-aggression and to the principle of regulation of armaments set forth in the charter. In the direction of implementing the principle of arms regulation, Italy should also agree that it will develop its armaments program and policies along lines primarily defensive in nature and that its armed forces will be only such as are appropriate for internal security, guarding its frontier against acts of aggression, and policing its colonies and trust territories.

19. As a practical measure of assisting the Italian Government in the reorganization of its military establishment, it is recommended that a strong U.S. military mission be established by bi-lateral agreement with Italy. Such a mission would be particularly desirable in view of the non-restrictive nature of the draft military clauses and would offer a practical safeguard to the U.S. against certain con-

tingencies mentioned above. This agreement would be sufficiently broad to give the mission rights of inspection and investigation of military research and experimentation.

20. It is recommended that administrative provisions as to prisoners of war be included in the treaty. Provisions as to graves and war dead should be covered in a separate instrument as should provisions continuing the rights of an occupying power for the benefit of troops remaining in Italy during redeployment and the occupation of Germany and Austria. The latter should be negotiated and executed at the military level.

Naval

21. It is believed that future Italian naval activities and construction should be generally related to the moral obligations which will be placed upon Italy upon her entry into the United Nations, and the protection which membership in that organization will afford her.

22. The imposition of specific restrictions on future Italian naval operations, naval building, or naval shore activities (including scientific research and experimentation) would hardly be compatible with the cultivation of a friendly Italy, lending strength and giving position to the western democracies in the central and eastern Mediterranean. Furthermore, such specific restrictions would not be in accord with our political policies toward Italy.

23. The omission of specific restrictions on Italian naval activities and naval construction would not be inconsistent with the assumption by Italy of moral obligations, arising from her membership in the United Nations, in respect to the future activities and size of the Italian Navy.

24. It is considered that the only objective justification for retributive action in respect to the Italian Navy would be the possible exemplary and deterrent effect upon other secondary or minor powers contemplating war in the future. It is thought that there is no sound basis, in either history or reason, for presuming that such action would have this effect. Furthermore, retributive action would serve to impair the accepted political policy of encouraging and assisting the development of Italy as a friendly democratic state.

25. Since retributive action is discarded, *apportionment for dismantling* of all or part of the Italian Navy could only have meaning as a measure intended to effect the distribution of post-war naval power in the Mediterranean. The significance of such a measure would be, primarily, the reduction of the strength of the Italian Navy in relation to the French and Russian navies, the lessening of the facilities available to Italy's allies in time of war, and the weakening

of our prospective friend in southeastern Europe and the Mediterranean. Also, such apportionment would not conduce to strengthen the political policy.

26. All evidence indicates that there is no outstanding commitment to Russia to transfer outright to her one-third of the Italian fleet and merchant marine. The commitment which did exist was to *assign* to Russia one-third of the fleet and merchant marine for employment in the war against Germany, without prejudice to ultimate disposition. That commitment has been liquidated by events.

27. It is considered that, in principle, reparative action in the form of apportionment for use of a part of the Italian fleet is justified and, within limitations, would not be counter to our national interests or our political policy.

28. It is assumed that the United States and Great Britain could employ none of the ships of the Italian fleet and consequently wish none for their own use. It is likely, however, that the Russians could employ Italian naval vessels. Therefore, the effect of apportionment for use among these nations would be to add nothing to the United States or British navies but to strengthen the Russian navy, particularly in respect to the Balkan nations.

29. It is believed that Italy's Mediterranean neighbors (France, Greece, Albania, and Yugoslavia) which suffered naval losses at her hands are entitled to naval reparations in the form of apportionment for use. It is further believed that such reparations are unavoidable.

30. *France.*

Losses suffered by *direct* Italian action were only one (1) destroyer and two (2) submarines (this excludes those vessels surrendered to Axis by Vichy Admiral at Bizerte; and those scuttled by French at Toulon to avoid German seizure, raised, and incorporated in Italian navy).

31. *Greece and Albania.*

a. A distinction can be drawn between the naval losses suffered by these countries and those of France and Yugoslavia because aggression against Greece and Albania was initiated by Italy.

b. Losses suffered by *direct* Italian naval action were small; Greece—1 old light cruiser, 1 submarine; Albania—1 gunboat. By subsequent German action, however, Greece lost 1 coast defense battleship, 2 submarines, 4 destroyers, 1 old destroyer, 11 old torpedo boats, 10 old coastal minelayers.

32. *Yugoslavia.*

Although aggression against Yugoslavia was initiated by Germany, the Italians captured or destroyed 4 destroyers, 5 old torpedo boats, 3 submarines.

33. Attached hereto as Appendix "C"[46] is a tabular summary of Italian combatant ships by types and present operational status on the basis of the best information available here. This summary indicates the sorry condition of the Italian navy; furthermore, even the few recently built ships classified as fully operational are definitely inferior by our modern standards. This table also reflects the apportionment of Italian ships to France, Greece, Albania, and Yugoslavia proposed in the naval clauses of the Treaty, and the effect of such apportionment on the respective navies.

APPENDIX "B"

[Extract]

PART IV. *Military, Naval and Air Clauses*

Article 13

Italy hereby declares its attachment to the principles, set forth in the Charter of the United Nations, that international disputes shall be settled by peaceful means in such manner that international peace, security, and justice are not endangered, and that force shall not be threatened or used against the territorial integrity or independence of any state. Italy also recognizes the overriding necessity, in the interest of the early rehabilitation of the devastated areas of Europe, that there be a minimum diversion of manpower and economic resources to armed forces and to armaments. Italy accordingly subscribes to the principle of the regulation of armaments and proposes to rely primarily for its security upon the arrangements for the maintenance of international peace and security provided under the Charter of the United Nations.

Article 14

For the purpose of regulating the level of its armaments until the general system for the regulation of armaments to be formulated under Article 26 of the Charter of the United Nations becomes operative, Italy agrees that its armed forces shall be established for the purposes, primarily defensive in character, specified in Article 15. The size, distribution, training, armament, and equipment for its armed forces shall be such as are appropriate for these purposes. Italy undertakes to direct her future production of armaments to the provision of the armed forces required for the purposes set forth in Article 15.

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[46] Not printed.

Article 15

1. Italy undertakes to direct the future activities of her ground forces to (*a*) maintaining internal security, (*b*) guarding the frontiers of Italy against acts of local aggression, (*c*) maintaining order and security in Italian colonies and trust territories, and (*d*) to the support of the United Nations.

2. Italy undertakes to direct the future activities of her naval forces to (*a*) the internal security of her metropolitan area and that of her colonies or trust territories, (*b*) the guarding against local aggression of her sea frontiers and the sea routes to her colonies or trust territories, and (*c*) the support of the United Nations.

3. Italy undertakes to direct the future activities of her air force to the purposes of (*a*) employment in air defense and in coordination with the ground forces in pursuance of any of the purposes specified in Article 15, (*b*) furnishing military air transport of a type and on a scale in keeping with the size and composition of the Italian armed forces, (*c*) maintaining air communication with Italian colonies and trust territories, and (*d*) to the support of the United Nations.

Article 15–A

Transfer of Italian Warships

1. Italy will transfer ships of her navy to France, Greece, Albania, and Yugoslavia as follows:

a. To France:
One destroyer of the *Artigliere* class.
The submarines *Atropo* and *Zoea.*

b. To Greece:
One light cruiser of the *Regolo* class.
Four torpedo boats of the *Partenope* class.
Three escort vessels (corvettes) of the *Ape* class.
Five motor torpedo boats of the 1943 class.
Three anti-submarine motor boats (V.A.S.).
Three medium tugs.

c. To Albania:
One torpedo boat of the *Sirio* class.

d. To Yugoslavia:
Four destroyer escorts of the improved *Orsa* class.
Three escort vessels (corvettes) of the *Ape* class.
Five motor torpedo boats of the 1943 class.
Two coastal minesweeper of the R.D. class.
Three anti-submarine motor torpedo boats (V.A.S.).
Three medium tugs.

2. All of the foregoing ships will be transferred in good operating condition, and having on board:

a. Full armament and other equipment as designed or as existing, at the election of the transferee country.

b. Full ammunition allowances.
c. One year's normal supply of spare parts.
d. Fuel sufficient for passage to the nearest port in the transferee country.

. . . . . .

740.00119 Control (Italy)/9-645: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, September 6, 1945—midnight.
[Received September 6—7:30 p. m.]

3540. At SAC's political committee meeting this morning Alexander agreed to recommend immediately to (Combined Chiefs of Staff) CCS that Bolzano Province should be handed back to Italian administration with remainder of north Italy except Udine and Venezia Giulia on Sept 30 (refer our 3480 of Sept 1, midnight).[47] He stated that he could not, however, agree at this time to return Udine Province to Italian Govt because of necessity of maintaining security in northeast Italy and undesirability of having any direct contact between Italians and Yugoslavs on frontier in that area. We reiterated to SAC views set forth in first paragraph Dept's 774, August 24, 6 p. m. and SAC after the discussion stated he could not comply with our request, but if it would be of any assistance to Italian Govt, he might agree to hand back certain parts of Udine Province and will maintain the situation he wishes vis-à-vis the Yugoslavs. Would Dept consider that such action might be construed as prejudicing future decision with regard to Yugoslav claims as presented by Yugoslavs to British Ambassador Belgrade during negotiations before signature of Belgrade agreement?[48] (Refer our 2490, June 5, 5 p. m.)[47]

In this connection British Ambassador at Rome[49] visited Trieste yesterday and telegraphed our British colleague this morning that he dined with Gen. Harding last evening at which time he explained to Harding the desirability of transferring Udine Province to Italian Govt soon as possible. He stated that Gen. Harding understood situation perfectly and was sympathetic with Charles' views. He added that Harding stated that if some formula can be devised whereby his military requirements could be taken care of he would be glad to agree to handing over of Udine Province to Italian Govt. Foregoing was conveyed to Alexander this morning in our presence by

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[47] Not printed.
[48] Signed June 9, 1945; for text, see Department of State Executive Agreement Series No. 501, or 59 Stat. (pt. 2) 1855.
[49] Sir Noel Charles.

Broad[51] and SAC commented "Harding may wish to hand back Udine Province but I do not".

Message today from Gen. Harding to Chief of Staff refers to last evening discussion with Ambassador Charles and states further that while political desirability of bolstering morale of Italian Govt is appreciated Harding cannot properly maintain security of military communications through Udine Province and control on Morgan Line unless he retains in fact all powers for maintenance of law and order and security now invested in AMG (Allied Military Govt) including prompt removal and replacement of unsatisfactory civil officials. Harding's message suggested following pattern of face-saving formula as limit to which he would be prepared to go to meet political considerations: "Italian rights in Udine Province are recognized and administration of province will progressively pass to Italian control. Meanwhile Allied military forces are dependent on rail and road communications through this province and on available military accommodation. Allied Military Command acting through AMG (Allied Military Govt) officers in administration will remain responsible for maintenance of law and order in the province and no Italian troops will be located in the province without previous Allied military command agreement."

Careful consideration of all factors involved in connection with Alexander's decision to retain Udine under AMG (Allied Military Govt) for an indefinite period in spite of offer of Italian Prime Minister, as set forth in Rome's 2403 of Aug 21, leads us to believe that Alexander's action is based primarily on political grounds rather than military aspects of the case. We discussed this matter privately with SAC and his CoS (Chief of Staff) again this morning and both flatly stated they considered it essential to retain Udine under AMG (Allied Military Govt) because of presence of Yugoslav forces on border and desirability of not antagonizing Yugoslavs at this time.

Since SAC is persisting in his refusal to accept Harding's proposal Dept may wish to give urgent consideration to enlisting support of Foreign Office for joint *démarche* to CCS (Combined Chiefs of Staff) with view to SAC being instructed to accept formula proposed by General Harding.

KIRK

[51] Philip Broad, member of Staff of British Minister Resident at Allied Force Headquarters.

740.00119 Council/9-745 : Telegram

The Secretary of State to the Acting Secretary of State

S.S. "QUEEN ELIZABETH," [52] September 7, 1945—5 p. m.
[Received 11:15 p. m.]

Delsec [53] 4. Re draft Italian treaty Secretary of State requests immediate alternative draft of military and naval clauses. Alternative draft to describe minimum numbers of land forces required for maintenance of internal order in Italy and in Italy's African territories on assumption latter will be a responsibility of Italy, at least as administrator.

On assumption that one third Italian Navy may be transferred to USSR, and that additional Italian vessels may be transferred to France, Yugoslavia, Greece and Albania as set forth in draft naval clauses, what naval components will remain in Italian Navy and what disposition is contemplated for them?

Department should request War-Navy Departments and Joint Chiefs of Staff planning committee to consider these questions at once, prepare alternative drafts of military and naval clauses and provide explanatory and supporting memoranda. Cable new drafts to London with summaries of supporting comment.

BYRNES

740.00119 Control (Italy)/9-645 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, September 7, 1945—8 p. m.

814. Dept has discussed Naf 1069 and 1070 [*1071*] with War Dept (urtel 3512, Sept. 4 [54] and Rome's 2527 [*2572*], Sept. 4) and has requested that CCS reply be expedited so as not to delay return of provinces to Ital administration. As regards Udine, it is expected that CCS will approve retention under AMG only of that part of province necessary for military movements and will recommend public statement of reasons for AMG retention. It is noted from urtel 3540, Sept. 6, that this arrangement would be agreeable to SAC.

ACHESON

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[52] The Secretary of State was aboard this vessel en route to the First Session of the Council of Foreign Ministers in London. For documentation on the meetings of the Council, September 11–October 2, 1945, see vol. II, pp. 99 ff.

[53] Series designation for telegrams from the United State Delegation to the Council of Foreign Ministers.

[54] Not printed.

740.00119 Control (Italy)/9-845: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 8, 1945—3 p. m.

7740. For the Secretary. Field Marshal Alexander has asked CCS for authority to return the province of Bolzano to Italian administration at the time when the remaining provinces of northern Italy revert to Italian control with the exception of Venezia Giulia which remains under Allied Military Govt pending peace treaty settlement. Dept had previously raised no objection to return of Bolzano to Italians provided at time of transfer it is made clear to Italian Govt and people that this step in no way prejudices the ultimate disposition of the territory in question.

Should Council of Foreign Ministers decide to determine disposition of territory by plebiscite, such plebiscite should be undertaken under supervision of Allied Military Govt. In these circumstances do you consider it desirable to defer withdrawal of AMG until Council has deliberated question. War Dept and SACMED[55] wish withdrawal at earliest opportunity.

ACHESON

740.00119 Council/9-845: Telegram

The Acting Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, September 8, 1945—5 p. m.

7744. For the Secretary. Urtel Delsec 4 Sept. 7. State-War-Navy Coordinating Committee report on draft military and naval clauses of Ital treaty has already been forwarded by air mail to London. This report gives reasons for conclusion that no numerical ceilings should be placed on Ital armed forces in treaty; it was prepared following full discussions between State, War and Navy representatives during which it developed that only Army Air Forces favored numerical ceilings, whereas Navy was strongly opposed and Army Ground Forces inclined to Navy view. Dept disapproved fixed numerical ceilings on basis that Ital economy provided effective limitation of armed strength for period during which it might be possible to enforce such ceilings, that Ital armed forces could be made effective only through outside assistance (which U. S. Army desires to extend through proposed U. S. Military Mission to Italy), and that it was desirable if possible to avoid international supervision of Ital armed

[55] Supreme Allied Commander, Mediterranean Theater (British Field Marshal Sir Harold Alexander).

forces since such supervision would negate influence and indirect control to be exercised through proposed American Military Mission. Recommendations of SACMED and other Allied officials in Italy were also considered in discussion of draft clauses.

SWNCC report gives strength of Ital Navy, after proposed transfers to France, Greece, Yugoslavia and Albania, as follows:

	Fully Operational	*Requiring Overhaul and Repairs*	*Sunk, Possibly Salvageable*
Battleships	1	5	1
Large cruisers	0	1	3
Small cruisers	1	9	4
Destroyers	4	5	5
Submarines	1	29	8

In addition, there are miscellaneous minor craft in varying stages of repair.

Report contemplated that these remaining units would be left to Italy, as Navy representative states that majority are of little use to anyone, including Italy, it being estimated for example that $25,000,000 each would be required to place battleships in first class condition. Report also contemplated that no units would be transferred to USSR, as info available to Navy indicated transfer as discussed at Moscow and Tehran [56] was intended for war purposes rather than definitive transfer and this view was confirmed by President Roosevelt's statement at his press conference on March 3, 1944.

War and Navy have been asked to assist immediately in drafting alternative clauses as requested.

ACHESON

740.00119 European War 1939/8-2045

President Truman to the President of the Italian Council of Ministers (Parri) [57]

[WASHINGTON, September 20, 1945.]

MY DEAR MR. PRESIDENT: I was glad to have your communication of August 22, 1945, sent to me by means of Ambassador Tarchiani, and also your telegram of August 20, 1945.[58]

The anxiety and concern of the Italian Government and people at this time are indeed understandable. All of us are deeply con-

[56] For documentation on this subject, see *Foreign Relations*, 1943, vol. I, index entries under Tripartite Conference: Italy: Disposition of Italian naval and merchant shipping, p. 1185; and *Conferences at Cairo and Tehran*, index entries under Shipping, p. 922, and Italy, p. 913.

[57] This is printed from file copy of a draft sent by Acting Secretary of State Acheson to President Truman on September 19, 1945. The draft is identical with the message sent on September 20 and printed in Department of State *Bulletin*, November 11, 1945, p. 762.

[58] Telegram of August 20 not printed.

cerned that the first of the peace treaties to be concluded in Europe set a high standard for realistic, fair, and wise dealing with Europe's complex post-war problems. The United States Delegation, for its part, does not approach the problems facing the Council of Foreign Ministers in London in any narrow spirit of reward and punishment. Its criterion is a simple one: what will best promote the laying of a firm foundation for an enduring peace among free peoples and best serve the interests of the United States, of Europe, and of the world.

The task before us is not easy, nor can every solution be perfect. Yet I am confident that with determination and goodwill we shall achieve a peace which will enable Italy to rebuild her political and economic structure and assume that place in the community of nations which the qualities of her people warrant and our common interests require.

I am [etc.] [HARRY TRUMAN]

740.00119 Control (Italy)/9–2245: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Acting Secretary of State

CASERTA, September 22, 1945—midnight.
[Received September 24—9:42 a. m.]

3670. At JPS (Joint Planning Staff) meeting, AFHQ (Allied Force Headquarters), for discussion of British draft (reference our 3654 and 3655 of September 20)[59] of military and civil affairs agreement which CoS (Chief of Staff) insisted should be discussed on Allied basis, we stated that while we had no instructions whatsoever from Department and could, therefore, speak only personally as to our impressions, we would if so desired offer comments.

With reference to paragraph 18 of British draft[60] we stated that in our opinion announced policy of US Govt was to assist in the economic rehabilitation of Italy and that the clauses in this paragraph run directly counter to that objective. American officers present concurred in this opinion. British representatives who were present expressed view that while paragraph 18 might represent policy of British Govt, it was their opinion that the effect of these clauses

[59] Neither printed; telegram 3655 embodied text of British draft.

[60] Paragraph 18 stated: "The Italian Govt will provide free of charge local supplies and services required for the British forces in Italy under this agreement. The Italian Govt will also provide free of charge such Italian currency as British forces may require for their necessary expenditure in Italy including purposes already mentioned in this agreement. The Italian Govt will also provide free of charge supplies and services (and also if necessary Italian currency) required in Italy by competent harbor authorities for His Majesty's ships and vessels owned and chartered by Ministry War Transport calling at Italian ports on military service during period of this agreement." (740.00119 Control (Italy)/9–2045)

would be contrast to economic rehabilitation of Italy. We expressed, also in purely personal capacity, our view that Dept would not concur in policy such as outlined in last sentence of paragraph 20 which provides that any dispute arising as to interpretations of agreement would be settled by British High Command after consultation with competent Italian authority since it seemed to us that Italy as sovereign country would have inalienable right to bring up these matters through diplomatic channels. We abstained from any comment on purely technical military portions of draft except wherever possible to urge language be softened in order to make document more palatable to Italian people. In particular we urged such minor changes as phrase in the parenthesis at end of paragraph 2 "notifying such sanctions to Italian authorities" and placing in its stead "for implementing the above".

We discussed British draft with Field Marshal Alexander and Admiral Stone. Admiral Stone expressed surprise at severity for [*of?*] British draft and stated that he did not believe that any Italian Govt could accept such an agreement. In addition to article 18 he shared our apprehension that articles 3 and 4 of Part III [61] were too broad in scope and should be clarified. We stated to SAC (Supreme Allied Commander) that we did not consider the British draft a reasonable one and requested his views. He stated that because of his absence from AFHQ (Allied Force Headquarters) he had not yet had an opportunity to read the document carefully but would do so at once and would discuss it with us.

Late this afternoon Alexander sent for us and stated that he shared our apprehension and added that he would inform British War Office that the proposed agreement was much too harsh and should be toned down. He felt particularly strongly about article 18. In the meantime we had seen through an American officer at AFHQ (Allied Force Headquarters) a letter dated September 13 from General Spofford in the War Department to General Hamblen, head of G–5 section [62] AFHQ (Allied Force Headquarters) transmitting copy of proposed draft of American military and civil affairs agreement [63] which is, as

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[61] These articles read thus:

"Three. The Italian Government also agree if the British High Command so requires special airfield alighting areas, their facility in Italy may be designated for exclusive use of British forces. Such areas will remain under Italian civil administration but British High Command shall have right to police the areas and to control operations of facilities as necessary therein.

"Four. The British Air Force may participate in any organization that Italian authorities may set up in air traffic control of aircraft flying over Italian territory." (740.00119 Control Italy/9–2045)

[62] Headquarters general staff division dealing with civil affairs.

[63] For summary of American Draft Agreement contained in telegram 1983, July 15, 1945, from Rome, see *Conference of Berlin (Potsdam)*, vol. I, p. 701.

Department is aware, much more liberal than British draft. We therefore took liberty of informing Supreme Allied Commander that we felt quite certain American draft would be a more favorable one and hoped that Supreme Allied Commander would expedite his reply to British War Office in sense which he had outlined to us. Supreme Allied Commander states that just as soon as we had full information on contents of American draft agreement, he hoped we would communicate with him with view to sitting down and working out British and American agreements which would be more or less similar in terms and conditions. Alexander then said that information reaching him from London caused him to believe it might be some time before a treaty of peace could be completed with Italy. He added that as we knew he had directed that revised armistice terms should be prepared at AFHQ (Allied Force Headquarters) and that matter was now before JPS (Joint Planning Staff) on which this office is represented He inquired whether we had learned during our visit to London if there was any prospect of his being requested in near future to submit revised armistice terms which might serve as *modus vivendi* pending conclusion of Italian peace treaty. We stated we understood matter was being discussed but that we had not yet received any specific information as to when he might expect to receive such a directive.

In this connection SAC (Supreme Allied Commander) reminded us he would be relinquishing his duties October first and hoped that such action might take place before that date.

Repeated to London as 226 for Dunn.

KIRK

740.00119 Council/9-2445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 24, 1945—8 p. m.
[Received 9 p. m.]

9901. Delsec 52. From the Secretary for Acheson. I understand from the British that they have asked their Embassy in Washington to ask the Combined Chiefs of Staff to instruct Field Marshal Alexander to make a report on those articles of the Italian surrender instrument which could be canceled and those articles which should be retained in order to meet the US and British military requirements, the new situation to be without prejudice to any arrangements provided for in the treaty of peace with Italy. I am anxious to have the

US Chiefs of Staff join in such an instruction to Alexander. Please inform the Secretaries of War and Navy and the Joint Chiefs of Staff accordingly and say that I suggest that Alexander in drawing up this report consult the US and British Ambassadors in Rome and that the report should be made through the Combined Chiefs of Staff to the US and British Govts. [Byrnes.]

WINANT

740.00119 Control (Italy)/9-2745: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Acting Secretary of State

CASERTA, September 27, 1945—6 p. m.
[Received September 28—2:31 p. m.]

3716. Reference our 3655 Sept. 20, 12 p. m.[65] Joint Planning Staff AFHQ met Sept 25 to consider American draft of military and civil affairs agreement with Italy.

The meeting drew attention to differences between British and American drafts in that ours contained no specified time limit for duration of agreement and felt it preferable to have both agreements similar as regards this point. We spoke in favor of no time specification since no one at present time is in a position to know how long it will be necessary for agreement to remain in force and also we feel absence of time specification would be more palatable to Italians. In regard to technical changes suggested by American officers present we urged them every effort should be made to keep language as diplomatic as possible provided necessary military requirements were met. With reference to paragraph 11 (*a*), we expressed the view that the phrase "any additional allowances granted under Italian law will be paid by Italian Government" might well be changed to indicate that Italian labor will be paid at prevailing rates which will include additional allowances granted by Italian law. Should these payments be placed on Italian Government they might tend to defeat the purpose of drawing up an agreement which would not place too heavy a burden on Italian economy.

At SBC's (Subcommittee's) regular meeting this a. m. both British and American drafts were brought up. SAC expressed the view that the two drafts should be as similar as possible and also concurred its recommendation that a special paragraph would be needed to cover the possibilities of conflict arising from similar Italian concessions to both US and British forces. SAC himself spoke in favor of no time specification but added that he did not know reasons why

[65] Not printed.

British time limit of 5 years had been made. He also agreed that American military provisions not included in British draft should be drawn to attention of War Office with suggestion they be inserted if desirable. SAC expressed agreement with American and British observation at AFHQ that payment provisions in British draft might well impede Italian economic rehabilitation which is stated policy of two Governments.

Copies of changes suggested in both plans will be forwarded to Department.

Repeated to London for Dunn as 219.

KIRK

740.00119 Council/9-2845 : Telegram

The Ambassador in the United Kingdom (Winant) to the Acting Secretary of State

LONDON, September 28, 1945—3 p. m.
[Received September 28—11:59 a. m.]

10087. Delsec 79 from the Secretary. Reference urtel 7740, September 8. On the question of terminating military government in the Bolzano area I consider that it is important that there be no change just at this time in the administration of this area since the settlement with Italy is still before the Council Foreign Ministers. Please request the War Department to defer any arrangement for withdrawal until I can review the matter after the termination of this Conference. [Byrnes.]

WINANT

740.00119 Control (Italy)/9-2545 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, September 28, 1945—9 p. m.

861. Urtel 3692, Sept. 25.[66] Dept. has informed War Dept. that we favor return to Italy administration of all northern provinces except Bolzano, decision on which pending Secretary's return and that we agree to retention AMG in Udine provided statement made of reasons therefor. It is understood reply is now being cleared with British.

ACHESON

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[66] Not printed.

740.00119 EW/10-145 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, October 2, 1945—7 p. m.

1730. Urtel 2902 Oct 1 and AmPolAd's 3765 Oct 1.[67] Pending Secretary's return from London, only preliminary views re revision of Ital armistice terms can be given.

Following Soviet refusal [68] at Potsdam to agree to US proposals re revision of Ital armistice terms unless similar action were taken in regard to other ex-enemy states, it was provisionally agreed between US and UK Govts to accelerate steps to transfer increasing responsibility to Ital Govt and to consider action to declare certain articles of armistice inoperative. The procedure by which latter action would be taken is still to be determined but it is evident that matter should be handled through military channels and it appears probable that best method would be official communication from SACMED to Ital Govt that Allied powers considered designated clauses of armistice to be inoperative. This procedure would obviate negotiation of new agreement with its attendant difficulties while at same time would probably satisfy Ital desire for revision of armistice regime, official request for which has just been received through Tarchiani.

Dept is now giving consideration to possibility of retention only articles 11, 13, 24, 29, 30, 31, 33, 34, 36, and 43. In addition there should remain in force such provisions as may be required by presence in Italy of Allied forces until such time as a civil affairs agreement can be negotiated and come into effect. Further advice will be given you upon Secretary's return.

Sent Rome 1730, rptd to Caserta 866.

ACHESON

740.00119 Control (Italy)/10-245 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Acting Secretary of State

CASERTA, October 2, 1945—10 p. m.
[Received October 3—9 : 50 a. m.]

3774. Reference your 861 of Sept. 28, 9 p. m. Admiral Stone has now informed AFHQ that he had reported on August 20, that he had already advised Parri of the recommendations regarding both Bolzano and Udine and as instructed at SACMED's conference on Sept 27 (see our dispatch 1323 of Oct 1).[69] He had informed the

[67] Neither printed.
[68] See *Conference of Berlin (Potsdam)*, vol. II, p. 1086.
[69] Not printed.

Prime Minister that SACMED considered that Udine for military reasons would be retained under AMG but returned to Italian administration when such reasons no longer existed. Parri understood that Bolzano would be returned but without prejudice to final disposition. Admiral Stone is perturbed with regard to Dept's deferment of decision on final disposition of Bolzano and has expressed the opinion that should Dept decide against return of Bolzano the political effect on the Prime Minister, his govt and the general public would be most unfortunate. Stone urged, therefore, most strongly that SAC's recommendation with regard to Bolzano should be accepted. (See our No. 3546 of Sept. 6 [70]).

KIRK

740.00119 Council/10-445 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 4, 1945—4 p. m.
[Received October 4—3:42 p. m.]

10332. Delsec 106. From Dunn. The Foreign Office is about to send instructions to Washington proposing a directive for the return of the Bolzano region to Italian administration but on condition that there be an official and public understanding that this measure is purely for administrative reasons and in no way prejudices the peace settlement on questions of Italian frontiers. Supreme Allied Commander Mediterranean would also be requested to arrange that British and American troops continue to be held in the region.

On the first point, I think that it is important to avoid wherever possible any measure which would give rise to speculation as to the territorial settlement with Italy, in view of the political effect at the moment on the general question of the peace treaties. Since the British want to keep Udine under Military Government (as well as Venezia Giulia, of course) the retention of Bolzano ought not to create the administrative difficulties which the British think would result from a division of authority in "a small and isolated part" of northern Italy.

It seems to me that the contemplated statement would not allay the anxieties of the local population. At the same time the withdrawal of Military Government would point up a difference in policy as applied in the case of Venezia Giulia.

On the second point, we should keep in mind the fact that the Foreign Office is able to make decisions for the utilization of the military for political purposes to a much greater degree than can we.

[70] Not printed.

I recommend that we still delay this measure if at all practicable in the light of the various reports from the field which I understand are available in Washington. [Dunn.]

WINANT

740.00119 E.W./10-645

Memorandum by the Joint Chiefs of Staff to the State-War-Navy Coordinating Committee

SM-3643 WASHINGTON, 4 October, 1945.

1. The Joint Chiefs of Staff have considered SWNCC 155/1 [71] and their comments are as follows:

a. They withhold comment on the matter contained in the conclusions and discussion of the paper, particularly on the recommendation concerning a strong U.S. Military Mission to Italy, since their comments on this part of the paper do not appear to be required at this time.

b. As to naval clauses, from the military point of view it is considered that all Italian submarines should be destroyed and that in the neighborhood of one third of the present Italian fleet should be returned to Italian control. The remainder should be scrapped.

2. The Joint Chiefs of Staff recognize that political considerations may override the military view concerning the disposition of the Navy, which is expressed above.

3. Subject to the above comment, the Joint Chiefs of Staff find no objection from a military point of view to the proposed military, naval and air clauses contained in Appendix "B" of SWNCC 155/1.

For the Joint Chiefs of Staff:
A. J. MCFARLAND,
Brigadier General, U.S.A.,
Secretary.

740.00119 Control (Italy)/10-545: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 5, 1945—10 a. m.
[Received 4:15 p. m.]

2960. With reference to the turn back of north Italy to Italian jurisdiction it is assumed that Dept has seen Naf 1069, Naf 1071 and Naf 1073 from SAC (Supreme Allied Commander) to CCS (Combined Chiefs of Staff). No reply has been received from the latter al-

[71] See Report on Military, Naval, and Air Clauses of the Treaty of Peace with Italy by an Ad Hoc Committee of the State-War-Navy Coordinating Committee, p. 1034. This report was an enclosure to SWNCC 155/1 dated September 6, 1945.

though it was recommended that the handover date be Sept 30. Deputy Executive Commissioner of AC (Allied Commission) has telegraphed Admiral Stone from Milan that personnel situation AMG (Allied Military Govt) north Italy is so acute that AC (Allied Commission) should ask AFHQ for immediate authorization to transfer all north Italy except border provinces to Italian Govt. He reports "We are doing Italians no good and ourselves much harm by continuing".

Dept is of course aware of harmful political effect here resulting from failure even to announce date of AMG (Allied Military Govt) withdrawal north Italy.

KIRK

740.00119 E.W./10-645

Memorandum by the State–War–Navy Coordinating Committee to the Secretary of State

WASHINGTON, October 6, 1945.

1. At the twenty-fifth meeting of the State–War–Navy Coordinating Committee held on Friday, 21 September 1945, the military and naval clauses of the Treaty of Peace with Italy (SWNCC 155/1),[72] which had been approved at the twenty-fourth meeting subject to reconsideration in the light of such comments as might be received from the Joint Chiefs of Staff, were again brought up for discussion at the request of the Navy Department. It was pointed out that it is the opinion of U.S. Naval authorities that a strong Italian Navy might well become a menace to British interests in the Mediterranean, which would not be to the best interest of the United States; and that not more than one-third, or at the most one-half, of the present Italian fleet should be returned to Italian control. It was also the U.S. Naval viewpoint that it is inconsistent with our policy to return submarines to Italy. It was recognized, however, that political considerations may override this naval position.

2. After this discussion, the State–War–Navy Coordinating Committee agreed that the Committee's approval of SWNCC 155/1, which had been given at the twenty-fourth meeting, subject to comments of the Joint Chiefs of Staff, should be supplemented by the following:

a. That the views of the Navy Department, as stated at this meeting by Admiral Cooke,[73] be expressed in full in the alternative clauses to be drawn up by the State Department, based on recommendations by the Navy Department and sent to the Secretary of State in London.

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[72] See footnote 71, p. 1059.

[73] Vice Adm. Charles M. Cooke, Jr., Chief of Staff to the Commander in Chief, United States Fleet.

b. That recommendations should be made to U.S. representatives in London that should the British propose such treatment of the Italian Navy as envisaged in SWNCC 155/1, the United States should support their position, even though this position is not in agreement with U.S. Naval views with regard to disposition of the Italian fleet.

c. That this matter be cleared within the Joint Chiefs of Staff.

3. The alternative clauses dealing with the disposition of the Italian fleet drawn up by the Navy Department were published in SWNCC 155/2, a copy of which is attached hereto.[74]

4. The comments of the Joint Chiefs of Staff on SWNCC 155/1 are also attached.[75]

For the State-War-Navy Coordinating Committee:
H. FREEMAN MATTHEWS
Acting Chairman

740.00119 EW 1939/10-645

The Italian Ambassador (Tarchiani) to the Secretary of State

The Italian Ambassador presents his compliments to the Honorable the Secretary of State and has the honor to inform him that he has been requested to bring to the attention of the Government of the United States the following statement made by the Foreign Minister, Signor De Gasperi, in the recent speech to the Italian Consultative Assembly:

"Italy acknowledges that an equitable and fruitful peace can be founded only upon the principles and purposes for which the United Nations have fought the war and for which new democratic Italy has aligned herself with them: in particular that peace must be founded on the fulfillment of international law; on the faith in human dignity; on the respect of the human being and the rights of man; on the aspiration that in every country be ensured the essential human liberties: freedom of speech, freedom of religion; freedom from want that will guarantee a healthy and peaceful life in every country, in every part of the world; and, finally, freedom from fear of any act of aggression of one country against another."

The Italian Ambassador has been directed to inform the Honorable the Secretary of State that the Italian Government is particularly desirous that a formula identical or analogous to the one above mentioned be included in the preamble of the Peace Treaty.

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[74] Not printed. There were two tentative and alternative drafts. One provided for an equilateral three-way apportionment of the combatant ships not designated to be scrapped between the United States, the United Kingdom, and the Soviet Union. The other provided one-third apportionment to the Soviet Union and a reparative apportionment to France, Greece, Yugoslavia, and Albania, with the vessels not thus apportioned remaining to Italy.

[75] See memorandum by the Joint Chiefs of Staff, dated October 4, p. 1059.

Such formula, while in accordance with the spirit which has inspired and inspires the United States of America in war as in peace, corresponds to the aims and ideals of the Italian Government.

WASHINGTON, October 6, 1945.

740.00119 EW 1939/10–1245 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 12, 1945.
[Received October 12—10:22 a. m.]

3062. Parri's weekly press conference is prominently featured in all morning papers as appealing for a change in armistice status for Italy. According to *Giornale del Mattino* Parri expressed satisfaction with Byrnes and Bevins declarations concerning Trieste [76] which indicates that internationalization will be limited to the port area and leave the city under Italian administration contrary to insistent declarations made by official Yugoslav sources that whole city will be internationalized. Referring to Byrnes declaration that new Italian democratic constitution must have international guarantees that Italy will maintain certain fundamental liberties Parri stated that he would quite willingly accept such guarantees if these were to be applied to all European States in general interest of peace. Otherwise such guarantees if limited only to Italy and a few other nations would restrict her national sovereignty and place Italy in a permanent position of inferiority with respect to other nations.

Parri also expressed disapproval of Byrnes' assertion relative to disarmament that the Great Powers had accepted the US point of view that Italy should entrust her defense to United Nations. Such a condition commented Parri can be imposed upon us but "if it is not justified it will not be accepted by Italian public opinion". However, Italy is willing to adopt disarmament if it is a general policy of all nations. He also raised question whether it is prudent in the present European situation to have one-sided disarmament. He made a brief reference to demands for reparations on part of several nations declaring that the sums asked for are not as yet official but reminder that Italy is in no position to make payments.

He warmly endorsed Byrnes' statement there were no reasons why armistice conditions should not be published and went on to affirm

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[76] For text of declaration to the House of Commons on October 9 by Ernest Bevin, British Secretary of State for Foreign Affairs, see *Parliamentary Debates*, House of Commons, 5th series, vol. 414, col. 36. For text of Secretary Byrnes' Report on First Session of the London Council of Foreign Ministers, see Department of State *Bulletin*, October 7, 1945, p. 507.

that Govt needs a peace that will give nation "an international juridical status". In present conditions wherein peace terms will have to be studied by a commission of experts which will refer to the deputies who in turn will refer to Foreign Ministers who in their turn will have to refer to conference means that Italy will not have a definite status until this spring. He renews the request that international juridical position of Italy be defined so as to permit Italy possibility of resuming international commercial trade. "It should not be difficult substituting present armistice conditions and we need urgently an economic ruling which would give us security in matter of relief so increasingly necessary to us".

He expressed Italy's full gratitude to Allied Nations and to America in particular for generous help given to Italy without which the nation cannot rebuild herself. He passed in review the figures of this year's disastrous harvest and asserted that it is indispensable that help come from the outside in order to prevent runaway inflation.

Returning to the question of armistice terms he passed in review the limitations on Italian sovereignty imposed by terms. He stated that Italian Govt can not move troops, demobilize or arm the police without Allied consent. Aviation is strictly controlled and even gliders are prohibited. "Even Italy" asserts Parri "has a future in active resumption of civil aviation and I would like to see our youth begin to exercise itself again in this field". The armistice conditions he concluded limit the Govt's activities also in field of sanctions against Collaborationists and Fascists, which limitations have repercussions even in preparation for elections.

KIRK

740.00119 Control (Italy)/10–1245 : Telegram

The Chargé in the United Kingdom (Gallman) to the Secretary of State

LONDON, October 12, 1945—9 p. m.
[Received October 13—6:15 a. m.]

10685. In view of presumptive delay in completing Italian peace treaty FonOff is again studying problem of relaxing armistice regime. It shares our view that many provisions which have become obsolete or inoperative should be cancelled. Principal difficulty, according to Hoyer Millar,[77] is to find method of doing so which will not give Russians excuse for cancelling clauses they do not like in Balkan

[77] Frederick Hoyer Millar, Head of Western Department, British Foreign Office.

armistices. It is feared that to discuss revision of the Italian armistice with the Russians would bring immediate proposals for revision of such clauses in Rumanian and Bulgarian armistices as those relating to demobilization and disarmament. On the other hand any Anglo-American steps toward this end taken independently of the Russians would afford them a convenient pretext for similar unilateral action in the Balkans. Hoyer Millar says FonOff has so far been unable to find any satisfactory answer.

Sent Department as 10685, repeated Caserta 138.

GALLMAN

740.00119 E.W./10–1345 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, October 13, 1945—9 a. m.
[Received 12:22 p. m.]

3868. War Dept has informed Acting SAC (Supreme Allied Commander) that there is growing US public opinion that only very strong reasons should prevent any publication of Italian armistice terms. In its message War Dept advises McNarney that it understands Secretary of State has intimated to newspapermen that only War Department is withholding publication and requests McNarney's views on publication from military viewpoint.

Deputy British Resident Minister is of opinion that Foreign Office does not favor publication until more lenient document has been drawn up to replace present armistice terms. Our view is that publication, if decided, should be coupled with statement by both governments along lines your press conference October 11 [*10*], 1945 [78] that terms are very harsh and obsolete and a new instrument is under consideration. In this connection it should be borne in mind present strict objections made by British Admiralty and airforce opposing any softening of armistice terms.

CoS (Chief of Staff) informed us that while question of publication is now under study McNarney's preliminary view is that there does not appear to be any military objection to publication and impression of AFHQ is that publication is being withheld for political and not military reasons.

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[78] Mr. Byrnes at press conference on October 10 stated that at the London Conference he "could not secure the agreement of either our British friend or our Soviet friend at that time to a revision of the armistice terms. The armistice terms as far as Italy is concerned are obsolete. They are very harsh. They admittedly should be revised but when we undertook the drafting of a peace treaty with Italy, any effort at modifying the armistice terms was abandoned because there was no reason for it because of the fact that we were unable to write a treaty of peace or had any hopes of it being adopted in a short time".

Since McNarney will request our opinion at meeting October 15 to consider reply to War Dept, please instruct us of your views.

AFHQ is also consulting Admiral Stone.

It is hoped Dept will not use this message as basis of any discussion of this subject with War Department.

KIRK

740.00119 EW/10-1345 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, October 14, 1945—1 p. m.

894. Your 3868, Oct. 13. There is considerable pressure here for publication. However Dept would not want to publish if Ital Govt should feel this inadvisable. Formal revision of surrender instrument may be rendered difficult both by Brit military views and Soviet position. Pending receipt by CCS of AFHQ views Dept is tentatively considering possibility of public declaration somewhat along lines of statement last February on revised AC directives that rights under certain specified articles will be held in abeyance. Your and Rome's comments will be helpful.

BYRNES

740.00119 EW/10-1445 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 14, 1945—10 p. m.
[Received October 15—5 : 20 p. m.]

3086. AC (Allied Commission) received yesterday message from AFHQ (Allied Force Headquarters) stating that telegram had been received from Agwar [79] to effect that pressure was being exerted in US to bring about publication of armistice terms. In this connection AFHQ informed AC that meeting is being held tomorrow to discuss matter and asks AC for its views. Finally AFHQ remarks that preliminary view at Caserta is that no strictly military considerations prevent publication of terms provided Allied Govts consider such step politically desirable.

Following receipt of this communication AC called meeting of staff heads to examine question. Stone took line that, while publication appeared desirable and perhaps necessary, publication of long armistice terms without explanatory material accompanying text would be undesirable and for this reason instructed Commission

[79] Adjutant General, War Department.

to prepare for AFHQ detailed analysis of operation of armistice, indicating specifically which terms might be considered obsolete, which had been modified and which must stand. It was generally admitted that if outline of interim regime to replace armistice could be concurrently announced excellent effect would be produced; however, it was agreed that no such action was possible as approved plan for interim regime did not exist. British political adviser stressed that obtaining approval of interim regime was further complicated by necessity of bringing Soviet Govt into consultations.

Therefore, conclusion was reached that, from average point of view of practicability and desirability, publication of long terms with full explanation of present status of each article was most satisfactory course. At same time it was agreed to recommend that Cunningham–De Courten agreement [80] covering status of Italian Navy, Eisenhower letter of September 29, 1943, to Italian Govt,[81] Fan 487 (Macmillan *aide-mémoire* of February 24, 1945)[82] and substance of Fan 583 [83] regarding Italian financial setup, should also be published. Armistice terms to be released would be original long terms as amended by protocol of November 9, 1943.[84] All present agreed that closest contact should be maintained with Italian Govt and that any press release covering aforementioned material should be made in full accord with Italian Govt and following its agreement. (See my 3054 of October 11.) [85] It was further the consensus in AC that if possible Italian Govt should appear to take lead in bringing about publication, although actual release of terms, explanatory information and other aforementioned material should probably come from Allied sources.

In view of foregoing AC meetings examined long terms in detail and authorized Executive Commission to proceed to Caserta and inform AFHQ of its sentiments, with following specific notes on explanatory statement to be issued concomitantly with long terms. (In this connection Dept's 1730 of October 2—substance of which was already familiar to British political adviser—was borne in mind by my representative and all articles which Dept indicated in its 1730 should be maintained were safeguarded.) Articles which had been specifically modified or altered in practice were subject of special notes, prepared by appropriate sub-commissions, which will be transmitted when final text is available.

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[80] For text of agreement, dated September 23, 1943, see Treaties and Other International Acts Series (TIAS) No. 1604, or 61 Stat. (pt. 3) 2766.

[81] For General Eisenhower's letter to Marshal Badoglio, September 29, 1943, see TIAS No. 1604, or 61 Stat. (pt. 3) 2760.

[82] Fan 487, January 31, 1945, not printed, but for the *aide-mémoire* of February 24, 1945, which was based on Fan 487, see p. 1244.

[83] Dated July 3, 1945, p. 1266.

[84] For text of protocol of November 9, 1943, see TIAS No. 1604, or 61 Stat. (pt.3) 2761.

[85] Not printed.

Thus following terms of armistice[86] were, in opinion of AC, obsolete and public statement to that effect was recommended: 1, 2, 3, 4, 5, 9, 12, 25, 27, 28 A, 28 B, 32 A, 41, 42. On these articles AC felt terms were either no longer applicable or commitments thereunder had been completed. Article 12 was now thought to be part of normal business of Italian Govt.

All other articles it was decided should not be eliminated entirely although many were substantially modified. Articles 10, 11, 13, 17, 21 A, 21 B, 28 D, 29, 33 A, 34, 35, 43, 44 were left substantially without comment except as follows:

Article 10 is entirely in Italian interest;
Final sentence of article 11 is somewhat modified in practice since much of war material has been turned over to Italian Govt;
It is noted 21 B has not generally been applied;
AC desires to point out under article 34 that recreation of Italian armed forces has played larger role than demobilization thereof.
AC had no comment on articles 22 (never evoked), 33 A, 38 A, 38 B, 39, 40 which presumably will remain.

Remaining articles were commented upon as follows:

6—not generally operative;
7—modified by Cunningham–De Courten agreement;
8 modified in practice by Air Forces subcommission which has extended operations of Italian Air Force;
14 A and 14 B modified in practice;
15 modified by Navy Subcommission insofar as fishing vessels are concerned;
16 greatly modified since control is maintained only over frequency allocations, and general right of supervision over communications is maintained only in AMG territory;
18 generally stands although AC points out that provision regarding request for withdrawals of Italian forces have been applied only in two restricted cases (Venezia Giulia and Italo-French border area).
19 generally stands although operations of local resources board have eased requirements on Italy and permitted Allied authorities to requisition supplies, generally, in consultation with Italians;
20 turnover of territory to Italian Govt and Fan 487 have greatly modified provisions;
23 modified by Fan 583;
24 stands but slightly changed by Fan [*Tam*] 640 insofar as provisions affecting private trade are concerned;
26 Allied authority not generally required although control still exercised through Allied hold on transportation facilities;
28 C modified in practice;
30 stands although AC points out provisions affecting Fascist organization are almost obsolete;
31 stands except for final sentence which is altered by Fan 487;
32 B almost completed;

[86] TIAS No. 1604; 61 Stat. (pt. 3) 2742.

32 C modified since much of property has been turned over to Italian Govt; 33 B modified somewhat by Fan 583;
36 modified insofar as Italian civil authorities are concerned by Fan 487 through provisions affecting military remain intact;
37 control by Allies altered through changing ACC to AC.

Sent Dept; repeated to London 272; Caserta 815.

KIRK

740.00119 EW/10-1545 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, October 15, 1945—4 p. m.
[Received 4:32 p. m.]

3892. Our 3868 October 12 [*13*], 9 a. m. and Department's 894 October 14 is reference, meeting at AFHQ to consider McNarney's reply to the War Department concerning advisability publication Italian armistice terms decided to recommend to Acting SAC (Supreme Allied Commander) that agreed opinion of Allied military authorities AFHQ is that there are no purely military objections to publication of armistice terms if such publication is considered desirable politically. The view was taken that publication would be acceptable in Italy and would not result in military repercussions affecting AFHQ. Lush representing Allied Commission, presented memoranda described in Rome's 3086 of October 14. Meeting decided to recommend to Acting SAC that his attention be invited to advisability of consultation with Italian Government in effort to have initiative for publication come from Italians and also desirability simultaneous publication Macmillan's *aide-mémoire* February 24, 1945 (Fan 487) [87] and a summary of Fan 583, [Tam] 640 and other modifying directives. In addition it was decided to recommend desirability of an agreed commentary on progressive modification of existing procedure. British Admiralty representative stipulated that in event publication Cunningham–De Courten agreement those portions of that agreement which are unpalatable to the Italian Government are essential and must not be left out of any published version.

At meeting we stressed importance of consultation with Italian Government and their taking initiative. We also expressed view that some form of agreed commentary was highly desirable which would point out how harshness of original terms had been alleviated and terms which had not been applied.

With reference to Department's statement under consideration we feel that any expression indicating US support of early revision of

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[87] Fan 487, January 31, 1945, not printed, but see British *aide-mémoire* of February 24, which was based on Fan 487, p. 1244.

armistice terms could not but cause favorable reaction with regard to American position in Italy.

KIRK

740.00119 EW 1939/10–1645

The Italian Ambassador (Tarchiani) to the Secretary of State [88]

No. 11710

NOTE VERBALE

The Italian Ambassador presents his compliments to the Honorable the Secretary of State and, upon instructions received, has the honor to bring once more to the attention of the American Government the vital importance of an immediate revision of Italy's international status.

Through the successive events of cobelligerency, of effective participation given by the Italian people with its army and partisans to victory against Germany, of re-establishment of diplomatic relations with the United Nations, of the declaration of war against Japan and finally of the end of hostilities in Europe and the far East, the majority of the Armistice clauses are now more than ever, as it has been widely recognized, *de facto* and *de jure* obsolete.

Nevertheless, the armistice continues to weigh heavily on Italy's difficult situation preventing the Government from regaining the minimum of prestige necessary to restore its authority and to promote economic normalization and the re-establishment of democratic life.

The Italian Government has highly appreciated the action recently carried out by the American and British Governments to put an end to this state of things through a speedy conclusion of a peace with Italy. Unfortunately, the negotiations in London,[89] notwithstanding the efforts of the American Delegation and notwithstanding ample proofs of good will given by the Democratic Italian Government, reveal that the solution of the question is far from being immediate.

In this situation, the Government and the Italian people look once more to the United States, confident that the Washington Government with the same spirit by which it was inspired in carrying out the attempt to conclude an immediate peace, will not fail to take the initiative for a substantial change in Italy's juridical status.

The United States Government certainly realizes the effects of such a decision now on the eve of the elections.

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[88] Handed by the Italian Ambassador to the Under Secretary of State (Acheson) on October 16, 1945.

[89] First Session of the Council of Foreign Ministers in London, September 11–October 2, 1945; for documentation, see vol. II, pp. 99 ff.

Italy is well aware of the difficulties of technical and international nature that make an action of the United States Government laborious and therefore all the more deserving.

The attitude of the Russian Government in trying to place on the same level the Italian, Roumanian and Bulgarian situation, does not by any means appear justified, even irrespectively of the fundamental difference between the Italian regime and conditions in the two countries mentioned above.

Italy feels that no comparison is possible between her position and that of those countries: it is sufficient to point out the fact that Italy aligned herself against Germany more than one year before, when the Germans were still in full power, and has fought on the Allied side during two years also joining the war against Japan.

The Italian Government trusts therefore that, in spite of all the above mentioned difficulties, the United States Government, conscious of the vital importance of the problem, will be able to find and support a new juridical formula that may restore in the Italian people the faith which is necessary to progress on the path of a true democratic renewal.

The Italian Ambassador in London has been officially informed that conversations are taking place on the subject between the representatives of the British and United States Governments. He is keeping in contact with the Foreign Office with regard to this matter and is going to discuss the question with Mr. Bevin during these days.

The Italian Government feels confident that the American Government will keep it informed and will take into account Italy's points of view.

The Italian Ambassador therefore is at the complete disposal of the Honorable the Secretary of State for any communication on the subject.

WASHINGTON, October 16, 1945.

740.00119 Control (Italy)/10-2045 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 20, 1945—10 p. m.
[Received October 22—2: 10 p. m.]

3179. See my 2572, September 4. Chief Commissioner of AC (Allied Commission) cabled Allied Force Headquarters yesterday on subject of turnover of northern provinces to Italian administration asking again that CCS (Combined Chiefs of Staff) take decision on this matter since AMG (American Military Government) administration is rapidly losing momentum due to redeployment and to delay

in carrying out intention of handing area back which is well known to Italians. According to Chief Commissioner, staff organization of northern regions had left them virtually unaffected until late September but continuance of AMG (American Military Government) beyond that date has made it almost impossible for regional commissioners to continue while Italian population cannot be expected to remain unaffected under administration which they rightly think should have been handed over to them 6 weeks ago. Italian press is characterized as becoming suspicious and as discovering all sorts of sinister Allied intentions in failure to turn over regions while govt is reportedly becoming embarrassed. Increasingly tense situation in north reportedly can be dealt with although conditions are becoming more difficult for AMG officers who are particularly distressed over situation. Finally Allied prestige and confidence in Allied intentions are reported to have suffered considerably.

Chief Commissioner expresses hope CCS is not relating question of turnover either to future of AC or to publication of armistice terms since these are separate problems which can be handled later and are less important to Italians than maintenance of promise to them to permit self govt when Allied military interests and development of Italian Govt permit conditions which have been fulfilled since September 15. In closing he states question of status of Bolzano also should not permit delay and asks reply to previous message (see my 2572). Lastly Chief Commissioner states implementation of Fan 487 [90] is difficult because of delay in handing over territory.

Sent Dept repeated Caserta 851.

KIRK

740.00119 Control (Italy)/10-2545

The Department of State to the British Embassy

MEMORANDUM

As the British Embassy is aware, the question of the publication of the Italian armistice terms has again come to the fore. The Supreme Allied Commander, Mediterranean, has stated that there are no military objections to publication but has suggested that the Italian Government be consulted and if possible induced to take the initiative by asking for publication and that pertinent Allied documents as well as an agreed commentary be published simultaneously.

The Department of State is in agreement with these suggestions and therefore proposes that arrangements be made for the publication

[90] Not printed, but see British *aide-mémoire* of February 24, 1945 which was based on Fan 487, p. 1244.

of the Italian armistice terms at an early date. It is suggested that as a preliminary step the Supreme Allied Commander, Mediterranean, be directed to prepare for consideration an agreed commentary.

The Department of State would welcome an expression of the British Government's views in this matter.

WASHINGTON, October 25, 1945.

740.00119 E.W./10-2545

Memorandum by the State-War-Navy Coordinating Committee to the Secretary of State

WASHINGTON, October 25, 1945.

Reference: *a.* Acting SecState ltr dtd 27 Sep 45 to SecWar and SecNav, ref. SE [91]

Reference *a.* was referred by the State-War-Navy Coordinating Committee to the Joint Chiefs of Staff for consideration and comment.

The Joint Chiefs of Staff have considered the letter of 27 September 1945 from the Acting Secretary of State to the Secretary of War and the Secretary of the Navy concerning the proposal which the Representatives of the British Chiefs of Staff contemplate submitting to obtain the views of the Supreme Allied Commander, Mediterranean, regarding the modification of the Italian Surrender Instrument.

The Joint Chiefs of Staff request that the Secretary of State be advised that they favor the British proposal and will so inform the Representatives of the British Chiefs of Staff when their proposal is submitted. The Joint Chiefs of Staff also recommend that the Supreme Allied Commander, Mediterranean, consult the British and American Ambassadors in Rome in drawing up his report.

For the State-War-Navy Coordinating Committee:
H. FREEMAN MATTHEWS
Acting Chairman

740.00119 Control (Italy)/10-2945

The British Embassy to the Department of State

MEMORANDUM

With reference to the State Department's memorandum of October 25th relating to the question of the publication of the Italian Armistice Terms, the Foreign Office agree that the Supreme Allied Commander, Mediterranean, should be directed to draft an agreed commentary.

[91] Neither printed, but see telegram 9901, September 24, from London, p. 1054, which contains substance of the letter of September 27.

It is suggested that he should be asked to draft it in consultation with his United Kingdom and United States political advisers and in such form as will make it clear which of the Armistice Terms are obsolete or have never been invoked, which of them have been modified by directives from the Combined Chiefs of Staff and which of them are still in force.

While the Foreign Office certainly do not object to the publication of the Italian Armistice Terms in the manner now suggested, they consider that this should only take place after communication to the Italian Government and to the Advisory Council. In this connection the State Department will recall conversations with members of this Embassy regarding modification of the Armistice Terms, in which it was suggested that, in order to avoid creating a precedent which could be invoked by the Soviet Government to the prejudice of the American and British position in the ex-satellite States, it was preferable that notification of any changes should be made to the Italian Government by the Supreme Allied Commander, Mediterranean, rather than by the United States Government or His Majesty's Government.

The Foreign Office agree that it would be preferable for the Italian Government to take the initiative by asking for publication of the Armistice Terms. They consider, however, that Signor Parri's statement to foreign journalists on October 11th, a copy of which is attached,[92] and more particularly the report from the Italian Minister of Foreign Affairs to the Council of Ministers on October 18th, as communicated to the *Giornale Del Mattino*, the relevant extract from which is also attached,[92] constitute a request for publication and that the Italian Government cannot well be expected to take a further initiative.

WASHINGTON, October 29, 1945.

740.00119 E.W./10-3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 30, 1945—3 p. m.
[Received 3:55 p. m.]

11344. Cadogan yesterday discussed at length with Carandini[93] British attitude with respect to Italian desire that Armistice be terminated and replaced by agreements between Italy and American

[92] Not printed.
[93] Nicolo Carandini, Italian Ambassador in the United Kingdom.

and British Governments and gave him *aide-mémoire*[94] which we were shown today by FonOff (Foreign Office). Its substance follows:

Begin Substance. British Government understands Italian position and would be glad to see termination of present arrangement with its limitations on Italian sovereignty. As early as January 1945 it had proposed to US Government early negotiation of treaty with Italy and conversations had recently been begun with US Government concerning means of satisfying Italy's legitimate aspirations pending conclusions of a treaty, which would of course be the natural and proper solution.

It is accordingly neither unprepared for nor unsympathetic toward Italian request but could not minimize four difficulties:

1. Obligation under United Nations Declaration not to conclude separate peace or armistice.
2. Responsibility of US and UK as powers controlling SACMED (Supreme Allied Command Mediterranean) to safeguard interests in Italy of other United Nations.
3. Danger that Soviet Government would take similar action with respect to armistices with Rumania and other ex-satellites.
4. Conclusion of such agreements would be "counsel of despair and tantamount to admitting final breakdown of cooperation between Big Three".

These difficulties were serious but British Government was continuing to seek remedy. It was fully aware of importance of Italian problem but considered international cooperation even more important. In any event certain basic questions including Italian frontiers, colonies and fleet must be reserved for peace treaty.

Public ignorance of Armistice terms no doubt contributed to exaggerated belief in Italy as to harshness of terms. British Government would be glad to cooperate in explaining situation to Italian people.

Dissolution of Allied Council would cause difficulties under 2 and 3 above but British Government was preparing directive to SACMED to reduce and curtail its activities.

British Government favored conclusion by Italy of commercial and economic agreements with other Governments. As to Swiss agreement, it could not agree, forthwith, with provision for payment of war debts but hoped this difficulty could be overcome. British Government's opinion on this point was offered individually and not as member of AC (Allied Commission). British Government had pressed for removal of restrictions on business correspondence between Italy and other countries and was prepared to press for opening Italian-Swiss frontier to businessmen of both countries. *End Substance.*

We were also shown recent telegraphic exchanges with Washington and Caserta concerning publication of armistice terms and reminded

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[94] Copy of *aide-mémoire* dated October 28, 1945, was transmitted to Department in despatch 26472, October 31, 1945, not printed.

that Department's views had not yet been received either concerning this or concerning Bolzano.

Sent Department repeated to Rome as 131.

WINANT

740.00119 EW/10–2345 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, October 30, 1945—9 p. m.

1963. Reurtel 3206 Oct. 23.[95] Discussions with British re revision of Ital armistice terms are continuing and Dept has proposed as preliminary step that terms be published with other pertinent papers and agreed commentary. In event revision should be accomplished through "*modus vivendi*" Dept would favor inclusion of provision to ensure creation of democratic state bodies through free elections.

BYRNES

740.00119 E.W./10–3145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 31, 1945—7 p. m.
[Received November 1—3 : 55 p. m.]

3363. As regards so-called revision of armistice terms (see Department's 1963, October 30, 9 p. m.). I inquire if Department proposes to go ahead with publication of long armistice terms without obtaining a definite request therefor from Italian Government, (see my 3054, October 11) [95] or at least submitting to Government in advance the prepared text of statement of terms with "other pertinent papers and agreed commentary". As the Department is aware, I recommend obtaining a definite request in this regard from Italian Government. Furthermore, I hope the Department will insist on allowing Italian Government to participate in an eventual publication. (See my 55, July 24, 1944).[95] I should also like to know if Department has rejected suggestion that publication long armistice terms be postponed until it may be possible to include the terms of a document in the form of a *modus vivendi* in substitution of armistice terms. (See my 1448, May 29).[95]

Repeated Am PolAd 930, sent Department.

KIRK

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[95] Not printed.

740.00119 EW/11-145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, November 1, 1945—noon.
[Received 8:32 p. m.]

3365. London telegram 11344, October 30; repeated to Rome as 131. My offhand comments on British objections to provisional arrangement with Italy terminating armistice regime are as follows:

1. Regarding obligation to United Nations with respect to separate armistice or peace a *modus vivendi* suggested my 1983, July 15 [98] and previous is a document which is neither an armistice nor a peace. Furthermore, there is no reason why USSR should not be consulted and included in any such interim arrangement.

2. While it was once true that Supreme Allied Commander had actual as well as nominal responsibility for safeguarding United Nations interests in Italy this can hardly be considered case at present when all of major powers and many of other United Nations have direct relations with Govt of Italy and are in position to look after their own interests. Those that do not have direct relations can easily establish them. Furthermore, *modus vivendi* could contain provisions covering this point if essential.

3. With regard to possibility that USSR will take unilateral action with respect to armistices with Rumania, Bulgaria, et cetera, I can think of no better way of terminating state of affairs in which our hands are tied by Russian interpretation of armistices with Balkan ex-satellites than by terminating these armistices and substituting therefore *modus vivendi.*

4. That the conclusion of unilateral agreements would be admission of final breakdown of Big Three cooperation, I submit that this argument leads from a sense of weakness which no United Nation can afford to admit.

Sent Dept 3365; repeated to Caserta as 931 and London as 288.

KIRK

740.00119 EW/11-145 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, November 1, 1945—6 p. m.
[Received 9:21 p. m.]

4013. For Matthews. Reference our 4012, 1 November, 5 p. m.[98] The following draft commentary has been prepared at AFHQ but has not been submitted to Combined Chiefs of Staff. It should not under

[98] Not printed.

any circumstances be made known outside Department and is being sent to you with thought that it might be particularly helpful at this time.

"Supreme Allied Commander Mediterranean's comments on additional conditions of armistice with Italy and the Cunningham–De Courten agreement are given below.[99] It is recommended that these two documents with SACMED's comments should be released for publication in the forms shown below. It is again stressed that the Cunningham–De Courten agreement should be published in its entirety. FX 49611 of 20 October refers. It is not considered that any comments on other papers under consideration for release are necessary. Additional conditions of armistice with Italy comment on the extent to which certain clauses of the following agreement signed on behalf of the United Nations on the one hand and the Italian Government on the other have been implemented or modified is shown in italics under the relevant clauses. The remaining clauses have either been superseded by events and are therefore dormant, or are still in force. These clauses are not commented upon.

(Note: Clauses of armistice terms to be inserted above each applicable comment).

Clauses 1–5 were complied with.

6–12. With the cooperation of the Italian Government, the Italian armed forces have been used to the maximum useful extent in the services of the United Nations and have contributed towards final victory. In particular the Italian Navy has been employed in accordance with the Cunningham–De Courten agreement.

14. While Italian merchant ships have been employed in the general interests of the United Nations, they have been primarily employed in the Italian interest, Italian Inland Transport and ports have now been largely returned to Italian administration except in so far as redeployment and maintenance of Allied Forces had to be effected.

15. The provision of this clause, as regards small vessels and craft, have not been fully satisfied owing to the difficulty of locating and identifying the vessels and craft concerned.

16. Control of radio has been returned to the Italian Government. All military and rehabilitated civilian telecommunications have been and will continue to be handed over to the Italians as military requirements decrease. Internal censorship has been abolished in the areas under Italian Government control.

18. The second sentence of this clause has never been invoked, except in two frontier areas.

19. Care has been taken to conserve wherever possible Italian resources for the use of the civil economy and to utilize local goods and services only when military necessity demanded. The Allied Forces Local Resources Board, on the committees of which Italian representatives have sat, was established as the allocation agency.

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[99] For texts of the additional conditions of armistice (the Instrument of Surrender), and the Cunningham–De Courten Agreement, together with amendment and statement of Admiral De Courten of November 17, 1943, see TIAS No. 1604, or 61 Stat. (pt. 3) 2742 and 2766–2772.

While the legal rights of the Allied Forces under this clause have not been modified, in practice it has been administered with as much regard as possible for Italian needs. With the redeployment of Allied troops from Italy the utilization of local resources and facilities is diminishing rapidly. In addition, substantial quantities of food, coal, clothing and other commodities have been imported into Italy by the United Nations, largely in United Nations' ships to supplement local resources and to alleviate distress.

20. Allied Military Government was rigorously enforced in combat zones for obvious operational reasons. This was progressively relaxed as the battle moved forward until territories were handed over wholly to Italian administration.

21. As Allied Forces are redeployed, facilities are progressively being handed back to Italian control.

22. With the declaration of war upon the Germans by the Italian Government in October 1943 and the cooperation and loyalty of the Italian people to the Allied cause, there has never been any necessity to invoke this clause.

23. The Italian Government has been informed that the AC will no longer intervene in Italian internal financial affairs (except in cases of Allied military necessity) and that, with certain exceptions, the Italian Government need no longer obtain the approval of the AC (Allied Commission) prior to the execution of external financial transactions. The Italian Government is now free to fix or negotiate exchange rates for the lira without prior consultation with the AC (Allied Commission).

24. Private export trade may now be resumed and all types of commercial and financial correspondence may now go forward from Italy to the non-enemy world, subject to the Italian Govt putting into force certain trade control measures similar to those employed by the United Nations.

26. This clause is no longer enforced, and, provided an individual has the necessary civil document such as passport, visas, et cetera, there is nothing to prevent him leaving Italian territory, subject of course to the immigration laws and regulations of the countries of intended destination.

30 and 31. The Italian Government has of its own volition done all that could have been required.

32. This clause has been complied with and is, in the case of Sub-clauses A and B, no longer applicable. As regards Sub-clause C, the Italian Government has cooperated loyally in carrying out such instructions as have been given concerning the preservation and administration of United Nations' property in Italy, previously sequestered by the Italian Government.

33. The paragraph of Sub-clause 33 (B) that deals with the disposal of foreign assets has been modified in favor of the Italian Government.

36 and 37. The execution of these clauses has been modified by the Macmillan *aide-mémoire* of 24 February, 1945.[1] Practice (41) Albania is no longer included in the definition of Italian territory.

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[1] *Post*, p. 1244.

Cunningham–De Courten agreement underlined the following general comments show the extent to which certain clauses have been implemented or modified.

1. As explained in the document, this agreement was produced in modification of the armistice terms so that the Italian fleet and mercantile marine could assist in the prosecution of the war against the Axis powers.
2. The provisions of this agreement have been carried out and those provisions that remain operative with the cessation of hostilities are still being carried out.
3. While the employment of Italian ships has been of use to the United Nations, it is pointed out that considerable United Nations' resources have been expended in Italy to help the Italian Government by keeping the Italian ships running and their crews fed and clothed.
4. In addition to the use of Italian mercantile shipping under this agreement, a number of smaller Italian merchant ships have been returned to the control of Italian authorities."

In addition to the foregoing SAC will recommend to CCS that he considers it of the utmost importance that these comments be agreed by Italian Government prior to publication of armistice papers.

KIRK

740.00119 E.W./11–245 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, November 2, 1945—9 a. m.
[Received November 2—8 : 35 a. m.]

4014. Reference our 4013, November 1. British Chiefs of Staff have informed Field Marshal Wilson in Washington that they fully support SACMED's (Supreme Allied Commander Mediterranean) position that Italian armistice terms should not be published until General Morgan's commentary is approved and released for simultaneous publication.

Hope was expressed by British Chiefs of Staff that Department would not release armistice terms without this commentary as it would be most unfortunate from point of view of British credit with Italians if armistice terms were published by Americans alone. It was stated that entire point of publication of terms and commentary simultaneously is to show to what great extent terms have already been changed and publication without commentary or on anything but Allied basis would be deprecated. Field Marshal Wilson is then instructed to obtain confirmation that there will be no publication of terms until receipt of commentary from AFHQ (Allied Force Head-

quarters). It was further stated that Foreign Office agreed with this position. KIRK

740.00119 EW/11-345 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, November 3, 1945—8 p. m.
[Received November 3—6 : 30 p. m.]

4041. SACMED has instructed Admiral Stone to be prepared to act as follows. He is to show Italian Prime Minister SAC's comments contained in commentary (see our 4013, November 1, 6 p. m.) but not SACMED's covering remarks. Stone is also to notify Parri that CCS (reference our 4025, November 2) [3] may not consent to publication of commentary as it stands at present, but in SACMED's opinion it will be published substantially as represented. Stone accordingly is to invite Prime Minister's views on commentary particularly in order to ascertain whether any changes in wording of commentary would be helpful to Italian Government. Should SAC desire Stone to carry out these instructions he will be so informed by AFHQ. KIRK

740.00119 Control (Italy)/10-2845 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, November 5, 1945—1 p. m.

950. Urtel 3985 Oct 28.[3] Dept feels AMG should be retained in Bolzano until boundaries are fixed by final peace settlement and has suggested to War Dept that SAC be directed, when other northern provinces are returned to Ital administration, to inform Ital Govt of foregoing and to state that in settlement Ital rights will of course be given full consideration.

BYRNES

Rome Embassy Files 711.9 Italy, Vol. XXXII

The American Ambassador in Italy (Kirk) to the Italian Minister for Foreign Affairs (De Gasperi)

ROME, November 5, 1945.

MR. MINISTER: I have the honor to inform you that the Government of the United States of America proposes to release for pub-

[3] Not printed.

lication on November 6, 1 p. m., Eastern Standard Time, the armistice terms with Italy, in view of the general agreement that there no longer exist objections to their publication, together with the amending Protocol and General Eisenhower's letter of September 29, 1943, to Marshal Badoglio. Simultaneously there will be published the "Cunningham–De Courten Agreement" and amendment together with Admiral De Courten's statement of November 17, 1943, and a commentary demonstrating how, in practice, the armistice restrictions have been modified, and giving the substance of the financial and political directives which have been received from time to time by the Supreme Allied Commander permitting modification in the application of the armistice terms.

In advising you of the foregoing, I have the honor to state that my Government would appreciate the concurrence of your Government in the agreed commentary and that, in that event, it would be glad to have the Italian Government join in simultaneous release of the abovementioned documents. In view of public pressure in the United States for publication of the armistice terms, my Government could not accept postponement of their publication and has expressed the hope that the Italian Government will not raise the question of further consultations.[4]

I avail myself [etc.] ALEXANDER KIRK

740.00119 EW/11-945

The Italian Minister for Foreign Affairs (De Gasperi) to the American Ambassador in Italy (Kirk)[5]

[Translation]

[ROME,] November 6, 1945.

MR. AMBASSADOR: In reply to your courteous letter of November 5, I hasten to inform you that the Italian Government, in conformity with a desire repeatedly expressed on its part, will have no difficulty in providing for the publication of the previously mentioned Armistice documents tomorrow on the seventh instant [6] that is to say, simultaneously with the publication that will take place in Washington and London.

Allow me to add that if the Italian Government had been consulted earlier on this matter, it would have certainly requested that, in addi-

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[4] The foregoing paragraph is based on telegram 1992, November 2, 1945, 4 p. m., to the Ambassador in Italy, not printed.

[5] Copy transmitted to the Department in despatch 2624, November 9, 1945, from Rome; received November 21.

[6] The material was released to the press simultaneously in Washington, London, and Rome on November 6, 1945. It appeared in newspapers in Italy on November 7.

tion to those indicated in your letter, certain other documents should be published simultaneously which would have permitted Italian and international public opinion to form a more exact evaluation of the facts and a more faithful interpretation of the circumstances that accompanied and followed the Armistice.

I am referring principally to the "Memorandum in addition to the Armistice conditions" known as "The Quebec Document",[7] which is, in fact, closely connected in time and above all in spirit to the "short-term Armistice" of September 3, 1943, and it is necessary that it be made known as soon as possible to the Italian people and, I believe, to international public opinion. Also it would be an excellent thing to publish the letter sent under date of November 20, 1943,[8] by Marshal Badoglio to President Roosevelt and Prime Minister Churchill, which truly sums up, in our judgment, very efficaciously the first phase in the relations between Italy and the Allies and illustrates the true conditions of time, environment and spirit under which the Italian people began that full and loyal collaboration with the United Nations which was to lead later to greater and more promising results.

Also in the Allied comments on the long-term Armistice, greater and more extensive explanations might have been introduced to demonstrate both the Allies' willingness to apply it in a manner progressively more liberal and generous, and the fact that it now concerns an obsolete document which does not have, almost two and one-half years after it was signed, any historical or political justification.

I beg you, Mr. Ambassador, to bring to the attention of your Government our very keen desire to see published as soon as possible the two documents mentioned above, and especially the Quebec document which, I repeat, seems to us essential to the comprehension and evaluation of the events which have weighed so long and so harshly on the Italian people.

Accept [etc.] DE GASPERI

[7] The full title is "*Aide-Mémoire* to accompany conditions of Armistice, presented by General Eisenhower to the Italian C in C". It was presented in Lisbon to Gen. Giuseppe Castellano by Gen. Walter Bedell Smith. The text of the "Quebec Document" is printed in Albert N. Garland and Howard McGaw Smyth, *Sicily and the Surrender of Italy*, in the official Army history, *United States Army in World War II: The Mediterranean Theater of Operations* (Washington, Government Printing Office, 1965), p. 556. The records of the First Quebec Conference between President Roosevelt and Prime Minister Churchill, with their advisers, August 17–24, 1943, are scheduled for publication in a subsequent volume of *Foreign Relations*.

[8] *Foreign Relations*, 1943, vol. II, p. 393.

740.00119 Control Italy/11–745 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, November 7, 1945—10 a. m.
[Received 3:02 p. m.]

4060. Regarding urtel No. 950, November 5. Both AFHQ and AC are disappointed with Department's decision on retention of AMG in Bolzano Province and although Dept has informed CCS of action to be taken on SACMED's recommendation I hope Dept will give further consideration to this matter and revert to its position as set forth in its number 1376 of August 18 to Rome.

KIRK

740.00119 Control (Italy)/11–1045 : Telegram

The Chargé in Italy (Key) to the Secretary of State

ROME, November 10, 1945—noon.
[Received November 10—11:19 a. m.]

3477. Your 950, November 5, to Caserta. British Embassy has shown us telegram from Foreign Office to Halifax,[9] repeated to Rome, giving your position on maintenance of AMG in Bolzano Province until final disposition. Foreign Office, accepting your position, expresses view that fuller statement to satisfy Italian public opinion is necessary.

British Embassy is replying that maintenance of AMG in Bolzano Province will be "serious shock" to Italian public and that it heartily agrees that some kind of statement for public consumption should be made by Allies. It is suggesting that following four points be included in any statement explaining why it is necessary to retain AMG in Bolzano Province which may be agreed to: (1) Job of rounding up Reich Germans estimated at approximately 30,000 has not yet been completed (2) Hitler–Mussolini agreement of 1939 [10] has created confused nationality problem (3) maintenance of AMG will not prejudice Italian plans for local autonomy in region (4) it will not prevent inhabitants of Bolzano Province from holding and participating in national elections.

Dept will recall that with reference to maintenance of AMG in Udine Province, it was considered desirable to make public statement explaining failure to hand it back to Italian jurisdiction with other

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[9] Lord Halifax, British Ambassador in the United States.

[10] Apparently reference is to results of discussions between representatives of the German and Italian Governments respecting the South Tyrol, June 23, 1939. For the results, see *Documents on German Foreign Policy, 1918–1945*, series D, vol. VI (Washington, Government Printing Office, 1949), pp. 778–779.

northern provinces (Dept's 1303, August 3). Same procedure should be followed with respect to Bolzano and I recommend that four points set forth above be included in any statement made by Allied Govts or Theater Commander at time of handback of north Italy to Italians. Statement should, however, in our opinion leave no doubt in minds of Italians that AMG will be maintained in Bolzano until final disposition.

Sent Dept as 3477; repeated London 311, Caserta 1013.

KEY

740.00119 Control (Italy)/11-545: Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, November 14, 1945—11 a. m.

9945. Urtel 11597 Nov 5.[11] Brit Embassy has again raised question of AMG in Bolzano. After further consideration Dept has decided in view of delay in handback of other provinces and especially in view of delay on Ital peace treaty that Bolzano should be returned to Ital administration simultaneously with other northern provinces, such return to be without prejudice to final peace settlement. Pls inform FornOff. Sent to London, rptd to Caserta.

BYRNES

740.00119 EW/11-1645: Telegram

The Chargé in Italy (Key) to the Secretary of State

ROME, November 16, 1945—1 p. m.
[Received November 17—4:03 p. m.]

3563. Embassy has received *note verbale* from Foreign Office bearing date November 5[11] alluding to "numerous newspaper reports" and declarations from foreign sources with respect to a project alleged to have been formulated by US Govt under which (*a*) each of United Nations would be authorized to take possession of Italian properties located within their jurisdiction up to the amount to be demanded eventually from Italy as reparations and (*b*) industrial plants for war production which are not readily convertible into plants for peace production would have to be delivered by Italy to the Four Great Powers. Note states that Italian Govt has received no communication on the subject. Characterizing subject as of ex-

[11] Not printed.

treme importance, Foreign Office note submits its observations relative thereto which are summarized in the following:

(1) War damages have enormously reduced Italy's agricultural and industrial productive capacity so that any plan envisaging transferable margin of income for payment of reparations would be completely unrealizable. Italy, which is grateful for comprehension of its straits which US has demonstrated, feels obliged to set forth reasons why the alleged project described in the newspapers would not differ substantially from actual payment of reparations. War damages suffered by Italy during 20 months while it was fighting at side of Allies are vast and greatly exceed those of pre-armistice period. To these damages must be added looting of assets, especially those of productive character, by Germany and heavy financial loans to so-called Fascist Republic and other damages suffered in Far East resulting from declaring war against Japan. These great damages connected with a war conducted by Allies and with Italy's cobelligerent status justify Italy's right to restoration of materials and appropriate compensation from Germany and Japan rather than demands by Allies for reparations from Italy.

(2) Italians abroad who without connection with Fascist regime have attained their economic position by hard work and have made a valuable contribution to economy of countries giving them hospitality would be directly hit by the taking over of their property and Italian state would be unable adequately to indemnify them as effective indemnification would not be made with any sum in Italian lire. Payment to them by Italy of lire which could not be utilized abroad would not benefit them while it would greatly aggravate the situation of Italian budget as it would require issuance of large sums of new paper money.

(3) Impoverishment of Italians abroad which project would cause would dry up emigrants remittances which in pre-war period represented 10% of positive items in Italy's balance of payments and the contraction of which would have especially grave effects at a time when other positive items such as marine freights and tourist expenditures are notably reduced.

(4) The taking over of Italian property abroad would damage the situation of Italian banking and industrial enterprises having foreign operations with consequent repercussions on Italian internal situation.

(5) The alleged project would provide grave psychological and other obstacles to the emigration of Italian labor to foreign countries, a movement the resumption of which will benefit world economy and will be essential to prevent lowering of Italian standard of living. Almost certainly a reverse movement would set in thus augmenting unemployment in Italy if Italians abroad find the fruit of their labor nullified at one stroke.

(6) Apart from foregoing considerations, there have been recent reports that certain countries referring explicitly to the alleged project have taken or are about to adopt measures very close to that of taking possession of Italian properties. Aside from damaging moral

and material consequences of such measures and the alarm to Italians collectivity abroad which they have caused, the Italian Govt is obliged to point out that these measures are contrary to well established principles of International Law. Only by the peace treaty on the basis of the will of the contracting parties can the final disposition of such property be decided and measures cannot be taken in advance which would prejudice such decision. While therefore appropriate steps in this connection will be taken by Italy with the govts adopting measures of this kind, it begs the American Govt to use its good offices so that the situation of Italian property abroad will not be aggravated.

(7) If reports received by Italian Govt are correct, Italy faces the threat of being deprived in part of its industrial plants. While Italy by no means wishes to keep specific war industries or anti-economic industries alive, it needs to conserve and transform for peaceful uses almost all of its industrial equipment. This is needed to create employment for large masses of workers and to increase exportation which is the only means by which foreign exchange for the purchase of indispensable foods and materials can be obtained.

(8) Italian assets abroad are situated in countries to which far less damage has been caused by Italy than the amount of the assets located in such countries and the taking possession of these assets would not only be out of proportion to reparations but would be contrary to the alleged project's spirit. It would be more to be expected that damages suffered by each of the United Nations be listed and described to the Italian Govt and that the latter, after agreements have been duly made regarding their amount, agree with each of the nations concerned as to the best method of indemnification. Amounts to be paid would have to be calculated obviously by considering positive as well as negative items. Italy has sustained heavy expenses in many of the countries which might eventually request reparations to the permanent economic benefit of those countries and in others thousands of Italian prisoners have worked at reduced pay. These matters should without fail be taken into account.

(9) With regard to damages which foreign properties in Italy have suffered the simplest measure would undoubtedly be to provide indemnification for these by reconstruction immovable property and restoring movable property or by other equivalents.

(10) The first world war demonstrated the danger of imposing burdens on exhausted peoples which prevent their recovery and hence the recovery of world economy. Italy then one of the victors collaborated for economic world solidarity and renounced indemnities and reparations from Austria although it would have been the chief beneficiary. Now Italy, which completely broke its solidarity with the conquered states in 1943 and is a cobelligerent, expects treatment involving equal comprehension in the interest not only of Italy itself but of world reconstruction and pacification.

Text of note follows by pouch.[13]

KEY

[13] Despatch 2686, November 21, 1945, with enclosures, not printed.

740.00119 EW/11-1745 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, November 17, 1945—1 p. m.

2123. Pls inform FonOff that we have given careful and sympathetic consideration to Ital request for revision of armistice regime and are prepared to accede to Ital request provided other govts signatory to Armistice concur. Accordingly, Dept is informing other signatories of American position and inquiring re their attitude.

BYRNES

740.00119 EW/11-1945 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, November 19, 1945—6 p. m.
[Received 8:40 p. m.]

12126. We discussed substance of Dept's 10074, November 17, 1 p. m.[14] with Harvey[15] today. He said he could assure us off-hand that Foreign Office agreed France should be regarded as "signatory power". He recalled that French had at one point been emphatic in stating they had nothing to do with armistice but felt they would henceforward wish to be included. He said Foreign Office shared our desire for revision of armistice regime and would await our proposals with interest. His understanding of Soviet attitude was that Soviets had no objection to revision of armistice provided revision did not constitute provisional peace treaty and that it would have no objection to provisional peace treaty provided similar treaties were concluded with Balkan satellites.

Harvey thought most desirable course, if there were any prospect of achieving it, would be to reconvene deputies of Big Four Foreign Ministers and proceed to work out definitive settlement. If this could not be done in near future he thought that revision of armistice which would take some time and be of limited practical effect, would, nevertheless, be worthwhile. He felt that such a revision might include provisions on civil affairs and financial arrangements and that in any event there would be some matters, particularly military provisions,

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[14] Not printed; it inquired whether the British agreed to France's being a "signatory power" to the Italian armistice and participating in revising the Italian armistice.

[15] Oliver Charles Harvey, British Under Secretary of State for Foreign Affairs.

which it would be preferable to include in agreements only between Great Britain, US and Italy.

Sent Dept; rptd Rome as 145.

WINANT

740.00119 EW/11-2545

The Italian Ambassador (Tarchiani) to the Under Secretary of State (Acheson)

WASHINGTON, November 25, 1945.

MY DEAR MR. ACHESON: With reference to the kind assurances you gave me in our last conversation [16] about the revision of the armistice regime in Italy, I enclose herewith a *Note Verbale* [17] that I have been directed to present in order to thank the Department of State for the official communication of the American initiative on the subject.

I wished to express to you personally my Government's deep appreciation and my sincerest thanks for the action you have taken in this question that is of such a vital importance for my country.

I am particularly glad that once more the United States Government has taken the initiative on Italy's behalf and I trust that such an action will bring about that substantial improvement of our status which is so sorely needed by my country and which will render even more profound the feelings of Italy's gratitude towards the United States.

With my best thanks [etc.] TARCHIANI

740.00119 European War 1939/11-2545

The Italian Ambassador (Tarchiani) to the Secretary of State

No. 15073

The Italian Ambassador presents his compliments to the Honorable the Secretary of State and has the honor to convey to him the expression of the thankfulness of the Italian Government for the American initiative in regard to the revision of the armistice regime, of which communication [18] has been given to the Ministry for Foreign Affairs by the American Embassy in Rome on November 21st.

The Italian Government has deeply appreciated the friendly terms of the American communication and has acknowledged with the greatest satisfaction the fact that the United States Government is favorable to such a revision and that it has accordingly provided to inform

[16] No record of this conversation has been found in Department files.

[17] *Infra.*

[18] Presumably communication based on telegram 2123, November 17, 1 p. m., to Rome, p. 1087.

the other signatory Powers of its position on the subject and to ask their views.

The Italian Government feels that, after over twenty months of loyal and active co-belligerence, and after having—thanks to an American initiative—come in sight of peace at the London Conference, only a substantial revision putting an end to the state of war, would bring an improvement of the Italian situation.

To this end, the Italian Ambassador has been expressly directed to keep himself at the disposal of the Secretary of State in order to furnish any information that may be deemed useful.

WASHINGTON, November 26, 1945.

740.00119 EW/11-2845 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, November 28, 1945—5 p. m.

2409. Deptel 2359 Nov. 17.[19] In connection with revision of Ital armistice regime pls inform FonOff that, on basis of Potsdam agreement re French participation in Ital peace treaty,[20] we are of opinion France should be regarded as "signatory power" for armistice revision and inquire whether Soviet Govt concurs in this view.

BYRNES

740.00119 E.W./12-745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 7, 1945—7 p. m.
[Received December 8—5 : 57 a. m.]

3946. For Dowling.[21] SACMED has received Fan 629 [22] concerning abrogation or modification of Italian armistice terms and has repeated it to AC with request for its views. Preliminary discussions were held in AC this afternoon at which it was agreed to recommend to SAC abrogation of armistice terms and substitution thereof by civil affairs agreement to take care of Allied military requirements and document providing interim arrangement between abrogation of armistice and conclusion of peace.

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[19] Not printed; it was similar to telegram 2123, November 17, to Rome, p. 1087.

[20] See Protocol of the Proceedings of the Berlin Conference, section I, (3) (ii), *Conference of Berlin (Potsdam)*, vol. II, pp. 1478, 1479.

[21] Walter C. Dowling, Assistant Chief of the Division of Southern European Affairs.

[22] Not printed.

What is status of similar document I saw in Dept? Would you be good enough to telegraph me text of it.

Sent Dept 3946, repeated Caserta 1209.

KIRK

740.00119 European War 1939/12–745 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, December 10, 1945—5 p. m.

2312. For Amb. from Dowling. Urtel 3946 Dec 7. Text of proposed agreement, which is still under discussion, follows:

"WHEREAS hostilities have ceased;

WHEREAS Italy, as a cobelligerent in the war against Germany, has cooperated loyally with the United Nations and has contributed materially towards the final victory over the common enemy;

WHEREAS the Armistice terms have thereby become in part obsolete or have been superseded by events;

WHEREAS the Government of Italy has requested and the Governments of the United States, United Kingdom, Union of Socialist Soviet Republics, and France have agreed to a modification of the Armistice regime in the light of existing circumstances;

It is considered that the Armistice terms should be abrogated and should be replaced by an interim agreement pending the coming into force of a definitive treaty of peace.

I. The Armistice of September 3, 1943, and the additional terms of surrender of September 29, 1943, are hereby abrogated.

II. The present agreement shall govern the relations between the United States, United Kingdom, Soviet and French Governments, acting in the interest of the United Nations, and Italy pending the coming into force of a definitive treaty of peace.

III. The Allied Commission is hereby abolished.

A special section, with the Supreme Allied Commander as Chairman, composed of representatives of the armed forces of the United States, United Kingdom, the Soviet Union and France, shall be established at Allied Force Headquarters to assume the functions of organization and command of the Italian armed forces heretofore exercised by the Land, Navy, and Air Force Subcommissions of the Allied Commission. This section shall direct the size and character of all Italian armed forces and shall control the production of armaments.

B. The employment and disposition of the Italian Navy and the Italian merchant fleet shall continue to be subject to the terms of the Cunningham–De Courten Agreement of September 17 [*23*], 1943.

C. Pending the coming into force of a treaty of peace, Allied Military Government shall be continued under the Supreme Allied Commander in Venezia Giulia, the Dodecanese Islands, and in Italian overseas territory. Allied Military Government shall likewise be continued in the Province of Udine so long as military necessity may require.

IV. Simultaneously with the coming into force of the present agreement, further agreements shall be concluded between the United States and Italy, and between the United Kingdom and Italy, providing for the maintenance in Italy of Allied forces under redeployment, and for the retention of Allied forces required for the maintenance of Allied lines of communication to Austria.

V. Italian prisoners of war now held under the jurisdiction of the United States, United Kingdom, the Soviet Union, and France shall be repatriated as promptly as transport facilities permit.

VI. The Government and people of Italy will abstain from all acts detrimental to the interests of the United Nations.

A. The Italian Government will cooperate in the apprehension and surrender for trial of Italian subjects declared by the War Crimes Commission to be war criminals. The Italian Government will likewise endeavor to make available to the competent courts Italian subjects who may be desired as witnesses in war crimes trials.

VII. The Italian Government, in full recognition of the absolute and untrammeled right of the people of Italy to choose by constitutional means the form of democratic government they desire, hereby renews its pledge to submit to the will of the people. To this end, the Italian Government undertakes to provide through free elections for an expression of the popular will on the democratic form of government to be chosen by the people, it being understood that the choice shall be decided by the majority of the popular vote, which shall be binding upon the present government and upon the bodies constituted through such elections.

VIII. The present agreement shall be without prejudice to any claims of any of the United Nations against Italy arising out of hostilities conducted by Italy and shall in no way affect the final disposition of Italian territory, nor shall it impair any limitation or restriction which may be imposed upon Italy in the treaty of peace."

Since text has not recd final approval in Dept it should not be shown outside Embassy. [Dowling.]

BYRNES

740.00119 European War 1939/12–1045 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 10, 1945—6 p. m.
[Received 7 : 30 p. m.]

3981. AC has replied to AFHQ request for comments on Fan 629 [23] (see my 3946, Dec 7) by suggesting termination of long and short armistice terms and their replacement by interim document and civil affairs agreement between Italian Govt and SAC representing United Nations. AC has suggested that civil affairs agreement be along lines of US draft prepared at AFHQ in Sept. AC draft document representing interim agreement to replace existing armistice

[23] Not printed.

terms contains preamble with 8 "whereas" clauses and 20 articles. Summary of agreement follows:

"Whereas" clauses recite history of Italian surrender, co-belligerency, contribution to war against Germany, elimination of Fascism, and desire to establish free and democratic form of govt. First paragraph body of Agreement provides for termination of short and long terms and "terms of restoration of Italian territory" beginning with those of Feb 11, 1944,[24] and subsequent similar documents. Relations of contracting parties will thereafter be governed by following provisions:

1. United Nations and Allied Forces in Italy will be assisted by Italian Govt to utmost of its power.
2. Italian Govt and people will be assisted toward restoration of political and economic life by United Nations.
3. Civil affairs agreement "attached to and forming part of this agreement" will govern relations between Allied Forces in Italy and Italian Govt.
4. Except as set forth in this agreement and civil affairs agreement Italian Govt shall have full jurisdiction and power of administration over all territory restored to it.
5. Italian Govt shall have sole jurisdiction over Italian foreign relations.
6. Recalling Allied Govts pledge to Italian people to choose their own form of govt and to ensure fullest possible expression of Italians' wishes in this respect, Italian Govt undertakes to submit institutional question to Italian people in form of national referendum or plebiscite.
7. Subject to provisions made known by SAC and agreed by Italian Govt Italian Armed Forces will be under control of latter.
8. For purposes of advising and assisting Italian Govt it agrees to accept as Missions existing Air, Navy and Army Subcommissions of AC.
9. To advise and assist Italian Govt it agrees to existing Public Safety Subcommission of AC as Police Mission.
10. Without permission of SAC Italian Govt agrees to no fortifications, military installations, armaments or defenses.
11. To extent authorized by United Nations Italian Govt agrees to limit manufacture, production, construction war material.
12. Subject to limitations already made known and being progressively modified Italy shall have full financial intercourse with any foreign country.
13. Effective foreign exchange control agency and continued consultation with United Nations Diplomatic Missions in Rome on international economic objectives is agreed by Italian Govt.
14. Present agreement does not prejudice in any way final disposition of Italian territory.

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[24] On February 11, 1944, the Commander in Chief of the Allied Forces handed over to Italian jurisdiction the territories south of the northern boundary of the provinces of Salerno and Potenza, together with Sicily and Sardinia on a specified condition.

15. Present agreement does not prejudice final settlement or impair rights of United Nations and Allied forces regarding:

a. Obligation of Italian Govt to assume responsibility for all AM [25] lire currency and to make available Italian currency as required;

b. Reparations for war damages suffered by United Nations and Allied Forces;

c. Full cost of Allied occupation of Italy.

16. Desequestration of United Nations property.

17. Reciprocal return of stolen works of art.

18. SAC reservation of right in event present terms of agreement not complied with.

19. SAC shall establish "for mutual regulation and implementation" of present agreement including civil affairs agreement, an "Allied Liaison Mission". Navy, Army, Airforce and Police Missions activities will be coordinated under Allied Liaison Mission (this would in effect be successor to AC).

20. Definition of terms and time limit of present agreement.

Sent Dept repeated AmPolAd 1237.

KIRK

740.00119 European War 1939/12–1145: Airgram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 11, 1945.
[Received December 21—9:47 a. m.]

A–1076. Following is text of Allied Commission's covering letter of December 8 to AFHQ enclosing interim document to replace existing armistice terms, reported in my telegram no. 3981 of December 10.

"1. In your F55392 of 5 Dec 45 you instructed me [26] to send my views as to abrogating or modifying the terms of the Armistice without prejudice to Allied military requirements or to any question which will fall to be decided in the eventual peace settlement.

"2. If we follow the public utterances of the leaders of the United Nations the terms of Fan 487 [27] and (notwithstanding certain restrictive financial directives received subsequently) the policy underlying these statements and directions: if we study the long terms of the Armistice and your commentary recently made thereon, we can arrive at only one conclusion, namely, that the Armistice is out of date: most of the clauses have been superseded by events, the remainder have with few exceptions been modified in implementation and the instrument, designed for the surrender of an enemy in war, enjoyed

[25] Allied military.

[26] Presumably Adm. Ellery W. Stone, Chief Commissioner, Allied Commission.

[27] Fan 487, January 31, 1945, not printed, but see *aide-mémoire*, February 24, 1945, which is based on Fan 487, p. 1244.

immediate modification as a result of co-belligerency during war and now is practically inapplicable. If it were thought that Italy was ready for a Treaty then it must be admitted that she is ready for a new formal relationship, which, while perhaps less than that of an Ally a member of the United Nations is certainly more than that of a defeated nation.

"3. Moreover, from the purely practical point of view an examination of the existing Armistice Terms demonstrates that any attempt to modify or abrogate the articles of the document piecemeal would leave an instrument so tattered and unbalanced as to be quite unsuitable.

"4. We recommend, therefore, that the Armistice Terms be abrogated altogether and be replaced by an Agreement of which a proposed draft is attached. The preamble is much the same as that prepared for MJPS [28] in September.

"5. The general clauses reflect reciprocal aid. The political clauses make reference to free and democratic government, a plebiscite or referendum on the institutional question which must be the first concern of both the Allies and Italy. The armed services are covered by a blanket clause which is not very satisfactory, but which appears necessary because control of the Italian Navy and Air Force has not yet been handed back to the Italian Government, and because to show the consequent discrimination between the Army and the other services would be invidious. In this respect I have assumed that the abrogation of the Armistice Terms does not necessarily suppress the Cunningham–de Courten Agreement. Perhaps it may be possible to relax control of the Italian Navy and Air Force sufficiently to be able to include a clause to this effect in the Agreement. The rights and privileges of the Allied Forces would be covered by the civil administration arrangements originally proposed to come into effect with the Peace Treaty but which under our proposal would be applied with such an interim Agreement. As already expressed at SACMED's Conference of 4 Oct 45, Minute 8, I would most strongly recommend that one Allied instrument on the lines of the US draft be prepared and that certain clauses be modified. A cultural clause covers reciprocal action regarding works of art. I have included provision for an Allied Police Mission the acceptance of which by the Italian Government would be more probable in the manner proposed. Finally, an Allied Liaison Mission is recommended. There is little doubt that a Mission of this nature will be necessary to interpret your views to the Italian Government and vice versa.

"6. Such an Agreement replaces the existing Armistice Terms by a document which reflects more accurately the present relation between Italy and the United Nations and the latter's confidence in the Italian people, which adequately safeguards Allied interests and is in line with Allied policy towards Italy as we understand it."

KIRK

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[28] Mediterranean Joint Planning Staff.

740.00119 Control (Italy)/12-1345 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 13, 1945.
[Received December 13—10:47 a. m.]

4025. Morning papers publish following communiqué from Presidency of Council concerning handback of northern provinces.

"Yesterday Wednesday December 12 Admiral Ellery Stone, Head of AC, met with President of Council and Minister of Foreign Affairs Alcide de Gasperi and informed him that Italian territory that is now under Allied jurisdiction, including islands of Lampedusa, Linosa and Pantelleria but excluding Venezia Giulia and Province of Udine, will be restored to Italian administration at approximately end of December. Communication revealed that Allies are maintaining military administration in Province of Udine only because of military exigencies and not because territory is considered to be in dispute. Officers of Allied Military Govt will be withdrawn from zone to be restored. Only small number of liaison officers of AC remaining there to facilitate passage from Allied to Italian administration. President of Council has acknowledged this act of Allied Governments with great satisfaction and has requested Admiral Stone to inform Supreme Command and Allied Govts of his feelings expressing belief that continued friendly cooperation of Allied authorities in Italy will help Italy overcome grave economic and social difficulties of present moment. It is superfluous to emphasize importance and significance of this initiative of Allies which except for regions indicated replaces under Italian administration entire national territory."

Sent Department 4025, repeated Caserta 1253.

KIRK

740.00119 Control (Italy)/12-1845 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 18, 1945.
[Received December 18—9:25 p. m.]

4106. Following statement by Allied Commission is being handed to the press at 6 p. m. for release tomorrow morning Dec. 19, at one minute past midnight:

"Since his announcement of 13 Dec. 1945, Rear Admiral Ellery W. Stone, USNR, Chief Commissioner of the Allied Commission, has been in consultation with the Italian Govt with regard to the detailed arrangements for the handing back to Italian administration of the territories therein mentioned.

It is confirmed that the remaining Italian territory now under Allied Military Govt including the islands of Lampedusa, Linosa and Pan-

telleria but excluding Venezia Giulia and the Province of Udine will be transferred to Italian administration on 31 Dec. 1945.[29]

The transfer of these territories and any withdrawal of Allied troops which the Supreme Allied Commander may determine are without prejudice to any frontier rectification which may be decided in the Peace Treaty."

KIRK

740.00119 Control (Italy)/12–1545: Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, December 19, 1945—8 p. m.

1027. Dept agrees fully that armistice regime should be terminated and replaced by a single interim agreement along the lines of Deptel 2312, Dec. 10 to Rome. Acceptance of the criteria set forth in last para your 4250, Dec. 15 [30] is being urged in our discussions with the military here.

ACHESON

740.00119 E.W./12–1945

The Ambassador in Italy (Kirk) to the Secretary of State

No. 2813 ROME, December 19, 1945.
[Received January 9, 1946.]

SIR: With reference to my telegram No. 4104 of December 18,[31] reporting that the Ministry of Foreign Affairs had furnished me with a copy of a series of memoranda which it had sent to the Italian Ambassador in Washington giving the Italian Government's point of view concerning the revision of Armistice terms, I have the honor to transmit herewith a translation of this series of memoranda which was furnished by the Ministry of Foreign Affairs.

Respectfully yours, ALEXANDER KIRK

[Enclosure—Translation]

Memorandum by the Italian Ministry for Foreign Affairs

COMMERCIAL AND FINANCIAL RELATIONS WITH FOREIGN COUNTRIES

1. The Italian Government will have full freedom to start negotiations and to conclude commercial and financial agreements with all foreign countries.

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[29] The American Ambassador in Yugoslavia was instructed on January 3, 1946, to inform the Foreign Office that the transfer had been made on December 31 and to point out that the retention of Allied Military Government in Udine was based solely upon military considerations relating to lines of communication into Austria (740.00119 Control (Italy)/12–1845).

[30] Not printed. The criteria set forth in last paragraph were that the armistice regime be terminated and that the armistice terms be replaced by an interim document and not by a revision (740.00119 Control (Italy)/12–1545).

[31] Not printed.

Possible negotiations with Germany and with Japan will however be entered into only after having submitted their proposed draft to the United Nations: the conclusion of such negotiations will be subject to the United Nations' consent to be obtained in advance.

The settlement of debts contracted prior to September 8th, 1943, will also be subjected to the previous consent of the United Nations.

The Italian Government will freely dispose for export of all those products, agricultural or industrial, which they deem to be in excess of the needs of the home market. To this purpose the United Nations will determine, at time intervals to be fixed, the quantities of products included in the "Reserved Commodities Lists", which must be kept at their disposal, and the Italian Government will not be allowed to dispose of said quantities unless by previous agreement with the United Nations.

Performance of Industrial and Commercial Activity and Protection of Other Economic Interests

The industrial plants, which are not actually carrying on industrial activity on behalf of the United Nations, will be immediately returned to their legitimate owners and the machinery and implements which may temporarily have been otherwise diverted, will be reinstated.

Any provision by the Allied Authorities which may interfere with the industrial or commercial activity, or with other economic interests, will be previously agreed upon with the Italian Government and dealt with on a contractual basis.

Mercantile Marine

Until such time as the present international regulation governing maritime traffic and the shipping of the United Nations, will continue to be in force, the Italian merchant-men will continue to be comprised in the "pool" under the control of the United Maritime Association (U.M.A.), at the same conditions as those applying to merchant-men of the United Nations.

The Italian Government and the Italian ship owners will have to free full freedom—on the international market—to purchase, sell, charter merchant-men, and they will be allowed to build—in their ship-yards—merchant-men who are indispensable for the requirements of the national maritime traffic, as well as those on order by foreign countries.

Financial Matters

Beginning . . . . . the lire needed for the expenditures by the Allied Authorities in Italy will be requested to the Italian Government, who will place them at their disposal against an equivalent credit in United Nations currencies.

734-362—68——70

Services and performances of any kind and requisitions paid for by the Italian Government on behalf of the United Nations, as well as the Am-lire issued up to the date when the present Convention will enter into effect, will give origin to a credit in favour of the Italian Government in United Nations currencies. The determination of amounts paid out by the Italian Government and of the Am-lire issued, and also formalities concerning the counter credit, will be the subject of further negotiations.

The properties, goods, assets of any nature whatsoever, the right to which has arisen in foreign countries, subsequently to September 8th, 1943, and belonging to the State, or to public and private bodies, or to Italian citizens, are at the free disposal of those entitled thereto, subject to the compliance with the laws and regulations of the countries where same are located, and which are applicable to citizens of the United Nations.

An equal treatment will be made to the increments and to income accrued after September 8th, 1943 on Italian assets existing in the United Nations prior to that date.

The utilization of these assets will take place according to Italian legislation and the Allied Commission will be informed thereof.

Customs

The Italian Government is fully at liberty to reestablish their Customs and vigilance services along the whole of the frontier line, both maritime and inland. The re-establishment of said services on the eastern frontier will be provisionally carried out by the Allied Authorities after consultation with the technical organs of the Italian Customs Administration. In the harbours still under Allied Control, and until such time as said control will continue, the Customs and vigilance services will be carried out by the Italian Customs Authorities and by the "R. Guardia di Finanza", in agreement with the Allied authorities.

Railways

The Administration of the State Railways is entitled to run all passengers and freight services for civilian use commensurate to the Nation's requirements and to the purpose it will be allowed to make use of the whole of its rolling stock, of its telephone and telegraph installations, both local and inter-compartmental, of all the stocks in its warehouses and depots and of anything else which may be needed for a better functioning of the railway service. The aforesaid Administration shall however preordain its plans in such a manner as to ensure priority to military transports of the United Nations.

The office premises and the installations needed for the functioning of the services for the running of the lines will be returned to the railway Administration.

The workshops (both those of the State Railways and those privately owned) for the repair and the construction of rolling stock and for the supplies needed in connection with the running of the lines will also be derequisitioned.

The Administration of the Italian State Railways will finally be entitled to enter into agreements with the Administrations of the European railways networks for a resumption of international traffic, for the inter-change of rolling stock and for the regulation of technical and financial questions concerning the international railway stations at the frontiers.

Civil Aviation

The Italian Government is entitled to re-establish the Civil Aviation services needed to connect the main Italian demographic and economic centers with one another. They will also be entitled to re-establish connecting air-services between the internal lines and the main European and Outer-European centers, provided that the program for a gradual resumption of the international air services, worked out by the Italian Government, be previously submitted to the approval of the United Nations.

The movements of air-lines and their utilization on the part of Italian and foreign passengers will be carried out in accordance with the regulations which are in force in Italy.

The use of the air-ports and of the ground "aid-to-navigation" installations will be returned to the Italian Government subject to the necessary agreement that their use be assured to international traffic.

740.00119 E.W. 1939/12–2245 : Airgram

The Ambassador in Italy (Kirk) to the Secretary of State

Rome, December 22, 1945.
[Received January 9, 1946—9 : 05 a. m.]

A–1131. Reference Deptel 2121 [*2123*], November 17, 1 p. m. Below is quoted text in translation of *Note Verbale* from Foreign Office expressing grateful acknowledgment of Embassy's *Note Verbale* communicating our willingness to consider revision of Armistice regime:

Note Verbale

"The Ministry of Foreign Affairs in acknowledging receipt of the *Note Verbale* No. 314, of November 18 [32] current, begs the Chargé

[32] Not printed but see telegram 2123, November 17, 1 p. m., to Rome, p. 1087.

d'Affaires of the United States of America to communicate the warm and deepfelt sentiments of gratitude of the Italian Government and people for the acceptance of the Italian request of revision of the Armistice regime by your Government and for the subsequent consultation of the other Governments signatory to the said armistice with a view to putting this into effect as quickly as possible.

"The Italian Government does not doubt that the other Governments will also concur to this move, but it is especially happy to note that this time again it originates with the United States and that the close ties of friendship which bind Italy with the great North American Republic may thus be strengthened further.

"November 21, 1945."

KIRK

740.00119 EW/12-2845

Memorandum of Conversation, by the Assistant Chief of the Division of Southern European Affairs (Dowling)

[WASHINGTON,] December 28, 1945.

In the course of his call this afternoon, Di Stefano [33] left with me the attached excerpts [34] of telegrams from the Italian Embassy in Moscow reporting Quaroni's [35] conversations with Bevin and Molotov.[36] Both appear to have said a few kind words about Italy, but Mr. Molotov seems not to have deviated from the previous Soviet attitude towards Italy, i.e., that while the USSR entertains only the friendliest feelings towards Italy, the latter can not expect the same consideration as the Balkan states so long as it maintains its present orientation towards the western powers. Incidentially, Mr. Molotov's remark regarding Soviet "responsibilities towards those nations which have entrusted to it their interests and problems" appears to be his clearest admission yet of his assumption of the white man's burden in the Balkans.

740.00119 EW/12-2845 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 28, 1945—11 a. m.
[Received 6:15 p. m.]

4216. De Gasperi submitted to me last night *aide-mémoire* in following sense:

(*Begin summary*) Italian Govt notes with satisfaction that date for conclusion of peace has been fixed at Moscow.[37] It has, however, noted

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[33] Mario di Stefano, Counselor of the Italian Embassy.
[34] Not printed.
[35] Petro Quaroni, Italian Ambassador in the Soviet Union.
[36] Vyacheslav Mikhailovich Molotov, People's Commissar for Foreign Affairs of the Soviet Union.
[37] Moscow Conference of Foreign Ministers, December 16-26, 1945; for documentation, see vol. II, pp. 560 ff.

with real disappointment apparent abandonment of position allotted to Italy last August at Potsdam and of stated precedence that was then established for conclusion of peace treaties.[38] Such disappointment is not inspired by vain desire for priority or hostility toward Balkan nations with whom Italy intends to collaborate but from knowledge that precedence established at Potsdam corresponds to facts and to concepts of justice. Italy entered war against Germany [39] when it was still long way from being won. She gave first sign of revolt against Germans, was active cobelligerent for 18 months and faced grave risks as consequence. Now it appears that what was so solemnly acquired at Potsdam has been lost at Moscow.

Italian Govt recognizes difficulties confronting Big Three in arriving at agreement on various world problems hopes that procedures and decisions adopted at Potsdam will be maintained and recalls that position of cobelligerent is peculiar to Italy and to no other of ex-enemy states.

Being ignorant of exact text of Moscow communiqué Italian Govt does not know if and in what phase it will be consulted in solution of problems affecting its future and reconfirms in friendly but serious manner necessity for Italian Govt not to be faced with authoritarian and dictated solution to Italian problems but will be permitted, according to unofficial and official promise, to expound, prior to fact, its point of view and to be in position freely to discuss solutions which will be reached regarding her. (*End of summary*).

Identical notes were handed to my Soviet and British colleagues yesterday.

After discussing matter briefly with officials returning from Moscow who passed through Italy, I propose to tell De Gasperi that from what I gathered from their conversation no plans were adopted at Moscow as regards peace treaty with Italy which are at variance with decisions taken at London Conference of Foreign Ministers.

I should appreciate urgently Dept's comments and amplification of foregoing for further communication to De Gasperi.

Sent Dept repeated London 395 Moscow 172.

KIRK

740.00119 E.W./12-2845 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 28, 1945—7 p. m.
[Received December 29—4:08 p. m.]

4217. I saw De Gasperi this morning and although his remarks revolved around views set forth in *aide-mémoire* summarized in my 4216,

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[38] See Protocol of Proceedings of the Berlin Conference, section X, *Conference of Berlin (Potsdam)*, vol. II, p. 1492.

[39] For text of Marshall Badoglio's letter of October 13 to General Eisenhower informing him of Italy's declaration of war on Germany on that date, see Department of State *Bulletin*, October 16, 1943, p. 253.

December 28, it was clear that he felt that US and in lesser plane Great Britain had sacrificed for what they considered larger considerations moral advantage accruing to Italy by virtue of Potsdam declaration which set Italy in foreground as co-belligerent in contrast with other countries which had joined Allies at eleventh hour. He seemed to base this impression on wording of statements made at Moscow but also on reports from Italian Ambassador there to effect that whereas Soviets had at first expressed no objection to revision of armistice terms with Italy, Molotov had subsequently on December 21 manifested to Quaroni attitude less favorable and had argued that Italian problem was so inextricably involved with other questions viz. those relating to Balkans which were of greater importance to Soviet Government that status of Italy could not be determined on its own. De Gasperi then said that declarations from Moscow seemed to place Italy on same basis as other countries which had not separated from Axis as soon as it had and that this was severe shock to Italian people and Government especially at time when it was facing preparations for elections and was confronted with serious economic, financial and political difficulties. I merely told de Gasperi as my personal view that it was unfortunate that he had reached assumptions indicated based solely on wording of communiqués and especially that publicity had been given thereto. (See my immediately following press telegram.)[40] I told him what I had gathered from cursory conversations concerning decisions at Moscow (see mytel under reference) and that I had cabled to Department contents of his *aide-mémoire* with view to eliciting clarification which would place matters in their proper context. He said that he would await eagerly that clarification.

Sent Department 4217 repeated London 396 Moscow 173.

KIRK

740.00119 EW/12-2845 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, December 31, 1945—3 p. m.

2463. Urtel 4216 Dec. 28. You should inform De Gasperi that decisions taken at Moscow re peace treaties are premised upon Potsdam Agreement and that recognition accorded Ital co-belligerent war effort in Potsdam communiqué has in no way been invalidated. You should also assure Formin that this Govt naturally continues to adhere to its statement of June last to Ital Govt that it is our expectation that

[40] Not printed.

before any Ital peace treaty is put in final form a full opportunity will be given Ital Govt to discuss it and to present its views.

Sent Rome, repeated London as 11166 and Moscow at 2656.

BYRNES

CONCERN OF THE UNITED STATES OVER THE CONTROL OF VENEZIA GIULIA [41]

740.00119 Control (Italy)/2–2045 : Telegram

Mr. Alexander C. Kirk, United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State [42]

CASERTA, February 20, 1945—11 p. m.
[Received February 23—8 a. m.]

609. Reference our 421 February 3, 4 p. m.[43] At SAC's [44] political meeting yesterday (the first held since December 30) he presented draft brief for his projected conferences with Tito [45] in Belgrade. He also produced text of a draft agreement concerning establishment of Allied military control of Venezia Giulia. Alexander stated there had been much discussion regarding form of government which should be established in Venezia Giulia at time when Trieste would be required as base from which to maintain Allied occupational forces in Austria. He stated that it was essential that any arrangement agreed to should be acceptable to Tito since partisan forces were in that area and it was known that Tito intended to incorporate the area in postwar Yugoslavia. SAC added that in recent conferences at Yalta with Eden [46] and "others" it had been agreed he should attempt to make an arrangement with Tito on purely military grounds. He intended therefore to propose to Tito that a military boundary be established which would run north and south over certain well defined physical features at a distance approximately 10 miles east of lines of communication required by Allies. SAC added that it would be stated that territory west of this boundary would be administered under Allied Military Government but no reference would be made to form of administration east of the boundary. He asserted effort

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[41] For additional documentation, see Harry L. Coles and Albert K. Weinberg, *Civil Affairs: Soldiers Become Governors*, in the official Army history, *United States Army in World War II: Special Studies* (Washington, Government Printing Office, 1964), pp. 587 ff.

[42] Alexander C. Kirk was also Ambassador in Italy.

[43] Not printed.

[44] Supreme Allied Commander (Field Marshal Sir Harold Alexander).

[45] Marshal Tito (Josip Broz), Prime Minister and Minister of Defense in the Provisional Government of Yugoslavia.

[46] Anthony Eden, British Secretary of State for Foreign Affairs.

would be made to induce Tito to remove any Yugoslav troops west of the boundary but if he insisted they should remain west of boundary he must agree they should come under SAC's command. Similarly it would be agreed that any Allied troops which it was found necessary to station east of boundary would come under Tito's command. I took position that Department felt Allied Military Government should be established in all disputed areas which in 1939 were parts of Italy including Zara and Italian islands in the Adriatic. I stated therefore no action should be taken which would compromise the 1939 frontier between Yugoslavia and Italy. I added that I feared intention announced by SAC would imply Allies were prepared to concede to Yugoslavia some of Venezia Giulia and in any case the proposal involved a restriction in the exercise of AMG [47] over the area. I said that if it were necessary to discuss this question with Tito he should be told at first that it was our intention to establish AMG throughout Venezia Giulia. I said also that there was no indication as yet that extension of AMG throughout the area would not be acceptable to the Russians, and if it were acceptable to the Soviet Government it would be also presumably acceptable to Tito.

In this connection Admiral Stone [48] who was present at meeting pointed out that Italian Government has been informed that all Venezia Giulia would pass under AMG when liberated. This was in accordance with proposal which had been made by previous SAC (General Wilson) [49] to CCS.[50] It was pointed out that proposal put forward by Alexander would have an unfortunate effect as regards the surrender instrument [51] concluded with Italian Government by General Wilson [*Eisenhower*] on behalf of the United Nations since the implied invitation to Tito (who was not under SAC's command) to occupy territory which was previously Italian could be considered as a breach of the spirit if not the terms of the armistice agreement. It was pointed out that however much it was desired to discuss this on a purely military basis an agreement of the kind contemplated by SAC would inevitably have serious political implications.

Alexander stressed the urgency and necessity for an established working military arrangement for the area. Macmillan [52] stated that from a practical viewpoint the proposed arrangement would in fact benefit the Italians in that it would assure their retention of the port

[47] Allied Military Government.
[48] Adm. Ellery W. Stone, Chief Commissioner, Allied Commission, Rome.
[49] Gen. Sir Henry Maitland Wilson.
[50] Combined Chiefs of Staff.
[51] For text of Instrument of Surrender of Italy, September 29, 1943, see Department of State, Treaties and Other International Acts Series (TIAS) No. 1604, or 61 Stat. (pt. 3) 2742.
[52] Harold Macmillan, British Minister Resident at Allied Force Headquarters, Mediterranean Theater, and Acting President of Allied Commission, Italy.

of Trieste, although he agreed that theoretically it might imply the "de facto" right of Yugoslavs to territory of Venezia Giulia east of the proposed boundary. He also mentioned that this question had been raised in a recent note from Eden to the Secretary [53] which had not been discussed at recent conferences. Macmillan suggested three possible courses:

1. SAC might carry out his proposed intention with risk that since Yugoslavs would surely assume control of territory east of boundary, SAC would have taken first step to precipitate Yugoslav assumption of control without authority from both governments; and Yugoslav forces could not be evicted by United States and Britain after collapse of Germany.
2. SAC might refer his draft agreement to CCS before discussion with Tito.
3. United States and British Governments might approach Soviet Government to obtain their agreement to proposed boundary and their cooperation in establishing it.

British Resident Minister commented that there was small doubt that Russians would wish to transfer whole of Venezia Giulia to Yugoslavia including Trieste as this would give them a Russian controlled outlet to Mediterranean. He considered best course was No. 2 above, and suggested it be pointed out to CCS that if they wished to occupy Austria from the South Tito should accept the 1939 frontier or boundary now proposed and in event of Tito's refusal to accept at least latter boundary the alternative was to fight Yugoslav army for possession of disputed area.

General McNarney [54] referred to existing agreement with Tito in respect of Zadar which 1939 Italian possession is thus already compromised. (See my 58, of January 6) [55] He pointed out that Yugoslav partisans are already in possession of large parts of Venezia Giulia and that it might be necessary to move to Austria and use port of Trieste before matter could be settled in accordance with courses 2 or 3 above. McNarney considered that early conclusion of some arrangement providing for SAC's control over lines of communication from Trieste by Austria an urgent military necessity and expressed view that State Department's policy regarding this territory was not entirely realistic.

Air Marshal Slessor [56] said most promising course appeared once joint provisional government is established in Yugoslavia to point out

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[53] Presumably the note of February 10, 1945, *Foreign Relations*, The Conferences at Malta and Yalta, 1945, p. 888.

[54] Gen. Joseph T. McNarney, Deputy Supreme Allied Commander, Mediterranean Theater.

[55] Not printed; it referred to a proposed Yugoslav airbase at Zadar, within pre-war Italian boundaries, which would be used for servicing American aircraft which might land in damaged condition (740.00119 Control (Yugoslavia)/1-645).

[56] John Cotesworth Slessor, British Deputy Commander-in-Chief, Mediterranean Allied Air Forces.

to them their share in responsibility of Allies for AMG in those parts of Italy (including Venezia Giulia) where it was exercised.

Macmillan supported Slessor's suggestion adding that Yugoslav Government would participate in obligations of United Nations which included being parties to Italian surrender instrument which covered establishment of AMG over all Venezia Giulia. An accredited Yugoslav representative could be appointed to Allied Commission. Admiral Stone also supported Slessor's suggestion but mentioned that any Yugoslav forces or occupational administration in Venezia Giulia would have to come under control of SAC through Allied Commission.

Alexander said that since Tito had already agreed in principle to Allied control of Trieste and line of communication to Austria he could be informed that military necessity demanded that whole of Venezia Giulia be subject to AMG and that Tito's forces in the area must come under Allied control. In conclusion SAC stated he would raise question of Venezia Giulia only in most general military terms in discussions with Tito and on his return from Belgrade would submit analysis of difficulties of situation to CCS together with Air Marshal Slessor's suggestion and supporting arguments mentioned above.

KIRK

740.00119 Control (Italy)/2-2445 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, February 24, 1945—noon.
[Received 2:05 p. m.]

680. Re my 609, February 20. We have now learned that during Alexander's talks with Tito on Venezia Giulia he informed the latter that as result of Allied preliminary planning it seemed essential to occupy and establish Allied Military Government within 1939 frontier to maintain Allied Forces in Austria. SAC explained this would not prejudice boundary considerations in final peace settlement. Tito accepted idea of AMG provided his civil administration (already established in areas in question) would remain and he agreed it should be responsible to AMG. He foresaw chaos unless his civil authorities were allowed to function. Tito commented also that if object of Allied occupation was to protect lines of communication between Trieste and Austria he did not consider Allied occupation of whole Istrian peninsula necessary and offered use of communication facilities through Ljubljana which he said were well within Yugoslav frontier. SAC said his remarks were purely exploratory

and matter would have to be referred to CCS before further discussion. Tito stated he expected Germans to make a stand in the mountains of Austria where his 200,000 Yugoslavs would be very useful to the Allies. He also suggested Yugoslav occupation of a part of Austria following German defeat. Tito added that he would need 100,000 sets of clothing and 10,000 trucks to which SAC replied there was some prospect of aid in food, clothing and petrol but little hope of providing trucks already short Allied forces. Tito said Russians had to date furnished 800 trucks, food, ammunition and artillery.

Arrangements have been completed by Alexander for Partisan army staff and Balkan Air Force to make a detailed air support plan for operations on the Yugoslav coast and his naval representative has begun conversations on naval matters with Partisan representatives.

KIRK

740.00119 Control (Italy)/2–2745: Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, February 28, 1945—6 p. m.

179. Your 716 February 26, mid; 738 February 27 mid.[57]

1. We should obtain agreement by Tito as outlined in your 680, February 24, noon, that throughout the entire compartment of Venezia Giulia he will place his civilian administrative machinery under AMG and his occupational forces under SACMED[58] as Military Governor.

2. While we would accept Yugoslav civil administration in purely Slovene localities under the above agreement, no commitment should be made to Tito concerning maintenance of his administration in the predominantly Italian localities in the western part of the Istrian peninsula and the compartment.

3. Obviously if AMG is to function in fact as well as in name its officers must, after their arrival, have the final authority of establishing and controlling local administrations and their composition. This right should be clearly safeguarded.

4. We consequently see no necessity for and are therefore unwilling to agree to the establishment of a provisional line of demarcation such as the British have suggested between JCNL[59] and AMG administrative territory.

5. We intend to inform the British and Soviet Governments of this position.

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[57] Neither printed.
[58] Supreme Allied Commander, Mediterranean.
[59] Jugoslav Committee of National Liberation.

6. With reference to paragraph number 2, you will have observed that the British are much more inclined than we have been to accept the JCNL's own estimate of its strength and extent in the area in question, and we hope that AFHQ [60] has made a critical examination of the situation. In making this observation we have in mind the persistent desire of the British to go as far as possible, for political reasons, in meeting whatever position the JCNL has chosen to take in recent months.

GREW

740.00119 Control (Italy)/3-345 : Telegram

The Supreme Allied Commander, Mediterranean Theater (Alexander), to the Combined Chiefs of Staff

[CASERTA (?)] March 2, 1945.

Naf 872. 1. Reference is made to Mat 418 of 23 November in which certain proposals were made for Allied Military Government of Venezia Giulia. I have just returned from a meeting with Marshal Tito in Belgrade. While there I tried to extract from him his views on the subject of Venezia Giulia. In opening the discussion I stated that when forces under my command occupy Austria the control of the L of C [61] to Trieste would seem to demand my occupation of all territory west of the 1939 frontier between Italy and Jugoslavia and the establishment of Allied Military Government in that area. In reply Marshal Tito offered the following comments:

a. He accepted the idea of Allied Military Government within the zone of my communication provided his civil administration already installed in the areas in question was retained, his reason being that unless such civil authorities were allowed to function chaos would ensue. He was prepared to agree that his civil authorities should be responsible to the Allied Military Government.

b. Assuming that the object was to protect the L of C between Trieste and Austria he did not consider it necessary for the Allies to occupy the Istrian Peninsula.

c. He offered me the use of communications running through Ljubljana though he pointed out that these of course were well within the frontiers of Jugoslavia.

2. From information obtained over a period of several months there is ample evidence to show that Slovene intention is to extend their hold over as large an area of NE Italy as possible in order to create a good case for annexation to Federal Jugoslavia of maximum territory in NE Italy. East of the Isonzo the influence of JANL [62]

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[60] Allied Force Headquarters.
[61] Line of Communication.
[62] Jugoslav Army of National Liberation.

is paramount in all areas not under effective enemy control and great efforts are being made to extend this influence westwards at least as far as the Tagliamento. This process includes subversion of Italian Partisan Brigades as a condition of their being allowed to operate in the area. In these circumstances it is evident that there is likely to be considerable internal disorder in that part of NE Italy east of the Tagliamento when evacuated by the Germans and when the Allied forces first march in.

3. The occupation of Austria and the safeguarding of the L of C of Allied occupying forces make essential that the port of Trieste, and railways leading from it into Austria be under my control, and that I have full powers to maintain law and order in that area. The International cable line from Rome to Vienna must also be under my control. In view of the circumstances explained in paragraph 2 preceding, these requirements and the consequent security of the L of C can only be assured by the imposition of Allied Military Government at least upon that portion of NE Italy which will comprise such L of C area.

4. If nothing but operational interests were concerned, an attempt could be made to conclude an agreement with Marshal Tito which fixed a military boundary running approximately north–south through Venezia Giulia. The area to the west of this boundary could then be under my military control. In that case no mention need be made of administrative arrangements for the area to the east which would presumably come at once under Jugoslav rule. An assurance could be sought that all Jugoslav and Slovene troops west of such boundary would come under our operational command.

5. The following political considerations, however, appear to preclude an attempt to make such an agreement:

a. Any such agreement, expressly limited though it might be to purely operational purposes, would be construed by Marshal Tito, by the Italian Government and by outside world as recognition of Jugoslav sovereignty over territory east of proposed boundary. No doubt the Foreign Office as well as the State Department are opposed to any action which would compromise the 1939 frontier between Italy and Jugoslavia in advance of a general peace settlement.

b. Italian Government has been assured that the whole of Venezia Giulia will be placed under Allied Military Government similar to that already obtaining in Italy.

6. In any event it would be necessary to ensure that naval control of the ports between Fiume and Trieste both inclusive be vested in Commander-in-Chief, Mediterranean whose representatives would

work in close cooperation with Commander, 15 Army Group or Jugoslav Forces as appropriate.

7. Essential considerations of which any solution to the problem must take accounts are:

a. Provision for the control and security of the port of Trieste and L of C thence to Austria.

b. Avoidance of any action that would appear to pre-judge the final disposal at the peace conference of disputed territory, or that would appear to be a breach of faith with the Italian Government.

c. Avoidance of armed conflict between Allied Forces and Jugoslav or Slovene Forces under command of Marshal Tito.

8. It is accepted policy that all Italy (including of course Venezia Giulia) should be subject to Allied Military Government on liberation from the Germans, and the considerations in 7*a* and *b* above require that there should be no departure from that policy. On the other hand, the fact must be faced that Jugoslav (Slovene) Forces are already in occupation of large areas of Venezia Giulia, and Jugoslav Civil authorities are already installed in the areas in question. The Jugoslav Forces will probably be in a position to extend their hold over the whole country before other Allied forces can arrive, and there may well be some force in Tito's contention that, unless his civil authorities are allowed to continue to function, chaos will ensue. In order, therefore, to meet the requirement in 7*c* as well as those in 7*a* and *b* above, it is suggested that we should make a virtue of a necessity and invite the Provisional Jugoslav Government—as soon as it is formed—to participate, as an ally, in the Allied Military Government of Venezia Giulia. In that event, I recommend that the Joint Provisional Jugoslav Government be asked to send representatives to consult with members of my staff in formulating plans for the Military Government of Venezia Giulia, and that it should be arranged that British or American Forces occupy the L of C area and perhaps also Fiume and Pola; that the Jugoslav Forces in other parts of Venezia Giulia come under the orders of the appropriate Allied Commander; and that AMG officers should be associated with such existing civil authorities as may be found functioning in the territory.

9. In my view the acceptance of this plan will depend entirely upon an agreement to the general scheme between the three great powers, the United States, the United Kingdom and Russia, before the invitation is made to the provisional Jugoslav Government. I therefore request that urgent steps be taken to secure agreement between the three great powers.

ALEXANDER

740.00119 Control (Italy)/3-245 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 2, 1945—midnight.
[Received March 3—10 : 18 p. m.]

786. ReDeptel 179, February 28, 6 p. m. At SAC's political committee meeting this morning he said that in his conversations with Tito he had brought up subject of Venezia Giulia by stating that when Allied troops were operating in or near Austrian border he would require use of Trieste and railway and road communications leading into Austria from Trieste. He added he felt he should be fully responsible for his own communications and consequently should garrison the area with his own troops and install his own military government. He said he had then suggested to Tito that best solution would be to establish military government over whole of Venezia Giulia up to 1939 boundary leaving all frontier questions to be settled at end of hostilities. Alexander said Tito had agreed to take this suggestion as far as areas containing essential communications were concerned but had pointed out that as his troops were already in these areas and had established civil administration and his organization could not be withdrawn without chaos resulting and had indicated further that he intended eventually when American and British forces pulled out to take over all northeastern Italy east of the Isonzo. Tito added that in areas containing communications necessary to Allied troops he would be willing to place his forces under SAC's command and his civil administration under AMG which Alexander would impose.

Tito could not understand, however, why it would be necessary to establish AMG in whole of Istria as control of entire area was not essential for military communications. In addition he had offered to make communications routes through Ljubljana available to SAC.

Field Marshal Alexander went on to say that from his conversations with Tito on this subject he felt certain that in order to obtain Tito's agreement for any proposed arrangement in Venezia Giulia it would be necessary to obtain Russian approval for such an arrangement before presentation to the Yugoslavs.

When we questioned SAC more in detail on this matter he stated that without Russian agreement Tito would not agree to place his troops and civil administration under Allied control in areas in eastern Venezia Giulia which did not contain essential military communications. British Resident Minister who was present said that in his opinion best hope of a solution would be along lines suggested by Air Marshal Slessor at SAC's last meeting (see my 609, February 20,

11 p. m.). Macmillan stated that essential point seemed to him to be that Yugoslav administration in area should not remain a separate organization acting as agent of Allied administration, but should be merged in AMG. This objective could be obtained if on occupation of area the whole of Venezia Giulia was made AMG region under British or United States military governor who might have Yugoslav deputy. There could be two provinces under these officers. Full Allied military control could be established in western Venezia Giulia under British or American provincial governor and there would be merged in the organization certain persons of Tito's civil administration. These two provinces might be under Yugoslav provincial governor and Tito's administration would form basis of government majority with certain United States and British officers. Macmillan pointed out that Royal Yugoslav Government were already represented on Advisory Council for Italy and this representation would pass to joint provincial government when recognized. Suggestion was also made by British Resident Minister that this government might be offered representation on Allied Commission in Rome and Yugoslav officer nominated to this post might be made responsible for planning of military government of Venezia Giulia in conjunction with Allies. We pointed out we did not consider Yugoslav representation on Allied Commission for Italy desirable and General McNarney supported us with statement that he would not consider it proper to offer participation in Allied Commission (which was in effect governing Italy today) to Tito when latter was proposing in fact to seize certain portions of Italian territory. Serious repercussions in Italy would ensue and Italian government might fall. He therefore objected to this step because of military consequences.

We informed Field Marshal Alexander and those present at meeting we felt Tito might agree to accept SAC's full control over Venezia Giulia. We added that we failed to see why special facilities should be offered to Tito in the control of AMG. We pointed out that prestige and other advantages which Tito would acquire from AMG would be considerable. We then informed meeting in detail of sense of first four paragraphs of Department's 179, February 28, 6 p. m. and added that we believed the United States Government would probably inform the Soviet and British Governments of our position. We concluded with statement that we were not satisfied that Tito's Partisans in fact possessed strength in northeastern Italy which they claim.

Macmillan reacted promptly to our comments and stated that he proposed that Tito's administration ought not only to be prevented from dominating Italian areas but should be completely merged in the AMG setup. He then agreed that it was not essential to have a

Yugoslav representative accredited to AC [63] but that it would be important to have some authorized Yugoslav official to cooperate in necessary planning. During the course of the meeting, Field Marshal Alexander seemed a bit impatient with the political objections which were raised to his desire to establish the provisional military line referred to in my 609 of February 20, which he has now labelled the Robertson line. (This line was drawn by Lt. General Lord Robertson, SAC's chief administrative officer at AFHQ, who prepared plans for occupation of the area west of this line in accordance with SAC's directions.) We made it clear that we did not approve of the proposed provisional line.

We have been shown in strictest secrecy a copy of the minutes prepared on SAC's first conference with Tito on the evening of his arrival at Belgrade. There were present at this meeting besides Tito and Alexander only Velebit [64] and Maclean [65] who acted as interpreters. During this meeting, according to transcript of the minutes, SAC made the inquiry referred to in first paragraph of this message and stated to Tito "At first sight, it looked as if this would involve the occupation of all territory west of the 1939 frontier between Italy and Yugoslavia, and the establishment of AMG in the areas in question. First, he accepted the idea of Allied military government, provided that he was allowed to retain the civil administration which he had already established in the areas in question. At the same time he was prepared to agree that his civil authorities should be responsible to AMG. Et cetera. Et cetera."

During the course of SAC's meeting we asked Alexander three times whether Tito had not definitely agreed to accept AMG for all territory west of 1939 Italian frontier and to place his forces under SAC as military governor. SAC evaded a direct reply and said twice that Tito had stated flatly "I intend to annex what I want in Istria after you withdraw."

A telegram is being sent to the Combined Chiefs of Staff on this subject this evening and is not at all what Alexander wished to propose in the first draft which he tabled at the meeting under discussion.

It has been difficult to bring SAC around to our point of view on this question and while we may not have succeeded entirely we have prevented Alexander and his Chief of Staff from making the proposals they originally intended to make. We have persistently urged them that instead of asking Tito what he would like we should tell Tito what we intended to do in that area and state that we expected his cooperation.

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[63] Allied Commission.
[64] Gen. Vladimir Velebit, Yugoslav Assistant Foreign Minister.
[65] Brig. Fitzroy H. Maclean, Head of British Military Mission to Yugoslavia.

734-362—68——71

I can only say that I consider that any action which would mark a deviation from the maintenance of the 1939 boundary pending final settlement by due process would constitute a repudiation of the principles for which we are supposed to be fighting. KIRK

740.00119 Control (Italy)/2–1145 : Telegram

The Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, March 14, 1945—9 p. m.

595. The Department is repeating to you in a separate telegram substance of its reply to a note submitted by Eden to the American and Soviet Secretaries of State[66] at Yalta on the interim administration of Venezia Giulia. (The text of the British note is being sent you by airgram.)[67]

On receipt of the telegram under reference you should inform Molotov of the sense of our reply to the British note and express the hope that his Government's views may be along similar lines.

STETTINIUS

740.00119 Control (Italy)/2–1145 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, March 14, 1945—11 p. m.

1972. At Yalta Eden gave Molotov and the Secretary identic notes concerning the interim administration of Venezia Giulia which in substance proposed that a provisional line of demarcation be established in the compartment between the area to be controlled by Tito and the area over which AMG would be established. Text has been sent you by airgram.

Please deliver a reply to Eden containing the following substance:

The Department has been giving serious consideration to British proposal, submitted to Soviet and American Secretaries of State at Yalta, and to the whole question of the interim administration of Venezia Giulia. As Eden knows the question was discussed by Alexander and Tito at Belgrade recently and a recommendation for solution of the problem has been made to the Combined Chiefs of Staff in a telegram dated March 2. A reply to SAC's telegram giving him direction on this problem will shortly be considered by Combined Civil Affairs Committee.

This Government wishes to maintain the principle that, during the

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[66] Edward R. Stettinius, Jr., and Vyacheslav Mikhailovich Molotov, respectively.

[67] Airgram not printed. For text of note, see *Conferences at Malta and Yalta*, p. 888; for reply, see telegram 1972, March 14, 11 p. m., *infra*.

period of combined Anglo-American military responsibility in Italy and subsequently until such time as final disposition will be made of Venezia Giulia in the general peace settlement, no unilateral action be permitted by either one of the claimants (Italy or Yugoslavia) to this disputed area which would prejudice its final disposition. It has felt for some time and it understood that the British Government agreed that this objective could best be achieved by establishing Allied military government under SAC throughout the entire Venezia Giulia and by maintaining such government there until its final disposition. We feel that any other course would seriously prejudice a final equitable decision, establish an unhappy precedent with respect to other disputed areas by recognizing the efficacy of force and unilateral action in determining Italy's frontiers and contribute in an unforeseen degree to the political instability of the Italian Government.

We understand that Tito has accepted the idea of Allied military government in Venezia Giulia with certain reservations affecting his local administrations already established there. We are confident that the details can be worked out between SAC and Tito if the British, Soviet, and American governments agree in principle that this disputed area should be administered in its entirety by Allied military government under SAC during interim period between German withdrawal and the area's final disposition by treaty.

It is hoped that the British Government will give careful and favorable consideration to this proposal and that it will at the same time agree to put aside for the time being the suggested solution of a provisional line of demarcation dividing Venezia Giulia between AMG and Tito's forces which was submitted to the Soviet and American Secretaries of State at Yalta and in which the US Secretary cannot concur for the reasons set forth above.

The Soviet Government is being informed of the nature of the US reply to British note.[68]

Sent to London. Repeated to Moscow and Caserta.[69]

STETTINIUS

740.00119 Control (Italy)/3–1545 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, March 15, 1945—2 p. m.
[Received March 16—1:02 a. m.]

982. Re my 786 of March 2. From British sources we have learned that the question of Venezia Giulia is being considered in the highest quarters in London and that four possible lines of action are receiving attention:

1. Proposals more or less as outlined in my 800 of March 3[70] (Naf 872).

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[68] See paragraph numbered 3 in telegram 1090, April 8, 11 p. m., from Moscow, vol. v, p. 1215.

[69] As Nos. 594 and 217, respectively.

[70] Not printed; it merely referred to Naf 872, March 2, p. 1108.

2. Whole province to have Anglo-American Government which will involve disarming and withdrawal in that area of Yugoslav Partisan forces.

3. Anglo-American Military Government to be under a special military governor who will be responsible to SACMED but to be advised by a council which will include United States, United Kingdom, Soviet, Italian and Yugoslav Government representatives.

4. Division to be made into two zones of operation on basis of

a. The suggested "Alexander line" (Robertson [71] line).

b. A line suggested by Foreign Office, which is somewhat west of the Alexander line, and is [*its?*] prediction of ultimate boundary.

In London weight of opinion is inclined towards use of the Alexander–Robertson line. It is not expected that a definite statement of policy will be made for at least 3 weeks.

Following points have been made from the G–5 [72] aspect; if the province is to be administered separately it will require detailed staff coordination and planning with Italian and Yugoslav authorities of a special police force, a military government staff larger than hitherto planned, and policy on legal and financial aspects in relation to currently existing administration.

London opinion is contrary to Allied Commission's contention that British and Americans are legally committed to AMG in all the province as a part of Italy. At same time stress has been laid on need to avoid precipitating an Italian Government crisis or unrest in Italy by agreeing to a *de facto* Yugoslav occupation on a long term basis. Therefore course 3 is a modification of proposal in Naf 872 (my 800 of March 3) although differing in that it separates the provinces from Allied Commission and establishes a military governor directly responsible to SACMED.

London considers course 3 desirable in spite of detailed planning required. Local Yugoslav or Italian administration would remain intact and military governor would have Yugoslav or patriot forces under his command.

The British anticipate that course 3 will be rejected by CCS [73] and that the Alexander (Robertson) line will be selected in preference to the Foreign Office line, and that balance between courses 3 and 4 will depend on possible decision to hold the whole province in suspense.

KIRK

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[71] General Lord Robertson, chief administrative officer for the Supreme Allied Commander at Allied Force Headquarters.

[72] Headquarters staff division dealing with civil affairs.

[73] Combined Chiefs of Staff.

740.00119 Control (Italy)/3-2145 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, March 23, 1945—8 p. m.

248. For PolAd.[74] In drafting reply of Naf 872 [75] American members circulated on March 14 a paper which represented the American position on the administration of disputed areas formerly under Italian rule. U.S. draft was in the following sense:

AMG should be established and maintained in compartment of Venezia Giulia (excluding Zara), and city and environs of Tarvis. Civil authorities there will be responsible to AMG. SAC may accept local Yugoslav civil administrations already established by Tito in predominantly Yugoslav localities. He should not however make any commitments to Tito concerning maintenance of his civil administration in localities predominantly Italian. It should be made clear to Tito that AMG will have final authority in establishing local administrations and controlling their composition throughout compartment and that SAC expects cooperation of Tito's civilian authorities and armed forces in this regard.

SAC's suggestion that Yugoslav Government be invited to participate in AMG of Venezia Giulia is not approved since Yugoslavia is party to dispute and since Tito has apparently accepted the idea of AMG in Venezia Giulia.

Lines of communication from Pola, Fiume, and Trieste would seem to require AMG in whole Istrian peninsula.

Interim administration of Zara and certain Adriatic islands should be conducted in the name of Allies although in practice SAC may have to agree to Yugoslavs' performing actual administration.

AMG should be established and maintained in province of Bolzano. In Pantelleria, Lampedusa, and Linosa AMG should be continued. (Above summary is not complete.)

British members of CCAC [76] cabled U.S. draft to London. (Reference your 1076, March 21, 11 p. m.)[77] It is learned that London's reply has now been received and will be circulated in CCAC probably today or tomorrow. We have not yet seen it but understand that it presents the various alternatives reported in your 982 of March 15, 2 p. m. for CCAC's consideration.

GREW

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[74] Political Adviser.
[75] March 2, p. 1108.
[76] Combined Civil Affairs Committee.
[77] Not printed; it requested information regarding developments in matter of Venezia Giulia.

740.00119 Control (Italy)/4-345

The British Embassy to the Department of State

AIDE-MÉMOIRE

The problem of the Military administration of certain disputed areas in SACMED's theatre, especially Venezia Giulia, has been under examination in London and Washington for some time.

Mr. Eden has received Mr. Stettinius' reply to the note which the British Foreign Secretary handed to him and to M. Molotov at the Crimean Conference.

[Here follows substance of note based on telegram 1972, March 14, 11 p. m., to London, printed on page 1114.]

The United Kingdom Government welcomes this proposal and is anxious that the precise form which the Allied Military Government might take in this area should be examined by the Combined Chiefs of Staff.

Field Marshal Alexander has expressed the view, which Mr. Eden entirely endorses, that any solution of this problem, which raises such important political as well as military issues, depends on prior agreement between the United Kingdom, United States and Soviet Governments. Mr. Eden therefore does not want at this stage to rule out any possible solution of this problem, and is anxious that the Combined Civil Affairs Committee of the Combined Chiefs of Staff should examine all the different plans which the British members have now been instructed to put forward.

As soon as the Combined Chiefs of Staff have expressed their opinion, it is proposed that the political representatives of the United Kingdom, United States and Soviet Governments should discuss this question in the light of that opinion and having regard to the note which Mr. Eden circulated at the Crimean Conference,[78] in order to reach agreement on a solution which could then be put in the name of the three Governments to the Yugoslav and Italian Governments. If there were to be an early meeting of Foreign Ministers this would be the best forum in which to deal with this important question but, as an early decision is clearly necessary, it will hardly be possible to wait for the meeting of Foreign Secretaries after San Francisco. Failing that, this question might suitably be handled by European Advisory Commission, but in that case a special understanding between the Governments would be necessary in order to ensure that members of European Advisory Commission were authorized to discuss it without delay. If Mr. Stettinius agrees, Mr. Eden would suggest

[78] Apparently reference is to British proposal of February 10, 1945, at Yalta. For text, see *Conferences at Malta and Yalta*, p. 888.

that the United Kingdom and United States Governments, as responsible for conducting operations in the Mediterranean theatre, should address, in due course, a joint invitation to the Soviet Government on lines suggested above.

WASHINGTON, April 3, 1945.

740.00119 Control (Italy)/4–745 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, April 7, 1945—7 a. m.
[Received 9 : 10 a. m.]

1376. Reference our 1076, March 21, 11 p. m.[79] Macmillan asked us today whether we had received any further information with regard to the question of Venezia Giulia. We replied in the negative. He expressed considerable concern over the lack of progress made in negotiations with regard to this matter and was apprehensive that we would find ourselves again faced with a *fait accompli.* He dictated in my presence a telegram to Churchill [80] urging that everything possible should be done to expedite this matter and he added that he hoped we would do likewise. We stated that we would of course be glad to do so but that we were confident that the United States Government fully appreciated the desirability of an early decision.

KIRK

740.00119 Control (Italy)/4–745 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, April 10, 1945—7 p. m.

315. Depts 248, March 23. British views on Venezia Giulia (your 1376, April 7, 7 am) were delayed and circulated to members of CCAC on April 4 only.

While accepting the US proposal (Depts 248) the British paper submits three plans to implement it. They are: (1) AMG throughout compartment in which Yugoslav Government would share as third partner (SAC's plan outlined in Naf 872), (2) Yugoslav Government to withdraw all Yugoslav forces from entire compartment and Anglo-American military government to be established throughout compartment working through local authorities that might remain of whatever nationality; (3) Anglo-American military

[79] Not printed.
[80] Winston S. Churchill, British Prime Minister.

government throughout compartment under control of special military government answerable to SAC and administered as separate unit from remainder of Italy. An Allied council including US, UK, USSR, Yugoslav and Italian Governments to advise SAC.

British paper points out advantages and disadvantages of each plan.

In addition to the three alternative methods above, the paper offers a fourth: to divide compartment into two zones with AMG in the west and Yugoslavs in the east. Accompanying map shows two alternative lines of demarcation: (1) drawn up in London and presumably that mentioned in your 421, February 3, 4 p. m.[81] and (2) the Alexander (Robertson) line. Of the four this is apparently the plan which the British prefer. The paper says, however, that the UK Government is prepared to accept whichever of the four plans is preferred by the United States providing that the two governments jointly contribute the forces which may be required to support the plan and jointly provide necessary civil affairs officers.

The paper is in the informal stages of consideration by CCAC. We have advised the War Department that we prefer plan (2). War Department is considering provisions relating to equal share of troops and civil affairs officers.

After CCAC has recommended course of action to CCS the latter, under the British plan, will advise the US and UK Governments, who will then invite the Soviet Government to concur.

STETTINIUS

740.00119 Control (Italy)/4–745 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, April 12, 1945—7 p. m.

323. CCAC today considered and approved solution of administration of Venezia Giulia based upon US proposal and British plan (2) for its implementation (Depts 315, April 10, 7 p. m.)

The approved recommendations from CCAC to CCS are as follows. SAC should establish and maintain AMG in (*a*) compartment of Venezia Giulia (excluding Zara) and (*b*) in city and environs of Tarvis. Anglo-American military Government will work through local authorities found in these regions of whatever nationality. Civil authorities would be responsible to AMG in all cases. In requesting

[81]Not printed; it reported that Mr. Jebb of the British Foreign Office while at Caserta en route elsewhere had stated that Prime Minister Churchill at Yalta Conference would propose to President Roosevelt a provisional frontier between Italy and Yugoslavia which would run from a point south of Trieste to Gorizia, leaving Gorizia within Italy (740.0011EW/2–345).

Yugoslav Government to withdraw all Yugoslav forces from areas described in (*a*) and (*b*), Soviet agreement will be requested. Recommendation that the US and UK Governments jointly provide the forces needed to support the plan and necessary civil affairs officers will be made by the CCS to the two Governments. Interim administration of Zara and certain Adriatic islands should be conducted in the name of SAC, although in practice he may have to permit Yugoslavs to administer these areas. AMG should be established and maintained in the province of Bolzano. Present AMG should continue in the Isole Pelagie and Pantelleria. UK and US Governments are considering best method of seeking Soviet cooperation and subsequent Yugoslav agreement. If military reasons require implementation of this plan before Yugoslav and Soviet concurrence has been obtained SAC is instructed to go ahead. (End of CCAC recommendations to CCS).

As soon as CCS approves directive along above lines will be despatched to SAC.[82]

STETTINIUS

740.0011 EW/4-2445 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, April 24, 1945—8 p. m.
[Received 9 : 43 p. m.]

1704. In view of recent military developments on Croatian front, certain military authorities here are of opinion that Fiume will fall within a few days. Since Yugoslavs now hold most of Cherso no difficulty in overrunning main part of Istrian Peninsula is anticipated as last troops have withdrawn to Fiume. Some delay may result from harbors of Arsa and Parenzo which are still in use. Port of Pola which is believed to have been developed into a fortress may withhold an attack by Yugoslavs.

As result of foregoing estimate of situation in Istria and Fiume two separate problems now arise which involve political issues in case of Yugoslav occupation of Istria.

1. Should present scale of air support be provided for Yugoslav operations against Istria and Fiume.

2. What reply should be given to any request from Tito that Allies provide naval support and LCTs[83] for an amphibious operation against coast of Istria by Yugoslavs similar to those performed against northern Adriatic islands with British naval support. It is to be expected that this may occur at any time.

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[82] Despatched April 28 as Fan 536, not printed.
[83] Landing craft tanks.

In approaching these problems British feel consideration should be given to the probability of Istria and Fiume being seized rapidly by the Yugoslavs (which now seems inevitable) whether or not naval and air support is withheld. Some British here consider therefore that as far as possible such support should be given partisans with as good grace as possible. They argue that to withhold support would be regarded by Yugoslavs as complete reversal of policy in view of air support Allies are giving Fourth Army and naval support British gave in Yugoslav operations against northern Adriatic islands. In addition withdrawal of air support might result in a request for British departure from Zara and a refusal to allow MAAF [84] to use its aircraft against Germans anywhere in Yugoslavia.

BAF [85] has recommended that air support for Yugoslav operations in Fiume and Istria should continue on present scale and that if requested British should provide naval craft for amphibious operations against Istrian coastline.

SAC is inclined to approve BAF's recommendations but matter will come up for discussion at political committee meeting morning of April 26.

What are Department's views.

We cannot help but feel from observation here at AFHQ that the British persist in going to extremes to please Partisans on the ground that it is in their interests to preserve good relations with Tito.

KIRK

740.0011 EW/4–2445 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, April 25, 1945—7 p. m.

380. Your 1704, April 24, 8 p. m. Since our present plans for the interim administration of Venezia Giulia will require Tito's cooperation (unless his troops are to be ejected by force in the post hostilities period) we are inclined to agree with the British position and give Tito our cooperation during the operational phase. Since it is anticipated that Fiume and the Istrian Peninsula will be occupied by Yugoslav forces with or without Allied assistance the Allies will be in a better position to request the withdrawal of Tito's forces from Italian territory in the post hostilities period if we have continued to support Yugoslav operations on the present scale in the air and by sea.

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[84] Mediterranean Allied Air Force.
[85] Balkan Air Force.

In our opinion if we give reasonable support to Tito's operations against Istria in good time and grace, we will have denied:

1. Any possibility of later charges that the Allies refused to cooperate with Tito in military operations against the common enemy and
2. Any future claim that Istria and possibly the whole Venezia Giulia were liberated without Anglo-American assistance and represent wholly a Yugoslav achievement.

GREW

740.00119 Control (Italy)/4–2645 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, April 26, 1945—midnight.
[Received April 28—8:35 a. m.]

1747. ReDeptel 380, April 25, 7 p. m. At SAC's political committee meeting today there was considerable discussion of a draft telegram to CCS requesting instructions on plans SAC should make for moving into Venezia Giulia.

Text was finally agreed upon and approved on purely military grounds and was transmitted as Naf 932, April 26 to CCS from Alexander.

During course of meeting Macmillan said he had received a telegram from London indicating that Venezia Giulia would be discussed during Eden's sojourn in America.[86] It was clear from what Field Marshal Alexander and Macmillan said on this subject during course of the conference that British are not at all sanguine as to possibility of whole compartment of Venezia Giulia being occupied by Anglo-American forces and that they expect Tito to occupy that area thus presenting us with a *fait accompli.* At one stage of the discussion SAC proposed that he should inform the CCS that he did not have sufficient forces to seize the whole of Venezia Giulia and therefore intended to proceed in accordance with his original plan of agreeing with Tito on a military boundary (see our 609, February 20, 11 p. m.).

Macmillan during his presentation of entire problem stated it was all well and good for us to talk about not wanting to discuss frontier questions or prejudice the 1939 boundaries before the peace conference but fact was that United States and Great Britain had agreed at

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[86] Anthony Eden was in the United States for the United Nations Conference at San Francisco, April 25–June 26, 1945. For documentation concerning the Conference, see vol. I, pp. 1 ff.

Yalta on new boundaries for Poland[87] and he had good reason to believe that United States and British Governments were now discussing giving the Dodecanese Islands to Greece. He added he felt certain that all who were in the room with him if they considered the question from a realistic point of view would agree that we could not hope to save the whole of Venezia Giulia from Tito. We stated that while we sympathized with SAC's position and recognized he must have instructions as soon as possible from CCS in order to make plans for entering Venezia Giulia we wished to remind both SAC and Macmillan that British Government had accepted our proposal on Venezia Giulia (see Deptel 315, April 10, 7 p. m.) and that the CCAC had considered and approved solution for administration of Venezia Giulia on basis of American proposal and British plan (2) for its execution. We added we hoped SAC would press CCS for instructions but we would not like to be involved in discussions with Tito or [*on?*] Alexander–Robertson on [*or?*] any similar line. SAC rebutted with argument that he was being faced with an immediate military problem and could not wait indefinitely before making plans nor could he afford to offend Tito.

Incidentally both Field Marshal Alexander and British Resident Minister stressed that we must do everything possible to keep from "drifting into a state of war with Tito".

Highest American military official at AFHQ are inclined to sympathize with SAC's position on military grounds.

This evening we were shown by a member of Macmillan's staff a telegram from Eden to Churchill repeated to Macmillan stating that in view of fact that British Government had already accepted the American proposal for administration of Venezia Giulia, he was reluctant to take up matter with Molotov at this time.

Macmillan showed us his telegram which he is sending to Foreign Office and repeating to Eden on today's meeting. In his message he stated that SAC is being placed in very unfair position by lack of instructions from CCS with regard to Venezia Giulia and recommended that an immediate decision be forthcoming on this matter. His message added that if United States and British Governments for political reasons wished Alexander to occupy whole of Venezia Giulia he trusted that SAC would first be consulted so that the two governments might benefit from SAC's opinion on (1) what he could do with forces at his disposal in case Soviet Government agreed to British-American occupation of Venezia Giulia or (2) in case Soviet Government did not care to advise Tito to withdraw his forces from that area.

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[87] For this agreement regarding Poland, see Protocol of Proceedings, *Conferences at Malta and Yalta*, pp. 975, 980.

We hope Department will consult CCS at earliest opportunity with regard to Naf 932 and inform us of latest developments on this subject. In this connection we have of course not yet received any official indication of what Soviet attitude is or might be on question of Venezia Giulia.

KIRK

Department of Defense Files

The British Prime Minister (Churchill) to President Truman

LONDON, April 27, 1945.

19. Field Marshal Alexander has telegraphed to the Combined Chiefs of Staff, number Naf 932. It seems to me vital to get Trieste if we can do so in the easy manner proposed, and to run the risks inherent in these kinds of political-military operations.

The late President always attached great importance to Trieste, which he thought should be an international port forming an outlet into the Adriatic from all regions of the Danube Basin. There are many points to consider about this, but that there should be an outlet to the south seems of great interest to the trade of many states involved.

The great thing is to be there before Tito's guerillas are in occupation. Therefore it does not seem to me there is a minute to wait. The actual status of Trieste can be determined at leisure. Possession is nine points of the law. I beg you for an early decision.

Field Marshal Alexander and his trusty lieutenant, Mark Clark, are in the process of gaining quite soon an overwhelming and timely victory in North Italy. This is the time to back our successful generals, as we are doing on the northwest front.

The plan for the Anglo-American occupation of Venezia Giulia has been hanging fire in Washington for a considerable time, with the result that Field Marshal Alexander is still without orders. I should therefore be most grateful if you would give your personal attention to this.

740.00119 Control (Italy)/4-2845

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, April 28, 1945.

MY DEAR MR. SECRETARY: It is the position of the Department of State that the attached cable [88] to the Supreme Allied Commander, Mediterranean Theater, concerning the establishment of military government in the Compartment of Venezia Giulia and other sections of

[88] This message became Fan 536; see footnotes 82, p. 1121, and 94, p. 1128.

Italian territory, should be dispatched as a matter of great political urgency.

Sincerely yours, JOSEPH C. GREW

740.00119 Control (Italy)/4–2845 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, April 28, 1945—6 p. m.

396. CCS today approved and sent to SACMED directive outlined in Deptel 323, April 12, with the additional instruction that if Yugoslav forces refuse to cooperate in plan for interim administration SAC must consult CCS before taking any action. (Your 1747, April 26).

Soviet concurrence is being sought by American and British Embassies in Moscow.

GREW

Department of Defense Files

President Truman to the British Prime Minister (Churchill)

WASHINGTON, April 29, 1945.

17. Replying to your Number 19, the Combined Chiefs of Staff in F.A.N. 536, on 28 April, with my approval, authorized Alexander to accomplish what I understand to be your idea regarding Trieste and other areas formerly under Italian rule as a matter of military necessity.

I do not know what the effect of the forthcoming German surrender in Italy may have on Alexander's plans in this matter.

740.00119 Control (Italy)/4–2945 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, April 29, 1945—2 p. m.

975. The Combined Chiefs of Staff today approved solution of administration of Venezia Giulia (in northeast Italy) along following lines:

SAC should establish and maintain AMG in

(*a*) Entire compartment of Venezia Giulia (comprised of the provinces of Fiume, Pola, Trieste, Gorizia) but excluding Zara.

(*b*) In city and environs of Tarvis.

Anglo-American Military Government will work through local authorities found in these regions of whatever nationality. Civil authorities will be responsible to AMG in all cases. In requesting Yugoslav Government to withdraw in post-operational phase all Yugoslav forces from areas described in (*a*) and (*b*) Soviet agreement will be requested. Interim administration of Zara and certain Adriatic Islands should be conducted in the name of SAC, although in practice he may have to permit Yugoslavs to administer these areas.

(Department's 594[89] and 595 of March 14) Please inform the Soviet Foreign Office of the above which represents the position of the US Government on this question. You should tell the Foreign Office that we intend to inform the Yugoslav Government of this position and our expectation that its forces and local administrations already in the area will cooperate with the Allied forces in the implementation of directive. For urgent military reasons the plan must be implemented in immediate future and therefore our views must be conveyed to the Yugoslavs within the next few days. In view of importance of this matter it is earnest hope of U. S. Government that Soviet Government will associate itself with the British and American Governments in this communication to the Yugoslavs and that they will indicate their agreement before the approach is made to the Yugoslavs. You should of course concert with your British colleague who will receive similar instruction in your approach to the Foreign Office.

Sent to Moscow. Repeated to London, Caserta, and Belgrade.[90]

GREW

740.00119 Control (Italy)/4–3045

Memorandum of Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] April 30, 1945.

Participants: The President, Mr. Grew, Admiral Leahy,[91] Mr. Phillips,[92] Mr. Matthews

Mr. Grew stated that he had asked to see the President to discuss a problem which had arisen with regard to Venezia Giulia and the Prime Minister's telegram (No. 22)[93] to the President on this matter. He said that there were two phases to the problem which the Prime Minister seemed to confuse: first, the operational phase resulting from the desire of Field Marshal Alexander to establish his control

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[89] See footnote 69, p. 1115.
[90] As Nos. 3355, 404, and 61, respectively.
[91] Adm. William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy.
[92] William Phillips, Special Assistant to the Secretary of State.
[93] See telegram 417, May 1, 8 p. m. to Caserta, p. 1130.

over Trieste and Pola in order to protect his lines of communication to Austria, and second, the question of future administration of the Istrian peninsula by Allied Military Government. Reports had just come in, Mr. Grew continued, indicating that the Yugoslav Partisans have already occupied Trieste and Pola. We might, therefore, be faced with the question of whether to use American troops to compel Tito's forces to withdraw. He said that the Department felt that it would be most unwise to employ American forces to fight the Yugoslavs. The President promptly said that he did not intend to have American forces used to fight Yugoslav forces nor did he wish to become involved in Balkan political questions. Admiral Leahy said that he felt that Field Marshal Alexander has all the guidance he needs in Fan No. 536 [94] from the Combined Chiefs of Staff. Mr. Grew pointed out to the President that in Naf 932, Alexander expressly stated his intention of telling Marshal Tito of his plans and of stating that if any of Tito's forces remain in that area they must come under Alexander's command. Mr. Grew said that while it seemed unlikely that Tito would comply with Alexander's wishes, Fan 536 specifically directs Alexander to communicate with the Combined Chiefs of Staff before taking further action in the area in question if the Yugoslav forces there fail to cooperate. The President was likewise informed that the Department felt that we could concur with the Prime Minister's suggestion that obtaining prior Russian consent to Alexander's operations was not necessary. It was pointed out as a pertinent fact that under his present general directive, Alexander has the authority to use American forces under his command for operational purposes anywhere in Italy; consequently it would require further instructions from the Combined Chiefs of Staff to alter or limit this authority. Alexander, however, had ordered the 15th Corps composed only of British forces to head east towards Trieste and there seemed, therefore, no need to raise the question of his operational directive at this time.

In conclusion, the President gave instructions for the Department to prepare a draft telegram in reply to the Prime Minister and submit it to Admiral Leahy, the telegram to emphasize that American forces should not be used to fight Yugoslav forces or for political purposes in the Balkans. (The attached draft was subsequently prepared, taken to Admiral Leahy and approved and dispatched by the President.) [95]

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[94] This directive contained the plan for the administration of Venezia Giulia approved by the Combined Chiefs of Staff and set forth in telegram 975, April 29, 2 p. m., to Moscow, *supra*.

[95] See telegram 417, May 1, 8 p. m., to Caserta, p. 1130.

740.00119 Control (Italy)/4–3045

Memorandum by the Acting Secretary of State of a Telephone Conversation With the Secretary of War (Stimson)

[WASHINGTON,] April 30, 1945.

Mr. Stimson telephoned me today and said he had just received my letters of April 26 and 28 [96] concerning Northern Italy. He said he was sending over to me immediately a reply and read to me the following excerpt from his letter:

"The policy in your letter raises the question as to whether you propose United States forces implement it by using force against Yugoslav forces in case they fail to cooperate. Since present plans indicate the United States will have little or no military interest in the areas considered in CCS 739/1 once the Germans are eliminated therefrom, the continued presence of United States forces in these areas and their operations become a political matter. The problem of just how much force will be used against the Yugoslavs and against the Russians, if they cooperate with the Yugoslavs, may quickly become pressing and it is requested that the State Department furnish clear-cut guidance at once."

Mr. Stimson stated that the Staff is very much troubled about the whole matter. He said we had kept our people out of the Eastern Mediterranean and we were carefully limiting them from going into Italy except for certain purposes. On the other hand he said Churchill wanted to go around into the Eastern Mediterranean. Mr. Stimson said that he had talked this matter over with General Marshall,[97] who is very worried about it. Mr. Stimson said he had told the Staff that at present thev should follow the State Department policy on this matter and said he read my letter which gave the policy. He stated that this was a reasonable policy to follow but that it does bring up serious dangers and he thought the War Department was entitled to know what they should do in case things should begin to move quickly. Mr. Stimson said he made the policy against the views of the Staff. He said they think we are taking chances in following Alexander in what he is to do and are inclined to stay off completely. The Staff thought we are very likely to clash primarily with Tito and they feel also that the Russians are backing up Tito on

[96] The Department of Defense has supplied information to the effect that the two letters were received in the War Department on April 27 and 28, respectively. The one of April 26, not printed, referred to the plan of September 1944 that is summarized in the second and third paragraphs of Mr. Grew's memorandum of May 4, 1945, to the President, p. 1136, and it also recommended that the United Kingdom and United States Governments "should, with Soviet concurrence if possible, ask Yugoslav forces to withdraw at the termination of hostilities from territory to be administered by Allied Military Government" (740.00119 Control (Italy)/4–2645).

[97] Gen. George C. Marshall, Chief of Staff of the United States Army.

this matter. Mr. Stimson stated that our friends, the Russians, are very quick to make different decisions than what we make. He said that if it were done with British troops he wouldn't care at all. He stated further that the War Department had kept our troops confined to the leg of the peninsula and said that when we started on the landing at Salerno the only American strategic policy as far as Italy was concerned was to get bases far enough up in Italy to bomb southern Germany. Mr. Stimson said it was all right as long as things went properly and if everybody understood that we were there simply for the time being and were waiting for the peace conference decision. He said that Woodrow Wilson's hand was forced the last time in the same locality.

JOSEPH C. GREW

740.00119 Control (Italy)/5-145: Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, May 1, 1945—8 p. m.

417. For PolAd. The following exchange of telegrams took place between the President and the Prime Minister yesterday with regard to the Combined Chiefs of Staff telegram, Fan 536, which agreed to the establishment of Allied Military Government in the disputed area of Venezia Giulia. I discussed this question with the President yesterday and we prepared the draft reply in accordance with his instructions. In carrying out the operational phase Field Marshal Alexander has informed us of his intention to occupy Trieste and Pola for the maintenance of his line of communication to Austria. As regards the extension of Allied Military Government we still feel that we should endeavor to secure both Soviet and Yugoslav cooperation although the latter may be difficult if not impossible to obtain. Should this be the case we cannot contemplate the use of American troops to enforce this policy. (Your 1808 April 29 and 1834 April 30).[98]

"From the Prime Minister to President Truman.

1. Combined Chiefs of Staff telegram Fan 536.

The military part seems to me very good; but it is surely a delusion to suppose the Yugoslav Government, with the Soviet Government behind them, would agree to our entering or taking control of Venezia Giulia including Fiume etc. They will undoubtedly try to overrun all this territory and will claim and occupy the ports of Trieste, Pola and Fiume, and once they get there I do not think they will go. No one is more keen than I to play absolutely fair with the Soviet on matters of the surrender of the German armies, and as you see the messages we have both sent to Stalin have completely restored his confidence

[98] Neither printed.

in this respect. On the other hand we have never undertaken to be limited in our advances to clear Italy, including these Adriatic Provinces, of the Germans by the approval either of the Yugoslavs or of the Russians, nor to report to them the military movements our commanders think it right to make. I shall be agreeably but extremely surprised if, for instance, paragraph 4 of the Fan 536 [99] receives anything but a stubborn refusal coupled with a renewed effort of the Yugoslav Partisans to arrive at Trieste before us. We are as much entitled to move freely into Trieste, if we can get there, as were the Russians to win their way into Vienna. We ought if possible to get there first and then talk about the rest of the Province. After all the basic principle on which we have been working is that territorial changes must be left for the peace or armistice settlement.

2. I therefore hope that Alexander will be left to carry out the plan, which the Chiefs of the Combined Staffs have approved, as quickly and as secretly as possible and that above all we shall try to take possession of Trieste from the sea before informing the Russians or Yugoslavs, assuming of course that the Supreme Commander considers that it can be successfully accomplished with the amphibious and other forces at his disposal.

3. In conclusion it would seem that while the Allied forces will arrive in Trieste as liberators laying no claim to territorial gains, the Yugoslavs will arrive as conquerors laying their hands on territory which they vehemently covet. It has seemed to me, in view of the United States friendly sentiments towards Italy, some defence of Italian rights at the head the Adriatic might be the means of harmonious combination between the United States, the British and the Italian Governments and would split or render ineffective the Communist movement in Italy and especially in northern Italy. There will be a great shock to public opinion in many countries when the American armies of the north withdraw, as they have to do under the occupational zone scheme, on a front of several hundred miles to a distance of upwards of 120 miles to the west, and when the Soviet advance overflows all those vast areas of central Germany which the Americans had conquered. If at the same time the whole of the northern Adriatic is occupied by Yugoslavs, who are the Russian tools and beneficiaries, this shock will be emphasized in a most intense degree. I beg you will consider these matters before allowing any disclosure of plans, which remain entirely within our accredited zone of action, to the Russians or the Yugoslavs. Postscript:—Just as I was sending off the above I received your number 17 [1] for which I thank you very much. My remarks are in no way out of harmony with your decision except that I think we are entitled to act first and explain afterwards in this particular case.

I have also heard that Ustachi [2] bands pro-German in character are being moved into these regions in order to embroil us with the Yugoslavs. They are said to number 20,000 men apart from those gathered

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[99] Paragraph 4 stated that Soviet concurrence would be sought to join in requesting Yugoslav Government to withdraw all Yugoslav forces from compartment of Venezia Giulia.

[1] Dated April 29, p. 1126.

[2] Pro-Axis Croatian Society.

further east by Mihailovic.[3] All this accentuates the need for speed provided that Alexander and Mark Clark[4] think they can get [apparent omission]. All this Italian business is a grand victory for our armies and will probably mean the greatest mass surrender yet achieved. All my good wishes. End"

"From the President to the Prime Minister.

Your number 22, April 30.

It seems to me that Field Marshal Alexander has all the guidance he needs in Fan No. 536 from the Combined Chiefs of Staff. I agree that in the operational phase when he is endeavoring to establish his lines of communication to Austria and to establish his control over Trieste and Pola, there is no need for obtaining prior Russian consent. I note from Naf 932 that before his task force enters Venezia Giulia Alexander will inform Marshal Tito of his intentions and explain to Tito that if any of his forces remain in that area they must necessarily come under Alexander's command. Fan 536 directs Alexander to communicate with the Combined Chiefs of Staff before taking further action in the area in question if the Yugoslav forces there fail to cooperate. I think this is important for I wish to avoid having American forces used to fight Yugoslav forces or being used in combat in the Balkan political arena."

GREW

740.00119 Control (Italy)/5-245

Memorandum by the Director of the Office of European Affairs (Matthews) to the Acting Secretary of State

[WASHINGTON,] May 2, 1945.

You will note from the attached important exchange of messages between Marshal Alexander and Tito[5] that we will soon be facing the issue we feared. Alexander told Tito of his intention of securing his lines of communication through Trieste and Gorizia to Austria and of his need of the ports of Pola and Trieste and communication lines between them. He asked Tito to place his forces in that area under Alexander's command. Tito replied that conditions have changed since his meeting with Alexander and that he intended to establish a western line of operations running from the mouth of the Isonzo through Gorizia and Tolmino to Tarvis. Only Partisan troops operating *west* of that line are to come under Alexander's command. While he offers Alexander the use of the port of Trieste and Pola as communication areas it seems quite clear that he does not intend to let Alexander take over.

When it becomes publicly known that Tito's forces are assuming control in that area we may expect serious outbursts both in Italy and on the part of our large and influential Italian-American population here.

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[3] Gen. Draza Mihailović, Leader of the Yugoslav Nationalist Guerilla Forces.
[4] Commanding General, Fifteenth Army Group.
[5] Attachments not printed.

This makes it all the more important, I believe, for us to take the action proposed in Moscow and Belgrade without delay. We have been in touch with the British Embassy on this matter. While I have no doubt Tito's reply is based on Russian guidance, for the record I think we should ascertain the Soviet position.

We are preparing an informative memorandum for the President.

H. FREEMAN MATTHEWS

740.00119 Control (Italy)/5–245 : Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, May 2, 1945—2 p. m.
[Received May 2—1 : 35 p. m.]

62. Deptel 61 April 29.[6] I have kept in constant touch with my British colleague on question of Venezia Giulia and assume British have informed you of exchange of messages between SACMED and Tito. Since Tito did not agree to SACMED proposals Stevenson last night recommended to Foreign Office that:

1. Tito be informed jointly by United States and British Governments that SACMED has been instructed to carry out plan set forth in his message to Tito April 30.
2. Tito should be requested to order his local commanders to conform therewith.
3. It would be of great assistance if Moscow could be persuaded to support these recommendations.

In view of danger of conflict between Allies and Yugoslav forces I believe action along lines specified above should be taken at once.

[Sent] Department as 62 Caserta as 24.

PATTERSON

740.00119 Control (Italy)/5–345

Memorandum of Telephone Conversation, by the Acting Secretary of State

[WASHINGTON,] May 3, 1945.

Secretary Stimson telephoned me this morning with respect to the Trieste matter. He said he wished to see whether his feeling regarding the military procedure to be followed corresponded with mine. The Secretary stated that he had read Tito's answer to Alexander[7] and that he was familiar, from the preceding messages, with Alexander's original conception and the War Department's telegram Fan 536 of April 28 which gave the policy of the Department and now

[6] See footnote 90, p. 1127.
[7] Not printed.

he had read Tito's answer to Alexander which showed that Tito claimed the right of operating the area which, under the State Department's directive, we were told to hold during the war and until the peace conference. Tito's telegram says that in all of the operations of the troops our military and civil authorities were naturally due to function in a very dangerous situation as far as contact was concerned. He said that they were in actual touch and there was one commander under one general directive faced with the warning of the other that he proposes that his military and civil authorities shall continue to function, where Alexander is told that he must prepare for ours. The Secretary said that, in the meantime, he understood we had tried to get Harriman to make a joint appeal to the Russians with the British and that he hadn't yet even got the British to join with him, and suggested, from the letter I had showed him to the President yesterday, that there was some likelihood that the British would hold back on that a little. I said to Secretary Stimson that that might be true. The Secretary stated that Tito had admitted that Alexander would be free to send troops in and to protect their lines of communication. Secretary Stimson went on to say that that is, of course, strictly military as distinguished from the political problem. He added that so far as the military position was concerned he thought it ought to be clear that Alexander could act in his discretion under the general directive not to get into a row, adding that it was in his discretion to see how far he could get into occupied territory. He said that this was not, of course, a safe situation but a very explosive one.

Mr. Stimson stated that the question then was what we were going to do as to this general directive, which still stands. He said he assumed we were working on that. He said we had either to gracefully [apparent omission] decline to get into a fight. I replied that we were working on that now—Phillips and Matthews—and added that we would prepare a letter to Secretary Stimson in which the whole situation would be made clear up to date. I said I didn't know just how it was going to work out but that I agreed with the Secretary that it was a potentially bad situation and inquired what he thought we ought to do. Secretary Stimson replied that that was a pretty big question. We had already taken the position that the American people would not back up a contest with the Balkan peoples even when we were trying to get around the Germans. We had drawn the line—Italy was as far as we thought we could safely go with American troops in fighting the Germans. Now that Germany was conquered and it was just a question of Balkan boundaries and Balkan interests, the Secretary felt very strongly that the American people would say that American

soldiers should not be lost in the Balkans. I interjected to say that the President had given a directive to that effect. The Secretary continued that we then came to the question of what our chances were of carrying out the original plan or of gracefully retiring from it. I said I was going into the whole thing, and as soon as our people here had explored the situation I would let Secretary Stimson know right away.

I stated that I thought it would be difficult to avoid unexpected clashes. The Secretary said that at present our troops were not right up at the front. He left the telephone for a moment and when he returned he told me they were not sure exactly where our troops were. He stated that it was his understanding that the New Zealand-British Division was in Trieste, but that they had no news that our American troops had crossed the Isonzo, the river running up from Trieste Bay. They thought the troops were some miles back from there. He stated that the general expedition was formed on a 50–50 basis—the troops handled by Alexander were composed of 50 percent of ours and 50 percent of the British. I repeated that we were going into the whole situation right now and would send him a letter as soon as possible.

I telephoned Secretary Stimson about half an hour later and said that it seemed evident that the danger of a clash between our forces and those of Marshal Tito was very real. I said that the Secretary had doubtless issued instructions to avoid hostilities, fighting only in self-defense, and should clashes occur, they should be reported promptly to the Combined Chiefs of Staff. I said that that seemed to put things in the proper perspective for the moment. The Secretary replied that it did so far as words could do it, but that when men of different races were wandering around with different ideas and one of the races was Yugoslav, then the situation was explosive.

I referred to the point Mr. Stimson had raised about the British being reluctant to go ahead, and said I thought that was overcome by Churchill's last telegram to the President [8] stating that he was very anxious to go ahead. I said I would send a copy of the telegram over to Mr. Stimson, and added that Churchill was very definitely urging that we had a duty to perform there, that there was no hanging back on his part. Mr. Stimson said he was very much interested in that, since the other telegram was so much the other way. I promised to get the telegram over to him today.

JOSEPH C. GREW

[8] See telegram 417, May 1, 8 p. m., to Caserta, p. 1130.

740.00119 Control (Italy)/5-445 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, May 4, 1945—5 p. m.
[Received May 4—3:09 p. m.]

1148. The current developments affecting Trieste and Venezia Giulia are being reported to the Department by AmPolAd. I can only emphasize the fact that a weakening of the Allied position hitherto held as to that area and a concession to Tito therefore not only seriously endangers any possibility of equilibrium in Italy at the moment of the liberation of the north (see my 1113, May 2, 5 p. m.) [9] but is bound to reflect to the grave detriment of Allied authority not only as affecting the immediate postwar situation but also in the light of the justice of future settlements. As nothing but firmness is understood by certain governments and as adherence to principles is universally expected from the United States, I submit that both for practical and for moral reasons Allied control over Trieste and the necessary lines of communication must be held and that a departure from a strong stand while the Allies have the military power on the spot can only operate against the establishment of future stability in Europe.

KIRK

740.00119 Control (Italy)/5-2645

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] May 4, 1945.

The background of the dispute over the occupation and administration of Venezia Giulia will be of interest to you in connection with recent developments in that area:

It has been evident for some time that certain areas on Italy's northern frontiers would be in dispute in the post hostilities period. In order that this government might be well prepared with a definite policy on these important problems the Department of State submitted to President Roosevelt in September 1944 during the second Quebec Conference [10] a plan to prevent insofar as possible the final disposition of the disputed areas on Italy's borders from becoming prejudiced by unilateral action by force. The Department suggested that "Allied Military Government be extended to all Italian metropolitan territory within its 1939 frontiers" including Venezia Tridentina (Bolzano and Trento) and Venezia Giulia (Fiume, Trieste, Pola

[9] Not printed.

[10] Documentation on the Second Quebec Conference is scheduled for publication in a subsequent volume of *Foreign Relations*.

and Gorizia). Allied Military Government should be maintained "until the disputed areas are finally disposed of by peace treaty or peace settlement". The State Department Memorandum to President Roosevelt ended by saying "On our part, it would mean keeping a certain number of American Military Government officers and soldiers in northern Italy".

President Roosevelt, through Admiral Leahy, on September 19, 1944, informed the State Department that its suggestion "had been discussed with Mr. Churchill and is approved by the President". (A copy of the State Department memorandum and of Admiral Leahy's reply are attached.) [11]

The "Declaration on Liberated Europe" [12] contained in the Yalta Agreement requires the three governments (U.S., U.K. and U.S.S.R.) to concert their policies "in assisting the peoples liberated from the domination of Nazi Germany and the peoples of the former axis satellite states of Europe to solve by democratic means their pressing political and economic problems"; it pledges the three governments "jointly" to assist the people of liberated areas or former axis satellite states where necessary "to establish conditions of internal peace" and to consult together on measures necessary to discharge the joint responsibilities set forth in the declaration.

The Combined Civil Affairs Committee has been working on the directive to the Supreme Allied Commander, Mediterranean, since last autumn. A directive was finally approved and dispatched to Marshal Alexander on April 30 (Fan 536) which provided that Alexander should establish and maintain Allied Military Government in various areas along the Italian northern frontier likely to be in dispute, including Venezia Giulia. Local authorities of whatever nationality found in the area will function under Allied Military Government. The Yugoslav Government will be invited to withdraw its forces from the area and Soviet concurrence will be sought in this invitation. The United States and British Governments will jointly supply the forces necessary to support the plan and provide officers for Allied Military Government in Venezia Giulia.

In connection with Alexander's military advance into northeast Italy he informed Tito on April 30 of his operational plans for Venezia Giulia which are to secure the port of Trieste and lines of communication from it to Italy and to Austria, to use the harbors of Pola and anchorages along the western coast of the peninsula, and to establish Allied Military Government in the wake of his military operations. Marshal Tito replied by defining his theater of operations as extending all the way west to the Isonzo River and thence north to Tarvis

[11] Not printed.
[12] For text, see *Conferences at Malta and Yalta*, p. 971.

and the Austrian border. This includes most of Venezia Giulia including Trieste and Gorizia. He said that within this area Yugoslav military and civil authorities will "naturally" continue to function. (Copies of Alexander's message and Tito's reply are attached.) [13]

In the light of Tito's reply British Chiefs of Staff have instructed Alexander that he should go as far as he can with his operational plans and if he meets Yugoslav forces which refuse to cooperate he should halt, parley, and ask for instructions from the Combined Chiefs of Staff. He should not use force except in defense.

Meanwhile Allied forces (New Zealand troops) have taken Trieste. The garrison of 7,000 Germans has surrendered to them. (Caserta's telegram 1906 of May 3, attached.) [13]

The Italian Foreign Minister told Ambassador Kirk on May 2 that the news of the occupation of Italian territory up to the Isonzo River had made a most profound and painful impression on the Italian Government and people and that he feared far-reaching disturbances throughout Italy, particularly in the north, at a time when all the Government's energies were being absorbed in an effort to maintain law and order in recently liberated northern Italy. (A copy of Mr. Kirk's telegram is attached.) [13]

If Tito's forces are permitted to remain in occupation of Venezia Giulia we should be prepared for the possibility of having to use American troops to keep order in Italy, particularly the north, and possibly to use force against civilians or troops in the process.

Also we must be prepared for vehement protests against any acquiescence in Tito's unilateral action from Italian-American groups in this country, some of whom have already gone on record against such a contingency.

Furthermore the Supreme Allied Commander, Mediterranean, has a certain responsibility to the Italian Government which surrendered all Italian territory within the pre-war frontiers to him as the representative of the United Nations.

740.00119 Control (Italy)/5–445 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 4, 1945—12 p. m.
[Received 2:23 p. m.]

1926. Re our 1906, May 3.[13] Tito has sent an urgent message to SAC which reached AFHQ this morning stating that he had just received a report from his Fourth Army to effect that infantry and

[13] Not printed.

tank units of Allied forces under SAC's command without any previous notice had entered cities of Monfalcone, Gorizia and Trieste which had been liberated by Yugoslavs.

Tito also said that since he did not understand meaning of this action he requested an immediate explanation regarding the matter.

At a meeting with SAC this morning we assisted in preparing a reply from Alexander acknowledging receipt of Tito's communication and expressing astonishment at his apparent failure to honor the agreement made at Belgrade (see our 786 of March 2). The message from SAC sets forth that Tito agreed last February that it was essential to the maintenance of Allied advance into Austria that the port of Trieste and the road and rail communications to Austria from Trieste via Tarviso and Gorizia should be under SAC's full control. Tito had offered and SAC had accepted that Yugoslav forces in these areas would be put under command of SAC. Communication further stated that in order that Tito might be enabled to clear the Germans from his country, he has been and was still being provided by SAC with large quantities of food, medical supplies and munitions of war. Alexander's telegram added that he had kept his promise fully and that he believed Tito would keep his.

Alexander's telegram said that so far, however, unilateral action had been taken by Tito by his ordering his troops to occupy territory as far west as the Isonzo River. He suggested that since an immediate solution to this question was needed Tito should send to Bari, where he has a military mission, his Chief of Staff to meet with Lieutenant General Morgan, SAC's Chief of Staff. SAC felt that this conflict of views could be concluded satisfactorily to both sides by such a meeting. SAC's reply concluded with statement he had ordered his troops to maintain their present positions in the areas of Gorizia, Monfalcone and Trieste.

SAC is repeating to Combined Chiefs of Staff Tito's message, his reply and brief account of present situation in Trieste. It would appear from latest reports that General Freyburg who did accept surrender of German garrison at Trieste is now in control of the port and docks in the town and the Yugoslav Partisans are in control of the center of the city and the suburbs.

KIRK

740.00119 Control (Italy)/5-545

The Italian Ambassador (Tarchiani) to Mr. William Phillips, Special Assistant to the Secretary of State

WASHINGTON, May 5, 1945.

MY DEAR AMBASSADOR: Following our conversations of April 30th and May 3rd, I do not want to delay in informing you that I received

from my Minister of Foreign Affairs[16] a telegram instructing me to officially interpret to the Government of the United States the deep anxiety of our people over the fact that Yugoslav troops have entered eastern areas of the Italian territory.

As you may be aware, the Italian Prime Minister[17] and the Minister of Foreign Affairs have already represented to the Allied Authorities in Rome this profound sense of concern on the part of the Italian people and their confidence that the Allied Governments will find a way to adequately face a situation which might otherwise lead to very serious consequences.

At the same time, Mr. Bonomi and Mr. de Gasperi have reconfirmed the Italian point of view—well known to the Department of State—that all controversial questions between Italy and Yugoslavia be deferred to a more appropriate time and that meanwhile the administration of the eastern boundary zones be exclusively committed to the Anglo-American Authorities, the only ones which can give substantial assurances of objectivity, ponderation and equity.

Such a viewpoint seems to be fully in agreement with what has been repeatedly communicated by the State Department to this Embassy concerning the Anglo-American occupation of the territories in question, the prevention of unilateral actions and the extension of the A.M.G. administration to the areas included within the Italian boundaries of 1939, pending a final settlement to be reached at the Peace Conference.

I already know, my dear Ambassador, that the United States Government will certainly do all that is in its power in order to meet the said expectations of my Government and of the Italian people. Because of that and having in mind our recent conversations, I felt that I should not trouble you so soon again for another appointment to take up these matters once more, but I am, of course, at your entire disposal for any further discussion you might deem it useful to have on this question, which is so vital to my country.

I am [etc.] TARCHIANI

740.00119 Control (Italy)/5-545: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 5, 1945—midnight.
[Received May 5—4:30 p. m.]

1951. Reour 1906, May 3, 6 p. m.[18] Tito's personal reply to Field Marshal Alexander which has just been received expressed surprise

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[16] Alcide de Gasperi.
[17] Ivanoe Bonomi.
[18] Not printed.

at SAC's readiness to doubt Tito's respect of Belgrade agreement. Tito declared that in addition to being bound by military responsibilities as CinC he is also responsible as Prime Minister to take care of interests of his country; and that his message of May 2 underlined his given word, namely that SAC might use ports of Trieste and Pola and line of communications towards Austria for supplying Allied troops.

Tito's message continued that situation has changed for following reasons: Yugoslav troops have advanced quickly to line Fiume–Postumia and expected Allied landings in Trieste did not take place. Because of SAC's truce with Germans in Italy Yugo troops were put into difficult position as Germans reinforced their southeastern front. Therefore Tito ordered occupation of communication lines leading toward Fiume from Postumia and Trieste and attack on city of Trieste, both successful operations. When Germans capitulated in Italy Tito stated he ordered town of Monfalcone occupied and line of Isonzo river held in order to protect operations in Trieste itself and prevent Germans from bringing reinforcements from Italian front. He added that due to German armistice SAC will not now have to operate against Tyrol, Carinthia and Styria but only occupy these territories, a fact not foreseen during Belgrade conversations in February.

He stated that Yugoslav occupation of territories in question has not only a military character but also political one. Yugo's interest in these territories is not only as a victory on side of Allies in war against Italy but also because these areas were unjustly annexed by Italy as the result of a former peace treaty.[19] Tito considers a great injustice is done his martyred country when only her duties and not her rights as an Allied nation at war are recognized. Tito pointed out the awkward position brought about by Italian and Allied press discussions of this territory before this misunderstanding and especially after the "occupation of Trieste by Yugo troops." Wildest rumors are being spread and Yugo army which has shed so much blood for Allied cause is being insulted.

Tito protested against an incident at Gorizia when British tanks allegedly protected Italian Fascist demonstrators and prevented intervention of Tito's authorities.

In conclusion Tito expressed thanks for SAC's fulfillment of his promise of war materials and belief that the misunderstanding can be cleared at a meeting of their respective Chiefs of Staff at Trieste. Tito's message ended with the statement that the Port of Trieste is

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[19] See articles 27, 36, and 48 of Treaty of Peace between the Allied and Associated Powers and Austria, signed at Saint-Germain-en-Laye, September 10, 1919, *Treaties, Conventions, etc., Between the United States of America and Other Powers, 1910–1923* (Washington, Government Printing Office, 1923), vol. III, pp. 3163, 3168, and 3171, respectively.

at SAC's disposal and Yugo troops have been ordered to hold whole of occupied territory and not to impede in any way Allied troops on their way to Austria along the L of C foreseen by the Tito–Alexander agreement. KIRK

740.00119 Control (Italy)/5–545: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 5, 1945—midnight.
[Received May 5—8:32 p. m.]

1960. For Acting Secretary. See our 1951, May 5, midnight. In view of Tito's reply to SAC's message Alexander called a meeting this afternoon to discuss the next step to be taken in connection with the question of Trieste and Venezia Giulia. During the course of the meeting Macmillan pointed out that while CCS is continually referring to Fan 536 as directive on which SAC must base his actions in fact it is out of date. He added that American policy as presented by us at AFHQ is holding to Fan 536 and the Yalta Agreement on Liberated Territories but President Truman on the other hand has made it clear that he wishes to avoid the carrying out of any action in Venezia Giulia which might possibly lead to fighting between Yugoslav and American troops. SAC proposed sending his Chief of Staff [20] directly to Belgrade to confer with Tito rather than to meet with Tito's Chief of Staff at Bari and then produced a draft military agreement [21] which he considered might be concluded between himself and Tito in order to arrive at some working arrangement. The proposed agreement between Tito and SAC would provide:

1. As Field Marshal Alexander requires that the Port of Trieste and the railway and roads from there to Villach via Gorizia, the territory west of the line marked on the map will be under his control. All forces, whether 15 Army Group or Yugoslav, or Partisan, will come under his orders at an agreed time.

We suggested that we did not think at this stage that SAC should proceed to make with Tito any arrangements of any kind which were not in accordance with the terms of Fan 536 and considered that any such agreement should first be approved by CCS and by the two Governments in Washington and London. We added that

[20] Gen. W. D. Morgan.

[21] The terms of the agreement were presented to Marshal Tito by General Morgan on May 9. For text, see C.R.S. Harris, *Allied Military Administration of Italy: 1943–1945* (London, Her Majesty's Stationery Office, 1957), p. 337. When ultimately presented, though not when discussed on May 5, the agreement included provision that the port of Pola and the anchorages on the west coast of Istria between Pola and Trieste would be open to unrestricted use by Allied naval forces.

in view of the present delicate situation in Trieste and Venezia Giulia, any military agreement would have serious political repercussions not only on the ultimate future of Trieste but also on the situation in Italy. Any agreement which SAC might make would be bound to involve delimitation of zones and would be construed as committing us in one way or another with regard to policy towards the fate of that area.

The above draft agreement is being telegraphed urgently today to CCS by Alexander together with a statement that unless he receives a reply from CCS by May 7 he intends to send his Chief of Staff to Belgrade in order to negotiate such an agreement with Tito.[21a]

I understand that Macmillan is communicating urgently with Churchill requesting him to clear this draft with President Truman as soon as possible. In the meantime SAC is dispatching a telegram to Tito telling him that we suggest that a quicker and more satisfactory manner to handle this matter would be for Lieutenant General Morgan, SAC's Chief of Staff, to proceed to Belgrade for conversations.

2. Field Marshal Alexander's Military Government will administer this area. Full use will be made of any Yugoslav civil administration already set up and working satisfactorily.

3. To facilitate the working of 1 and 2 above Yugoslav regular forces should gradually be withdrawn from the area under Field Marshal Alexander's control and Partisans will hand in their arms and disband.

4. This agreement is purely military in character and in no way affects long term policy regarding these territories.

It is clear that the maximum that Field Marshal Alexander now hopes to get out of Tito is Trieste and the rail and road lines of communications from that port into Austria. In other words he is planning to obtain even less than he would have gotten had he been able to persuade us in March of the merits of the so-called Robertson Line which included territory within a radius of 15 miles from Trieste, northwest to Tolminio and then north to 1939 frontier between Italy and Yugoslavia.

As I have informed Department Tito offered SAC not only port of Trieste and the L of C to Austria but also use of port of Pola. We urged SAC to include this offer in his draft agreement and he was inclined to do so but his Chief of Staff Lieutenant General Morgan (who will conduct proposed negotiations with Tito) strongly objected on grounds Tito would become "suspicious". Admiral Cunningham

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[21a] Naf 948; not printed. For major portion of text, see Harry L. Coles and Albert K. Weinberg, *Civil Affairs: Soldiers Become Governors*, in the official Army history, *United States Army in World War II: Special Studies* (Washington, Government Printing Office, 1964), pp. 597–598.

CinCMed [22] would also like to have use of port of Pola but up to present time has been overruled by Alexander.

I cannot help but feel that this is the last opportunity we shall have to save the position which we have maintained throughout the past months with regard to Venezia Giulia. I hardly need remind Department of our responsibility to Italian Government as conveyed by Allied Commission (see our 609 of February 20, 11 p. m.). As I have already reported on previous occasions Department must envisage the collapse of any Italian government which acquiesced in any surrender of territory in connection with the question of Venezia Giulia and it would seem therefore most desirable to prevent serious political and administrative troubles which must arise if Venezia Giulia is to be handed over to Yugoslavs before the peace settlement. I confidently hope that the Department will agree that it is no less desirable now than it has been heretofore for us to agree to establishment of a provisional line of demarcation such as British have been suggesting for some time, and I submit that in my opinion any action which might be interpreted as a withdrawal from our position for maintenance of the 1939 frontiers, pending final settlement, would in the eyes of American and world public opinion be interpreted as abandonment of the principles which we have always maintained.

Judging from Tito's last message to Alexander it is my view that he has climbed down a few pegs since receipt of SAC's message referred to in my 1926 of May 4 midnight which is due to fact that Alexander called his bluff and while I sympathize with our desire to avoid having to fight Tito and possibly the Russians I am convinced that they will be just as reluctant to fire on us as we would be to fire on them.

I hope you will confer urgently with CCS before they prepare reply to SAC's proposal on draft agreement under reference.[22a]

KIRK

740.00119 Control (Italy)/5-745 : Telegram

The Acting Secretary of State to the Ambassador in Yugoslavia (Patterson)

WASHINGTON, May 7, 1945—8 p. m.

74. In the course of military operations in northeast Italy it has not been possible for Allied troops to occupy the compartment of

[22] Adm. Sir John Cunningham, R.N., British Commander in Chief, Mediterranean, and Allied Naval Commander, Mediterranean.

[22a] The Department of Defense has supplied information to the effect that on May 7, in a message dispatched after clearance with the Department of State, the Combined Chiefs of Staff authorized Field Marshal Alexander to negotiate his proposed agreement with Tito, with instructions to "make it abundantly clear that this agreement is purely military and ensure that Tito understands that it does not affect the ultimate disposal of any pre-war Italian territory which will be a matter to be decided at the peace settlement."

Venezia Giulia. Rather this has been occupied for the most part by Tito's forces which now share the occupation of Trieste, Monfalcone, and Gorizia with Marshal Alexander's troops. General Morgan, SAC's Chief of Staff, is conferring today with Tito's Chief of Staff [23] on a military line of demarcation to define zones of operation of Yugoslav and Allied forces. Please inform the Acting Minister of Foreign Affairs that whatever provisional line of demarcation may be agreed upon for operational purposes by General Morgan and Tito's Chief of Staff the position of the U.S. Government is that this military arrangement shall not be permitted to prejudice in any way the final disposition of the disputed area which can only be determined at a later date in the general peace settlement or in negotiations through normal channels between the Yugoslav and Italian Governments. You may add that in the view of the U.S. Government it would be preferable in the interests of future peace and stability in Europe if the entire compartment of Venezia Giulia were administered during the interim period by Allied Military Government in order that the final disposition of this area not be prejudiced by either of the claimants, that is Yugoslavia and Italy. You may conclude that on this point the U.S. Government may have further discussions with the Yugoslav Government at a later date.

Keep your British colleague informed. You need not however wait for him to receive similar instructions before taking the action outlined above.

Sent to Belgrade. Repeated to London, Moscow, and Caserta for information.

GREW

740.00119 Control (Italy)/5–845

Minutes of a Meeting of the Committee of Three, May 8, 1945, 11 a. m.

[Extract] [23a]

Present: Messrs. Henry L. Stimson, Secretary of War,
James V. Forrestal, Secretary of the Navy,
Joseph C. Grew, Acting Secretary of State.

Also present during part of the meeting:
Mr. Artemus L. Gates, Assistant Secretary of the Navy–Air,
Major Mathias F. Correa, USMCR.
Mr. Harvey H. Bundy was present as Acting Recorder.

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[23] Gen. Arso Jovanović.

[23a] For another excerpt from the minutes of this meeting, see footnote 56a, p. 687.

The following matters were discussed:

VENEZIA GIULIA

Mr. Grew reported the present action of Marshal Tito's forces in taking practical control of the Gorizia province up to the Isonzo River, his forces acting with the very definite intention of taking territory which would never be voluntarily relinquished. Mr. Grew reported Ambassador Kirk's strong feeling that acquiescence by the Allies would have very serious effects and amounted to appeasement in the face of aggressive action. The directive of the President that American forces should not be put in a position of possible clashing with Tito's forces nor take part in the political arena in the Balkans was referred to by Mr. Grew. Mr. Grew further stated that the State Department has conveyed to the Yugoslav authorities our preference for Allied Military Government in occupied areas and has made the reservation that any action taken now is not to be considered as prejudicing the ultimate settlement of territorial claims.

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Attached hereto is the State Department Information for Secretaries Stimson and Forrestal.

[Annex—Extract]

Memorandum Prepared in the Department of State

[WASHINGTON,] May 8, 1945.

1. *Venezia Giulia.* Kirk reports that any Italian Government which acquiesced in any surrender of territory in connection with the question of Venezia Giulia would collapse. The Italian press has reported that AMG is already set up in the area, and that Italians generally believe these reports. AC's Chief Commissioner emphasizes that serious consequences will result if this Italian belief in AMG's presence is allowed to go uncontradicted. He also points out the deplorable effect on Allied prestige throughout Italy if the Allied commitment made to Italy last September that AMG would be set up in Venezia Giulia is not carried out at least in Trieste. Italian feeling on this is extremely strong.

Far from AMG having actually been set up in Venezia Giulia, the Yugoslavs by a combination of bravado, bluff and show of arms are getting things their own way. BBC's [24] broadcasting that Partisan troops had conquered Trieste before the British forces got there has not helped the situation. SAC has demanded that BBC broadcast

[24] British Broadcasting Corporation.

no communiqués on the situation in Venezia Giulia except those AFHQ issues or approves.

SAC has proposed a working arrangement with Tito giving SAC military control of the port of Trieste and the railway and roads from there to Austria via Gorizia. "Full use will be made of any Yugoslav civil administration already set up and working satisfactorily," which means Yugoslav, not Allied, control of the area. This is even less than Tito offered SAC on May 5 since Tito also offered use of the port of Pola. Admiral Cunningham, CinCMed, is anxious to use Pola but up to now SACMED has overruled him. British JCS [25] is urgently pressing American JCS to agree to this arrangement, with a face-saving clause that this does not affect the peace-treaty disposal of "any pre-war Italian territory."

Kirk points out that this means the whole position which the U.S. has maintained with regard to Venezia Giulia for the past several months is about to collapse. We are even retreating further than the British position. He observes that this withdrawal would in the eyes of the U.S. and world public opinion be interpreted as abandonment of principles we have always held.

Tito has frankly told SAC that in addition to his military responsibilities as Yugoslav's CinC he is also as Yugoslavia's Prime Minister bound "to take care of the interests of his country" and that Yugoslav occupation of Venezia Giulia has not only a military but a political character. Tito has repeated that his troops are under order to hold all the territory they have occupied up to the Isonzo River, which is 95% of Venezia Giulia.

Actually, Yugoslav forces are pressing on even further west and north into Italy, and all Allied personnel who are in a position to observe the movement and disposition of these Yugoslav troops are being ordered to get out of the country at once.[25a] The Yugoslavs are even trying to establish civil control in the eastern part of Udine, the Italian province beyond Venezia Giulia.

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[25] Joint Chiefs of Staff.

[25a] In telegram 1958, May 5, midnight, from Caserta, Ambassador Kirk had reported that the Chief of Staff of the Fourth Yugoslav Army had issued through the British Liaison Officer an order that all Allied personnel who were in a position to observe the movement and disposition of Yugoslav troops must withdraw to Fourth Army headquarters or be evacuated from the country; the presence of Allied personnel (including liaison officers) would be interpreted as an "enemy gesture". In telegram 1963, May 5, midnight, Kirk added that General Jovanović in the name of Marshal Tito had "protested that Allied troops withdraw immediately to previously agreed line namely the Isonzo River". (740.00119 Control (Italy)/5–545) The Yugoslav demands were evidently ineffectual, for the Department of Defense has supplied the information that nothing has been found in its records to substantiate the statement that all Allied personnel were being ordered to get out of the country, either by their own superiors or by the Yugoslavs.

In Trieste the Yugoslavs are using all the familiar tactics of terror. Every Italian of any importance is being arrested. Yugoslavs have taken over complete control and are conscripting Italians for forced labor, seizing the banks and other valuable property, and requisitioning grain and other supplies on a large scale. The Archbishop of Gorizia and other priests have been arrested, and many others are threatened. Some "incidents" are naturally occurring over this. The Yugoslavs are exaggerating these "incidents" along the old Nazi lines and by the same methods. Further reports of such "incidents" may be expected as Yugoslav troops are "insulted" by the local citizenry and peasants.

It is apparent that under present conditions Allied operation of Trieste and road and rail communications to Austria would depend on Yugoslav good will. The main Yugoslav objection is to the presence of a strong force of Allied fighting troops, as opposed to the Army service elements they were expecting to operate the ports and railways. The Yugoslavs do not want any troops there who might conceivably hamper their designs. So they are claiming that the Allies have intervened in "local Yugoslav affairs" (in this Italian area) and that the Allies intended to impose "a Fascist or Imperialist government on an unwilling people."

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740.0011 E.W./5-845 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, May 8, 1945—3 p. m.
[Received May 8—1:30 p. m.]

1209. There is no need for me to emphasize the pernicious significance of Tito's arguments as set forth in the third paragraph of my 1951, May 5, midnight, from Caserta. The Japs talked in a similar vein before Manchuria, Mussolini pretended to justify the Abyssinian campaign with the same line and this specious refrain ran through Hitler's "justification" of the entire series of Nazi aggressions. I do not see how we as a nation can meet our responsibilities before the world unless we challenge in no uncertain terms Tito's championship of illegal methods and convince him that the course which he is initiating will not only forfeit our sympathy and our material aid but will entail consequences of far-reaching significance.

KIRK

740.00119 Control (Italy)/5-945: Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 9, 1945—7 p. m.
[Received May 9—5:40 p. m.]

2047. My 2044, May 9.[26] General Morgan has informed SAC meeting with Tito lasted one and one-half hours. Immediately after Tito had studied terms he made it clear he could not accept them. Main argument was he had conquered territory and as he intended under peace treaty claim this and additional territory to west, he considered his country should be allowed occupation this territory as reward for Yugoslav expenditure blood and resources and efforts in Allied cause.

Tito added he was willing give Allies full and unrestricted use of Port Trieste and railways and roads required which he believed would amply meet military needs. Morgan reported that at this point he thought further discussion useless but asked Tito explain meaning of unrestricted use more fully.

Tito began yield somewhat and finally after much discussion and questioning evolved suggested plan for joint military command in area. This would include joint military commanders of equal rank having command of their own troops. However, government which he had established underground 3 years ago and which now in control, must carry out administration of territory. Joint command would have overriding powers over civil authorities in matters pertaining military interests. Port and railways would be under full control Allies who could operate them as they wish and using local employees and labor if required. Currency would be Italian metropolitan lire. Under own commanders Allied troops in area would have extraterritorial rights.

Tito will confirm above points at meeting arranged for tomorrow and further explanations and details re naval aspect of port control will be asked.

Morgan ended meetings by making clear Tito's proposals were beyond his power discuss and he would refer to SAC, who he was certain would refer to British and American Governments. Morgan's final impression was that position of Tito is such that even if he wishes he cannot grant terms Morgan submitted without prejudicing his own position.

Morgan stated meeting ended on friendly note with drinks all around even though results most unsatisfactory from Allied viewpoint.

KIRK

[26] Not printed.

740.00119 Control (Italy)/5-945: Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, May 9, 1945—6 p. m.
[Received 9:30 p. m.]

77. Generals Morgan and Hamlin [27] had meeting with Tito yesterday. Tito rejected SACMED proposals, the principal one of which was Allied occupation of Trieste and corridor in Italy north of Austrian border. Tito considered this as Slovene territory conquered by his troops which Yugoslavia has right to occupy because of its sacrifices in Allied cause. He mentioned that at peace conference he would claim territory west of Isonzo.

Tito offered SACMED full and unrestricted use of Port of Trieste and the communications he required. He suggested a joint military commission in this area with civil administration on by Partisan Government which has now taken control.

While meeting was in session I explained to Aelbit [*Velebit?*],[28] acting head of Foreign Office, orally and in writing the United States position as set forth in Department's 74, May 7, omitting the reference to AMG throughout Venezia Giulia.

He informed Tito, who is Acting Foreign Minister, immediately after meeting.

Tito's position makes it clear that he views the problem as political, he intends to establish Yugoslav sovereignty by force over the area up to the Isonzo, and that it will daily become more difficult to dislodge him. To accept this assumption of sovereignty I believe we should take action recommended in my 62, May 2, backed by amply powerful forces which I understand SACMED has at his disposal.

Colonel Lindsay, Chief of our Military Mission, attended meeting yesterday and told me Tito impressed him at beginning as most unsure of himself. I share with my British colleague the view that Tito is not at all certain of Soviet support on this issue.

[Sent] Department as 77 Caserta as 29.

PATTERSON

740.00119 Control (Italy)/5-945: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, May 9, 1945—9 p. m.
[Received May 9—5:05 p. m.]

1225. The following is the text in translation of De Gasperi's note referred to in my 1224, May 9, 8 p. m.[29]

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[27] Presumably British General Ralph Ashton Hamlyn, Chief Financial Officer to Allied Military Government in Italy.

[28] Presumably Gen. Vladimir Velebit.

[29] Not printed.

"1. As you will have seen in the press, the Belgrade radio, after the series of proclamations, declarations, et cetera, broadcast during the last few days, yesterday announced the formation at Trieste of a National Federal Government of Slovenia and the nomination as Commandant of the city of a Yugoslav lieutenant general not otherwise identified. We consider these actions absolutely arbitrary and illegal.

"2. You know what the attitude of the Italian Government has been in this matter. The various statements unanimously approved in recent days by the Council of Ministers are clear and concise and at the same time equitable and objective.

"3. You know also what profound effect an unjust and iniquitous solution of the problem of Venezia Giulia would have upon the whole political life of the country, which today is going through a particularly delicate and difficult phase.

"4. For these reasons, I am sure that the Allied Governments desire to treat this whole complex problem with that firmness which the situation demands, and that the Italian Government will be permitted to follow the development of the situation, which must not be compromised or prejudiced in any manner today.

"5. I trust greatly in your authoritative and friendly interest, Mr. Ambassador, because I know you will desire to interpret to your government the most profound preoccupation with which we, for our part, are following events, and also the firm but objective attitude of the Royal Government in this regard."

KIRK

740.00119 Control (Italy)/5–945 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 9, 1945—10 p. m.
[Received May 9—5:45 p. m.]

2049. For Acting Secretary. My 2044, May 9.[30] At this morning's conference in SAC's office to discuss General Morgan's report, SAC was vehement in his determination not make any further concessions to Tito and at end of meeting he informed us that so far as he was concerned he had lost all patience with Yugoslav dictator and was ready drive him and his forces out of Venezia Giulia if he could get Washington and London to agree. KIRK

740.00119 Control (Italy)/5–1045

Memorandum by the Acting Secretary of State to President Truman

[WASHINGTON,] May 10, 1945.

I refer to my memorandum of May 4, 1945 (copy attached)[31] submitting the background to the dispute with Marshal Tito over the

[30] Not printed.
[31] *Ante*, p. 1138.

occupation and administration of northeastern Italy (Venezia Giulia). Field Marshal Alexander's forces have entered and are in partial occupation of Trieste, Monfalcone and Gorizia. Tito's forces also occupy portions of these three cities as well as, apparently, the remainder of the Compartment of Venezia Giulia. While Allied forces proceeded no further than the three points mentioned above, Tito has continued pouring his Yugoslav troops into the entire area east of the Isonzo River. He has persisted in his claim that this area is his exclusive operational theater. He is now receding even from his agreement of May 5 to afford facilities to Alexander's troops. His forces are setting up the administration of the area and Alexander's forces have been unable to establish Allied Military Government even in the portion of the three cities we have entered. The formation of a "Slovene Government" at Trieste has been announced.

I feel that the implications of the developments in Venezia Giulia are of such importance to the future peace of Europe and will have such far-reaching consequences with respect to United States policy and prestige that I should bring considerations, in addition to those mentioned in my May 4 memorandum, to your attention.

The Department's policy that Allied Military Government should be extended to all of Venezia Giulia, up to the 1939 Yugoslav-Italian frontier, in order to prevent the area's becoming prejudiced by unilateral action by force is based on reasons much more fundamental than the Italian-Yugoslav aspects of the problem. What we must keep in mind is whether we are going to uphold the fundamental principle of territorial settlement by orderly processes, against force, intimidation or blackmail. Tito has an identical claim ready for South Austria (a large portion of Carinthia and Styria) and may have similar designs on parts of Hungary and Greece, if his methods in Venezia Giulia succeed (see Caserta's telegram 2037, May 8, midnight, and 2042, May 9, 2 p. m.)[32]

Although the stability of Italy and the future orientation of that country with respect to Russia may well be at stake, the present issue is not a question of taking sides in a dispute between Italy and Yugoslavia or of becoming involved in internal Balkan politics. The problem is essentially one of deciding whether we are going to permit the Soviet Government, which operates directly on territorial settlements in the case of Poland, lying in the Soviet military theater, to operate through its satellite Yugoslavia in the Mediterranean (Anglo-American) theater, to set up whatever states and boundaries look best for

[32] Neither printed.

the future power of the U.S.S.R. Yugoslav (Russian) occupation of Trieste, which is the vital outlet of large areas of Central Europe, would have most far-reaching consequences beyond the immediate territory involved.

Tito's anxiety to "liberate" parts of Italy, while sizable parts of Yugoslavia itself (the region between Istria and Belgrade) were still in German hands can, of course, be explained by his primary interest in territorial aggrandizement rather than defeating the common enemy.

Thus on the very day of victory in Europe, we see tactics being employed by some of our allies which are strongly reminiscent of the methods the Japanese used in Manchuria and Hitler copied in 1938–1939 to increase their territories and ultimately to plunge all of Europe and the world into war. At a time when we have at last achieved military victory in Europe and have a force of millions of men in arms on that continent, we must decide if we will acquiesce in unilateral action by force as a method of drawing the future boundaries of Western Europe. (See Rome's 1209 of May 8, 3 p. m. attached.) [33]

There is no doubt that Prime Minister Churchill sees the implications in these developments and feels, as suggested in his message to you of April 30,[34] that we should not give way to Tito.

Alexander's Chief of Staff has been authorized to endeavor to obtain from Tito an agreement on a purely military basis to permit Alexander limited facilities in this area. Tito's acquiescence even to an unsatisfactory minimum now seems questionable. In these circumstances we may be faced with the necessity of withdrawing completely from this area, with all of its consequences, or of implementing our present policy by threat of force to secure complete and exclusive control of Trieste and Pola, the keys to the region.

There is attached for ready reference a map of the Compartment of Venezia Giulia and surrounding area.[35]

JOSEPH C. GREW

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[33] *Ante*, p. 1148.
[34] See telegram 417, May 1, 8 p. m., to Caserta, p. 1130.
[35] Not attached to file copy of this memorandum.

740.00119 Control (Germany)/5–1045

Memorandum of Conversation, by the Acting Secretary of State

[Extract]

[WASHINGTON,] May 10, 1945.

Participants: The President;
General J. C. Holmes;[36]
Mr. William Phillips;
Acting Secretary, Mr. Grew.

. . . . . .

2. *The Situation in Venezia Giulia and Trieste.*

I said to the President that the most disturbing problem before us today is the situation in Venezia Giulia and especially in Trieste which the Yugoslavs had largely occupied, had raised their own flags and had changed the names of the streets from Italian to Yugoslav. I told the President of my deep concern regarding this situation which was growing more serious hourly, that Tito was not only proceeding to dominate the entire region which he admitted he intended to keep under the Peace Treaty, that Russia was undoubtedly behind Tito's move with a view to utilizing Trieste as a Russian port in the future, that the Socialists and Communists argued that the United States and Great Britain are no longer able to oppose the Soviet Union in Europe and that Bonomi's position as President of the Council was endangered.

The President replied that he had been giving the most serious consideration to this matter and had finally come to the conclusion that the only solution was to "throw them out". He realized that this was a reversal of his former position but that developments were such that it left no alternative.

I expressed relief and satisfaction and said that I would have prepared immediately a memorandum for the President to use in his communication to the Joint Chiefs. (This memorandum will lay down the so-called Alexander Line which includes Trieste and Pola as the eastern boundary to be occupied by the Allied forces.)

We are also drafting a telegram from the President to Churchill on this subject.

In this connection I handed the President the telegram from Mr. Kennan[37] in Moscow in which he had pointed out the procedure used by Soviet Russia in Poland, Rumania, Bulgaria and Hungary and the indications that the same procedure would be adopted, so far as

[36] Assistant Secretary of State.

[37] George F. Kennan, Chargé in the Soviet Union; telegram 1424, April 30, 1945, vol. III, p. 105.

the Soviets are permitted to do so, in the case of Austria and Czechoslovakia and I said I thought it would be helpful to the President to read the telegram with care. The President said that he was fully alive to this situation and would read the telegram carefully.

. . . . . .

JOSEPH C. GREW

740.00119 Control (Italy)/5–1145

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,] May 11, 1945.

Participants: The President;
General George C. Marshall;
Fleet Admiral William D. Leahy;
Mr. William Phillips;
Acting Secretary, Mr. Grew

At a conference this morning at the White House which I attended with General Marshall, Admiral Leahy, and Mr. Phillips, the Venezia Giulia problem was again discussed.[38] General Marshall felt the importance of a strong joint communication to the Yugoslav Government by the American and British diplomatic representatives in Belgrade before General Alexander was given any definite instructions with regard to action. Accordingly we are preparing a message from the President to the Prime Minister which, after expressing the President's deep concern at Tito's extravagant claims and actions in Italian territory, will suggest the type of instruction which both the American and British Governments might well send to their representatives in Belgrade. The President agreed that these representations should be very strong. He hoped, as we all do, that the influences around Tito will be able to modify his intransigent attitude as a result of the joint representation to the Yugoslav Government.

JOSEPH C. GREW

740.00119 Control (Italy)/5–1145 : Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, May 11, 1945—11 a. m.
[Received May 11—10:45 a. m.]

82. My 77, May 9. I am firmly of the opinion that United States and British Governments should give SACMED full political support in maintaining Allied occupation of Trieste corridor if necessary by

[38] For other documentation relating to American relations with Tito, see Joseph C. Grew, *Turbulent Era*, vol. II, pp. 1474 ff.

force. If we give in to Tito in this instance we may face the same problem in Carinthia and Salonika. Yugoslav units are already in Klagenfurt and in a speech May 9th Tito claimed Carinthia. For the past week other units have been moving south into Macedonia and an OSS [39] officer there reported his impression that Macedonian troops are preparing to move to Salonika.

The time to stop the Yugoslav Army is now in Venezia Giulia, where we have or can have ample forces. Would it not be better to run a risk of some bloodshed now rather than let Tito pursue a course leading to more serious consequences? Our position regarding new boundaries has been made clear, but can this be maintained if before the peace conference we permit the Partisan Yugoslavs to occupy and govern what areas they choose? By their well-tried methods they can so terrorize the peoples of the areas they occupy that there would be almost no chance of a free plebiscite, in our sense of the term, even with Allied soldiers by the ballot boxes.

I realize that United States and British Governments would be bitterly critcized if forced to take armed action against the Partisans. They therefore should simultaneously give fullest publicity to the facts and necessity for the action.

Sent Department as 82, Caserta as 31.

PATTERSON

740.00119 Control (Italy)/5-1145 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk) [40]

WASHINGTON, May 11, 1945—8 p. m.

803. The President has sent this afternoon the following message to Prime Minister Churchill: [41]

"Since sending you my telegram of April 30 I have become increasingly concerned over the implication of Tito's actions in Venezia Giulia. You are no doubt receiving the same reports which indicate that he has no intention of abandoning the territory or of permitting a peaceful solution of this century old problem as part of a general pacific post-war settlement. I have come to the conclusion that we must decide now whether we should uphold the fundamental principles of territorial settlement by orderly process against force, intimidation or blackmail. It seems that Tito has an identical claim ready for South Austria, in Carinthia and Styria and may have similar designs on parts of Hungary and Greece if his methods in Venezia Giulia succeed. Although the stability of Italy and the future orientation of that coun-

[39] Office of Strategic Services. For documentation relating to the Macedonian situation, see vol. VIII, last section under Greece.

[40] Repeated to the Secretary of State, who was in San Francisco attending the United Nations Conference on International Organization.

[41] This is message No. 34.

try with respect to Russia may well be at stake the present issue, as I see it, is not a question of taking sides in a dispute between Italy and Yugoslavia or of becoming involved in internal Balkan politics. The problem is essentially one of deciding whether our two countries are going to permit our Allies to engage in uncontrolled land grabbing or tactics which are all too reminiscent of those of Hitler and Japan. Yugoslav occupation of Trieste, the key to that area and a vital outlet for large areas of central Europe, would, as I know you will agree, have more far-reaching consequences than the immediate territory involved. In these circumstances I believe the minimum we should insist upon is that Field Marshal Alexander should obtain complete and exclusive control of Trieste and Pola, the line of communication through Gorizia and Monfalcone, and an area sufficiently to the east of this line to permit proper administrative control. The line suggested by Alexander at Allied Force Headquarters in March extended to include Pola would, I believe be adequate. Tito seems unsure of himself and might not put up more than a show of resistance, although we should be prepared to consider if necessary further steps to effect his withdrawal. I note that Alexander, who has lost patience with Tito's latest moves, is prepared to go ahead if we agree.

I suggest that as a first step we instruct our Ambassadors at Belgrade to address Tito along the following lines:

[Here follows text of proposed note which is substantially the same as that quoted in telegram 86, May 14, 11 a. m., to Belgrade, printed on page 1161.]"

GREW

[For press release of May 12 regarding the situation in Venezia Giulia affirming the view of the United States Government that a disinterested military government was essential and that the disposition of Venezia Giulia must await a definite peace settlement, see Department of State *Bulletin*, May 15, 1945, page 902.]

740.00119 Control (Italy)/5–1245 : Telegram

The British Prime Minister (Churchill) to President Truman

LONDON, 12 May, 1945.

45. Your No. 34.[42]

1. I agree with every word you say and will work with all my strength on the line you propose. You will have received by now my No 44,[43] which shows how gravely we both view the situation. If it is handled firmly before our strength is dispersed, Europe may be saved another blood bath. Otherwise the whole fruits of our

[42] See footnote 41, p. 1156.

[43] *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, vol. I, p. 8.

victory may be cast away and none of the purposes of world organization to prevent territorial aggression and future wars will be attained.

2. I trust that a standstill order can be given on the movements of the American armies and air forces from Europe, at any rate for a few weeks. We will also conform in our demobilization. Even if this standstill order should become known, it would do nothing but good.

3. Alexander's Naf 959 asks urgently what part of his present troops, the Fifteenth Army Group, will be at his disposal in the event of hostilities against Yugoslavia. He has available for action seven United States divisions, four British divisions, one New Zealand division, one South African division, two British-Indian divisions, two Polish divisions and one Brazilian division, total 18 divisions. See his Naf 960. I have no doubt that if these were placed at his disposal he would feel himself in a good position to carry out any policy which our Governments may order. I must of course obtain permission from the New Zealand and South African Governments in respect of their two divisions and I cannot doubt that this would be accorded, especially to any policy in which Great Britain and the United States would be acting together.

4. In accordance with your suggestion I am instructing our Ambassador at Belgrade to address Tito on the lines which you have set forth and to keep in step with your Ambassador at every stage, whether in oral presentations or the delivery of identical or parallel notes or of a joint note.

5. The only minor amendment I would suggest to the proposed message to Tito would be towards the end, after the words "which must include Trieste, Gorizia, Monfalcone and Pola", to add the words "the line of communications through Gorizia and Monfalcone to Austria and an area sufficiently to the east of this line to permit proper administrative control". This is what you say in your introductory message to me except that I have suggested the addition of the words "to Austria". If you agree, pray insert and dispatch without further reference to me.

740.00119 Control (Italy)/5–1445 : Telegram

The Acting Secretary of State to the Secretary of State, at San Francisco

WASHINGTON, May 14, 1945.

22. Mr. Churchill heartily approved the proposed note to be presented to the Yugoslav Government by the American and British Ambassadors at Belgrade with the text as already furnished to you,

with the addition of the following passage in the third paragraph "Monfalcone and Pola, the lines of communication through Gorizia and Monfalcone to Austria and an area sufficiently to the east of the line to permit proper administrative control, and issue, et cetera".

Patterson has today been instructed to present the note in this form. You may wish to hand a copy of the text to the Yugoslav Foreign Minister, Dr. Subasić.

Mr. Churchill on May 13 submitted to the President a message he proposed to send to Stalin. By the President's direction we have instructed Kennan at Moscow (in addition to informing the Soviet Government of our *démarche* at Belgrade), to inform the Soviet Government that the President fully agrees with Churchill's message which reads as follows:

"I am sorry to say that serious situation has arisen in the Italian province of Venezia Giulia.

It has always been recognized that the future of this province, which was acquired by Italy after the last war, will have to be decided at the peace settlement, since its population is largely Yugoslav and only partly Italian. Until the peace settlement it would be only right and proper that the province should be placed under the military government of Field Marshal Alexander who will occupy and administer it on behalf of all the United Nations.

3. Before however this could be done Yugoslav regular forces entered the province and occupied not only the country districts where the Yugoslav guerillas had already been active, but also entered the towns of Pola, Trieste, Gorizia and Monfalcone where the bulk of the population is Italian. Field Marshal Alexander's forces advancing from the west reached Trieste at about the same time and took the surrender of the German garrisons in Trieste and elsewhere.

4. Field Marshal Alexander thereupon proposed to Marshal Tito that the Yugoslav troops and administration should be withdrawn from the western part of the province so as to enable the Field Marshal to control the lines of communication by road and rail between Trieste and Austria. This was a very modest request. In this western portion of the province the Field Marshal proposed to set up an Allied military government, including in particular the town of Trieste, it being clearly understood that this arrangement was made purely for the sake of military convenience and in no way prejudiced the ultimate disposal of the province, which His Majesty's Government consider should be reserved for the peace table.

5. The Field Marshal sent his chief of staff to Belgrade to discuss the proposal with Marshal Tito, but unfortunately the latter refused to accept it and insisted instead on extending his own military government as far as the Isonzo River, while merely offering Field Marshal Alexander facilities for communicating with Austria through Trieste.

6. His Majesty's Government cannot agree to such an arrangement. Yugoslav occupation and administration of the whole province would be in contradiction with the principle, which we seek to maintain, that

the fate of the province must not be decided by conquest and by one sided establishment of sovereignty by military occupation.

7. As you know, Field Marshal Alexander is in command of both British and American troops and speaks therefore on behalf of both the British and United States Governments. In view of the unhelpful attitude adopted by Marshal Tito he has now referred the matter to these two governments.

8. The latter having carefully considered the situation with which they are faced, have decided to make the following communication to the Yugoslav Government:—(Here would follow text in President's message to Prime Minister Number 34 as modified by Prime Minister's message to President Number 45).[44]

9. In view of the serious issues at stake the British and American Governments have deemed it right to inform the Soviet Government at the earliest possible moment of the action that they have found it necessary to take as a result of the attitude adopted by the Yugoslav Government and Army in Venezia Giulia."

GREW

740.00119 Control (Italy)/5–1245: Telegram

President Truman to the British Prime Minister (Churchill)

WASHINGTON, 14 May, 1945—10:13 a. m.

37. Your No. 45. I have sent to the American Ambassador in Belgrade [45] the message proposed in my No. 34, corrected as suggested by you.

In regard to your suggestion that a standfast order be given to American arms in Europe, I prefer to await further developments before giving serious consideration to a further temporary continued occupation of the agreed upon Soviet zone in Germany.

It appears to me necessary that we should have a report regarding our message to Belgrade before reaching a decision on what forces to authorize for use in the event of our troops being attacked by the Yugoslavs.

Unless Tito's forces should attack, it is impossible for me to involve this country in another war.

If Tito should take hostile action and attack our Allied forces anywhere I would expect Field Marshal Alexander to use as many troops of all nationalities in his command as are necessary.

TRUMAN

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[44] President Truman's No. 34 is quoted in telegram 803, May 11, 8 p. m., to Rome, p. 1156; for the Prime Minister's No. 45, dated May 12, see p. 1157. For text of communication to the Yugoslav Government, see telegram 86, May 14, 11 a. m., to Belgrade, p. 1161.

[45] See telegram 86, *infra*.

740.00119 Control (Italy)/5–1445: Telegram

The Acting Secretary of State to the Ambassador in Yugoslavia (Patterson)

WASHINGTON, May 14, 1945—11 a. m.

86. After concerting with Stevenson,[46] present urgently to Yugoslav Government following note, text of which has for security reasons been scrambled but each sentence of which is numbered in accordance with its proper sequence:[47]

"The question of Venezia Giulia is only one of the many territorial problems in Europe to be solved in the general peace settlement. The doctrine of solution by conquest and by unilateral proclamation of sovereignty through occupation, the method used by the enemy with such tragic consequenes, has been definitely and solemnly repudiated by the Allied Governments participating in this war. This agreement to work together to seek an orderly and just solution of territorial problems is one of the cardinal principles for which the peoples of the United Nations have made their tremendous sacrifice to attain a just and lasting peace. It is one of the cornerstones on which their representatives, with the approbation of world public opinion, are now at work to build a system of world security.

The plan of Allied Military Government for Venezia Giulia was adopted precisely to achieve a peaceful and lasting solution of a problem of admitted complexities. It is designed to safeguard the interests of the peoples involved. Its implementation, while assuring to the military forces of the Allied Governments the means of carrying on their further tasks in enemy territory, would bring no prejudice to Yugoslav claims in the final settlement.

With these considerations in mind, and in view of the previous general agreement of the Yugoslav Government to the plans proposed for this region, my Government has instructed me to inform you that it expects that the Yugoslav Government will immediately agree to the control by the Supreme Allied Commander in the Mediterranean of the region which must include Trieste, Gorizia, Monfalcone and Pola, the lines of communication through Gorizia and Monfalcone to Austria, and an area sufficiently to the east of the line to permit proper administrative control, and issue appropriate instructions to the Yugoslav forces in the region in question to cooperate with the Allied commanders in the establishment of military government in that area under the authority of the Allied Commander.

I have been instructed to report most urgently to my Government whether the Yugoslav Government is prepared immediately to acquiesce in the foregoing."

Your British colleague has been instructed to keep in step with you in every stage, whether in oral or written representations.

[46] Ralph C. Skrine Stevenson, British Ambassador in Yugoslavia.

[47] Sentences and paragraphs have been rearranged in their proper order by the editors.

Moscow is instructed herewith to inform in concert with the British Ambassador the Soviet Government of the above representation to the Yugoslav Government.

Repeated to Rome and Moscow.

GREW

740.00119 Control (Italy)/5-1445

The Italian Ambassador (Tarchiani) to the Acting Secretary of State

No. N. 2484

NOTE VERBALE

The Italian Ambassador presents his compliments to the Honorable the Acting Secretary of State and has the honor to express his most profound gratitude for the public statement issued last Saturday evening by the Department of State concerning the question of Venezia Giulia.[48]

The Ambassador, who had already arranged to bring to the knowledge of his Government the communications made in the past to the Embassy by the Department in regard to the decisions taken in this country, concerning the Italian eastern territories included in the 1939 boundary line, has immediately provided to communicate to Rome the aforesaid statement, which constitutes such a decided reaffirmation of the principles of international justice and equity unswervingly fostered by the policy of the United States. The point of view expressed in the declaration under reference corresponds in substance to the one repeatedly expressed by the Italian Government, as regards the necessity that the Italian eastern territories be subjected to the Anglo-American administration until it will be possible to reach a definite peace settlement, according to the principles which bind the United Nations, and as regards the advisability of free direct negotiations between Italy and Yugoslavia for the amicable solution of the question.

The Ambassador, therefore, feels sure that he interprets the sentiments of his Government in expressing to the Honorable the Acting Secretary of State the feelings of the deepest gratitude of the entire Italian nation, gravely perturbed by the unilateral Yugoslav action.

According to the last reports cabled to the Embassy by the Ministry of Foreign Affairs, the Yugoslav Government is carrying out in that region acts of sovereignty, of administration and of occupation, extending them to the whole Italian territory between the 1939 frontiers and the Isonzo River. The Italian population is living under a regime

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[48] Department of State *Bulletin*, May 15, 1945, p. 902.

of fear which is worsening more and more: arrests, internments, and abuses are daily occurrences.

On the other hand, according to reports of the Associated Press from Belgrade, an agreement would have been reached between Marshal Tito and an emissary from Headquarters of Field Marshal Sir Harold Alexander, under which the present situation, determined by unilateral actions and in complete opposition to the written and oral assurances given to the Italian Government by the Allies, would remain practically unchanged.

The President of the Council and the Minister of Foreign Affairs of Italy had already presented a solemn protest to the Ambassadors of the United States and Great Britain in Rome and to that Allied Commission against the Yugoslav attempt to solve unilaterally the question of Venezia Giulia with arbitrary actions of force.

The Italian Ambassador, acting upon instructions received from his Government, has the honor to draw on the above-described situation the most careful attention of the Honorable the Acting Secretary of State and to protest against the predisposed violent action of the Yugoslavs. The Italian Ambassador has also been instructed to make the amplest and most explicit reservations on any decision concerning the assignment of territories, as well as on any agreements concerning matters of local administration.

The Italian Ambassador has the honor finally to add that his Government is fully aware of how delicate the situation is, but that it has no doubt that the support and assistance of the United States Government will be given to it in conformity also with the kind assurances previously given, and with the noble principles reasserted on the statement of the Department of State released to the press on May 12th. More so that the events in Venezia Giulia deeply affect also the internal situation of the country, infringe upon an orderly adjustment of its democratic life, disappoint all sectors of public opinion on the practical possibility for the Allies to reach concrete solutions of equity and justice.

WASHINGTON, May 14, 1945.

740.00119 Control (Italy)/5–1545: Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, May 15, 1945—9 p. m.
[Received May 16—4:15 a. m.]

87. At 6:30 tonight Stevenson and I saw Marshal Tito and presented separate notes embodying message in Deptel 86, May 14. After

reading notes, Tito said that as Yugoslav troops had conquered this territory by force of arms and bloodshed, it was unfair that they should not be allowed to stay on it. Yugoslavia was evidently a third class Ally which did not enjoy the same rights as other classes of Allies. He had only just received the British and United States notes asking him to withdraw his troops from Austria (Deptel 88, May 14) [49] and now received these notes about Venezia Giulia. All he could say was that he was surprised. He promised to reply tomorrow, May 16.

[PATTERSON]

740.00119 Control (Italy)/5–1645

The Italian Ambassador (Tarchiani) to the Acting Secretary of State

NOTE VERBALE

The Italian Ambassador presents his compliments to the Honorable the Acting Secretary of State and, with reference to the *note verbale* N.2484 of May 14, has the honor to draw his kind attention to information contained in a telegram of his Ministry for Foreign Affairs, of May 13th, which has reached the Embassy yesterday, on the situation of Venezia Giulia which is becoming ever more serious.

The said telegram, among other reports, gives the following: "The regime of terror is continually worsening. Four thousand persons have disappeared from Gorizia. Seven hundred seem to have been shot in the Trieste region, Yugoslav partisans, who can hardly be considered as organized troops, have crossed the line of the Isonzo river. Anglo-American troops, so far, are passively witnessing the scene".

The Ministry for Foreign Affairs emphasized again the necessity that any decision of territorial character be left to the peace settlements and that the region of Venezia Giulia, within the borders of 1939, be meanwhile administered by the same Allied organization (AMG) which has administered the liberated areas of Italy and which alone can guarantee the pacific relations among the population of the said region.

The above mentioned instructions have been evidently sent to the Embassy before the Ministry for Foreign Affairs knew of the State Department's declaration which publicly confirmed, in unequivocal and definite terms, the position taken on this grave question by the Government of the United States, which is substantially similar to that of the Government of Italy.

However, the Ambassador deems it fit to bring the above to the knowledge of the Honorable the Acting Secretary of State, with a

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[49] Vol. v, p. 1319.

view of furnishing him with the available elements, concerning the dramatic situation which has arisen in Venezia Giulia, bringing so unjust and inhuman consequences on the population. Such a situation amply justifies the grave concern of the Government of Italy and the anxiety of the Italian people and therefore deeply affects the whole internal situation in Italy, which is going through such a delicate phase.

It is evident, therefore, in view also of the long desired European pacification, that it is very urgent to speedily carry out the decisions adopted, with so full a comprehension of the gravity of the situation, by the Government of the United States.

WASHINGTON, May 16, 1945.

740.00119 Control (Italy)/5–1845 : Telegram

The Ambassador in Yugoslovia (Patterson) to the Secretary of State

BELGRADE, May 18, 1945.
[Received May 18—10: 50 p. m.]

93. Foreign Office has just handed me a note in Serbo-Croat dated May 17th from Marshal Tito together with the following translation:

"With reference to your letter of May 15th, 1700 hours [50] will you kindly transmit to the Government of the United States of America the following attitudes of the Yugoslav Government:

"The Yugoslav Government has not up to today in any case expressed their opinion or demonstrated by deeds their wish to settle militarily the question of 'Venezia Giulia' and Trieste. Our government fully agrees that the problems of the territories which Yugoslavia has her claims will be finally solved by the general peace settlement.

"Yugoslavia is the only country in Europe which from the very beginning of the aggression on our peoples until the end of this war has been the most faithful Ally of the United Nations in their struggle against the common enemies. In this struggle Yugoslavia suffered, in proportion to the number of her population and material possibilities, the greatest losses of all European nations. The National Liberation Movement, the Partisans, and the present Yugoslav Army had to the end of this war more than 300,000 in dead, and about 200,000 heavy casualties out of which a great many will be invalids for life. These were the losses only on the field, fighting for the common Allied cause, while the losses caused by Fascist terror over the peaceful population of Yugoslavia amount to about 1,300,000 people. Most of the towns and villages in Yugoslavia have been completely destroyed, a well known fact all over the world.

"This is the contribution Yugoslavia as a faithful Ally gave for the common Allied cause in the struggle against the German, Italian and

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[50] See telegram 86, May 14, 11 a. m., to Belgrade, p. 1161.

other aggressors. Accordingly, the Yugoslav Government considers that Yugoslavia would be done a tremendous injustice if she would not be acknowledged all the Allied rights as a belligerent country on the side of the United Nations.

"Trieste and 'Venezia Giulia' were occupied by the forces of Democratic Federative Yugoslavia in fierce fighting against the German occupators and their Allies and the Italian Fascists. During the battles for 'Venezia Giulia', in the last days of April, besides the losses the Slovene Partisans had there in the course of 3 years, Yugoslavia had 8,000 dead and even more wounded, and took over 15,000 German prisoners in Fiume–Trieste–Gorizia area. It is meant by that that Yugoslavia as a belligerent has all the rights to hold this territory occupied till the final decision at the peace conference is taken.

"The Yugoslav Army has come to this territory not as an Army to carry out the annexation, but as a victorious Allied Army, which is obvious through the fact that though Yugoslav Army in its advance took a large part of Furlania, west of the Isonzo River together with the towns of Udine, Cividale and so on, it was ordered by us to withdraw to the Isonzo River, in spite of Yugoslavia having her claims on certain parts of this territory on the ground of ethical [*ethnical?*] reasons which she will set up at the peace conference. Thence, this has been a pure military demarcation between the two Allied Armies in order to avoid any incident.

"The Yugoslav Government agree that the Allied Forces use the port of Trieste and the communications running from Trieste via Gorizia to Tarvisio with the provision that this communication be controlled and protected by the Allied Forces. Besides that, in Trieste a common military commission for coordination should be established, the details of which are exposed in the proposals sent to Field Marshal Alexander.

"Without making any prejudice as to the decisions which will be taken at the peace conference regarding the attribution of 'Venezia Giulia' and Trieste, the Government of Democratic Federative Yugoslavia cannot renounce their rights of the Yugoslav Army's holding the territory up to the Isonzo River including the towns of Trieste, Gorizia and Monfalcone. The Yugoslav military authorities have been strictly instructed to keep order and peace in these areas in a strict and just way. There is no need to doubt it, since it is well known that our troops are highly disciplined.

"It would be unjust to deny Yugoslav Army the rights of military occupation of 'Venezia Giulia', since it is the area mostly inhabited by Slav population and which was allotted to Italy by the previous peace settlement. On the contrary, this is a reason more for our troops to remain there and to protect the population.

"On the territory occupied by the Yugoslav Army all persons inclined to create disorders and regrettable incidents will be unable to do so, although one has to note with regret that in the conquered Italy there are such persons fully finding their ways in hindering to calm the spirits abroad as regard Trieste and 'Venezia Giulia'.

"We deeply believe that the Allied Governments of the United States and of Great Britain will fully understand the rights of Yugo-

slavia, are exposed in this letter, and that an understanding will be easily reached on the basis of the proposals handed to Field Marshal Alexander."

PATTERSON

740.00119 Control (Italy)/5–1945 : Telegram

The British Prime Minister (Churchill) to President Truman

[LONDON,] May 19, 1945.

52. Your number 42.[51]

1. I hope you will not mind my putting to you with great respect the need for some further consideration of the words "A war with the Yugoslavs" and secondly "attack us." I do not envisage a war with the Yugoslavs, and, short of war, I do not consider ambassadors should be withdrawn. It is at critical junctures that ambassadors should be on the spot.

Meanwhile Tito's answer has arrived and is completely negative. We clearly cannot leave matters in this state, and immediate action will now be necessary. Otherwise we shall merely appear to have been bluffing and will in fact be bluffed out.

2. I think we should prevent the rough handling of our front line troops, or infiltrations ostensibly peaceful but contrary to the directions of the Allied commanders and on a scale to endanger the position of our forces where they now stand. For instance, supposing they take up positions all around a British or American unit until they have it at their mercy, are we to wait till they open fire before asking them to move back beyond the line you have indicated as desirable? I am sure this is not what you mean, but it is just the sort of incident which I think may arise.

3. A short time back I received the following from Field Marshal Alexander.

"If Tito puts his fighting and administrative troops under my command in areas for which I am responsible, it will meet my military needs, although I should prefer that he withdraw completely. If he refuses to do so, it will inevitably lead to armed conflict, since I must very soon insist on the proper functioning of my AMG. For example, I must remove Tito's proclamations and replace them with my own. Again, I cannot allow my movements to be restricted by Yugoslav posts and sentries."

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[51] Not printed. In this telegram President Truman said in clarification of his message No. 37, May 14, p. 1160: ". . . it means definitely that I am unable and unwilling to involve this country in a war with the Yugoslavs unless they should attack us, in which case we would be justified in using our Allied forces to throw them back to a distance that would preclude further attack on our troops."

Since then the situation has changed, as is shown by Alexander's telegram to the Combined Chiefs of Staff, Naf 976, in which he reports as follows:

"Yugoslav behaviour both in Austria and Venezia Giulia is making a very unfavorable impression Allied troops both United States and British. Our men are obliged to look on without power to intervene whilst actions which offend their traditional sense of justice are permitted. Further, our men feel that by taking no action they are condoning such behaviour. As a result feeling against Yugoslavs is now strong and is getting stronger daily.

"It is now certain that any solution by which we shared an area with Yugoslav troops or Partisans or permitted Yugoslav administration to function would not work."

In these conditions I should not consider action by Alexander to ensure the proper functioning of his military government as constituting "A war with the Yugoslavs." But I certainly think that pressure should be put upon them to quit Trieste and Pola and return to the lines marked out, and that this pressure should be regarded as in the nature of frontier incidents rather than as principal diplomatic decisions.

I cannot allow our own troops to be knocked about and mishandled inside the zone which we both consider they are entitled to occupy, on the basis that they are in no circumstances to open fire. A great many of the Yugoslavs have been filtering back today over the Isonzo and their truculent attitude is already somewhat abated.

I rest myself on your number 34.[52]

740.00119 Control (Italy)/5–2045: Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, May 20, 1945—4 p. m.

499. We are consulting with the British Government and the Combined Chiefs of Staff as to the reply to be given to Tito's note of May 17. In the meantime the President has sent the following message to Marshal Stalin:[53]

"Through the Embassy in Moscow I have been keeping you informed of the American position on the interim administration of the Venezia Giulia. In particular your Government was given copies of the recent American and British notes to Marshal Tito which proposed, in accordance with the previous understanding reached in February between Field Marshal Alexander and Marshal Tito, that the Supreme Allied Commander should exercise control in an area includ-

[52] See footnote 41, p. 1156.

[53] Message was delivered to Stalin on May 21.

ing Trieste, Monfalcone, Gorizia and Pola in order not to prejudice any final disposition through occupation by either claimant. We have now had a reply from Marshal Tito which is entirely unsatisfactory in that he states that his government is not prepared 'to renounce the right of the Yugoslav Army holding the territory up to the Isonzo River'. As regards the administration of the area he offers a solution which cannot be reconciled with the principles we have enunciated. Meanwhile the proximity of Alexander's and Tito's troops in undefined areas of occupation and the dual nature of control thus created are fraught with danger. You will have seen from Ambassador Harriman's communication to Mr. Molotov last March; from our recent public statement, and from the communication to Marshal Tito that we cannot consider this simply in the light of an Italian-Yugoslav boundary dispute but must regard it as a question of principle involving the pacific settlement of territorial disputes and the foundation of a lasting peace in Europe. We will not now or in the future take or permit any action in respect to this territory which does not fully take into account legitimate Yugoslav claims and the contributions which Yugoslav forces made to the victory over Germany won at such great cost to us all. We cannot, however, accept any compromise upon the principles of an orderly and just settlement and are so informing Marshal Tito.

I know you will agree that we must stand firm on the issue of principle and I hope that we can count on your influence also to assist in bringing about the provisional settlement outlined in our recent note to Marshal Tito. After Field Marshal Alexander has extended his authority in the Venezia Giulia east of the line indicated in our note and tranquility has thus been restored, we could then continue in the spirit of our Yalta understandings looking towards further adjustments of the problem."

Please inform Field Marshal Alexander.

Sent to Caserta; repeated to Belgrade for information only.

GREW

740.00119 Control (Italy)/5–1945 : Telegram

President Truman to the British Prime Minister (Churchill)

WASHINGTON, May 20, 1945—4 : 11 p. m.

44. Your No. 52, I agree that we cannot leave matters in their present state. It seems our immediate action should be to reject Tito's answer as unsatisfactory and urge him to reconsider his decision. At the same time, I suggest we have Field Marshal Alexander, with assistance from General Eisenhower, immediately reinforce his front line troops to such an extent that our preponderance of force in the disputed areas and the firmness of our intentions will be clearly apparent to the Yugoslavs.

General Eisenhower has already communicated with Field Marshal Alexander concerning preparations for some such action. I suggest that we now direct General Eisenhower and Field Marshal Alexander

to proceed with the implementation of a show of force, both air and ground, and that the presentation in Belgrade of our rejection of Tito's stand be timed, if practicable, so that our commanders' troop movements will be already be evident to Tito.

There should be no question about our commanders taking essential precautions to prevent their forces from being placed in an untenable military position. However, I think we should make very clear to our leaders that this should be done with maximum precautions to insure that the overt act, if any, comes from Tito's forces.

It may be that a heavy show of force will bring Tito to his senses. I question, however, that if hostilities should break out, it could be considered as frontier incidents.

In keeping with the foregoing, I therefore propose that you and I issue the following instructions to Alexander and Eisenhower:

"In connection with the problem of occupying Venezia Giulia and portions of Austria, Marshal Tito's reply to our proposals is unsatisfactory, and he is being urged to reconsider his decision. Meanwhile, Field Marshal Alexander is directed, with maximum practicable assistance from General Eisenhower, immediately to reinforce his troops in the disputed areas so that our preponderance of force in those areas and the firmness of our intentions will be clearly apparent to the Yugoslavs. Special precautionary measures will be taken so that an overt act, if any, will be by Tito's forces and will not be based on some local display by a few turbulent individuals."

I must not have any avoidable interference with the redeployment of American forces to the Pacific.

TRUMAN

740.00119 Control (Italy)/5–2145 : Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, May 21, 1945.
[Received May 21—10:16 a. m.]

102. Following note dated today received from Foreign Office at 11 a. m.

"The Yugoslav Government agree to the establishment of Allied Military Government under the authority of the Allied Supreme Command in the Mediterranean, in the Slovene Littoral area on the basis of the demarcation line proposed by Field Marshal Alexander subject to certain minor modifications to be suggested later by the Yugoslav Government. At the same time, the Yugoslav Government in accepting in principle such a solution consider indispensable: (1) that the representatives of the Yugoslav Army should be included in the military administration of this area, (2) that units of the Yugoslav Army should remain in that area (being, of course, under

the command of the Supreme Allied Command in the Mediterranean), (3) that, as it has been already stated in the proposal of Field Marshal Alexander, the Allied Military Administration should act through the civil authorities which are already set up in that area.

The Yugoslav Government propose that the Governments of the United States and of Great Britain start immediate negotiations with the Yugoslav Government in order to settle all questions in this connection."

PATTERSON

740.00119 Control (Italy)/5-2145: Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, May 21, 1945—8 p. m.

507. Your 2262, May 21, 9 a. m.[54] and Belgrade's 102 same day. With regard to Tito's three conditions we believe

(*a*) That if Yugoslav participation is permitted in military government it should be on a token basis only and subject to the authority of the local Allied Military Commander; that equal participation in AMG would prejudice the principles we have constantly maintained.

(*b*) That there is no objection to units of the Yugoslav Army remaining if they come under the authority of SAC, who will have full authority to determine their extent and the period of their usefulness.

(*c*) That we should ascertain SAC's views regarding the use of civil authorities already set up in the areas to come under his control in view of the change in the situation since he first made those proposals; that recently established Yugoslav administrations in Venezia Giulia may not fulfil his requirements for a satisfactory administration and that, in any event, Yugoslav administration recently established would not be utilized by SAC's AMG in centers of purely Italian population.

We agree that we should accede to Yugoslav Government's suggestion to open negotiations in Belgrade immediately but only on condition that Yugoslav Government first issues orders for withdrawal of its forces from the area west of the lines which the President and the Prime Minister agreed was necessary for Allied control and which formed the basis of the U.S. note to the Yugoslav Government on May 15.[55]

We are informing the British Government, through the Embassy here, of our position as outlined above.

Please report urgently to what extent latest Yugoslav counterproposals meet SAC's requirements.

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[54] Not printed.

[55] See telegram 86, May 14, 11 a. m., to Belgrade, p. 1161.

Sent to Caserta. Repeated to Belgrade, London, and Moscow for information. GREW

740.00119 Control (Italy)/5-2345

Memorandum by Admiral William D. Leahy, Chief of Staff to the Commander in Chief of the Army and Navy, to the Secretary of State

WASHINGTON, 23 May, 1945.

The following message from Marshal Stalin is received this date: [56]

"I have received on May 21 your message on the question of Istria–Trieste. Somewhat earlier I have also received from you, through Mr. Kennan, the text of the message transmitted by the American Ambassador in Belgrade to the Yugoslav Government on the same question. Thank you for this information.

In regard to the essence of the question I have to say the following:

Your opinion, that this question is of principle and that in respect to the territory of Istria–Trieste no action should be allowed which will not fully consider the lawful claims of Yugoslavia and the contribution made by the Yugoslav armed forces to the common cause of the Allies in the struggle against Hitlerite Germany, seems to be quite correct. It goes without saying that the future of this territory, the majority of whose population is Yugoslavian, should be determined during the peace adjustment. However, at the present time the question under consideration is the temporary military occupation of this territory. In this respect it is necessary, in my opinion, to take into consideration the fact that it is the Allied Yugoslav troops who have driven the German invaders from the territory of Istria–Trieste, thereby rendering an important service to the common cause of the Allies. By virtue of this circumstance only it would not be fair and would be an undeserved insult for the Yugoslav Army and the Yugoslav people to refuse Yugoslavia the right to occupy the territory retaken from the enemy after the Yugoslav people has made so many sacrifices in the struggle for the national rights of Yugoslavia and for the common cause of the United Nations.

It seems to me that the correct solution of this question is the one which would provide that the Yugoslav troops remain in the region of Istria–Trieste as well as the Yugoslav administration functioning at the present time in this region. At the same time in this region be established a control of the Allied Supreme Commander and, on mutual agreement between Field Marshal Alexander and Marshal Tito, a demarcation line be drawn. By accepting these proposals the question of administration in the region of Istria–Trieste would also receive a correct solution.

As the Yugoslav population is in majority on this territory and already in the period of German occupation a local Yugoslav administration was being formed, which at the present time enjoys the confidence of the local population, the present situation should be taken

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[56] Stalin's message to President Truman.

into consideration. By subordinating the already existing Yugoslavian civilian administration in this region to the Yugoslav military command the question of administrative direction of this territory would be appropriately regulated.

I would like to hope that the misunderstanding regarding the situation of the region Istria–Trieste, arisen among the Governments of the United States and Great Britain on the one hand and the Yugoslav Government on the other, will be eliminated and the whole matter will be favorably settled."

WILLIAM D. LEAHY

740.00119 Control (Italy)/5-2345 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, May 23, 1945—midnight.
[Received May 23—5:02 p. m.]

2312. Our 2300, May 22, midnight.[57] At a meeting this afternoon in SAC's office he stated that after consultation with his Allied Military Govt advisers he wished to state his position as follows:

That he would not agree to Yugo officers taking part in AMG in areas in question, but that he would welcome a small Yugo mission being attached to Brit Eighth Army HQ in observer capacity.

He added that he would, however, agree to a Yugo detachment of about 2,000 officers and men occupying an area selected by himself west of line proposed to Tito by Gen Morgan (our 1960, May 5, midnight). Those men, of course, would be under SAC's command and would be maintained by his administrative set up. In this connection he would not give this personnel access to rest of zone in question. Field Marshal Alexander stated that he would not permit his AMG to act through civil authorities which are already set up in that area. He stated that his AMG must be given the right to use whatever civil authorities it considered best in any particular place and to change administrative personnel whenever it liked. He would, of course, instruct his AMG to use Yugo civil admin wherever they were functioning satisfactorily.

SAC then asserted that we should insist that Tito be asked to return all non-Yugo residents in area who have been arrested or deported by Partisans and that restitution of all removed or confiscated property should be made. He also stated that he did not wish to take over Pola or the line of communication from Pola to Trieste and that he would need only use of port of Pola and anchorages on west coast of Istria.

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[57] Not printed.

In short, SAC considers that his draft agreement which Gen Morgan presented to Tito (our 1960, May 5, midnight) would be adequate for his needs subject to points raised above.

SAC requested his Chief of Staff to prepare a draft telegram for him in foregoing sense to CCS, which has been done and will go forward this evening.

KIRK

740.00119 Control (Italy)/5-2345

The British Embassy to the Department of State

AIDE-MÉMOIRE

His Majesty's Government in the United Kingdom have given further consideration to the proposal made by the Yugoslav Government in their note of May 21st, 1945,[57a] to the British and American Ambassadors in Belgrade about Venezia Giulia. In the view of His Majesty's Government it is doubtful whether the Allied Military Government could be satisfactorily maintained in the presence of Yugoslav military forces, however small. Furthermore, Marshal Tito reserves the right to demand modifications even in Field Marshal Alexander's original line, whereas it is now desired to extend that line so as to include Pola and possibilities of communication between Pola and Trieste.

2. The situation has changed to such an extent since the Field Marshal's original proposals were made, that they no longer appear acceptable to His Majesty's Government and in their view stricter terms should be demanded. Time is on our side; allied force is being strengthened; and His Majesty's Government see no reason to help Marshal Tito to find a face-saving escape. Provided the United States Government agree, therefore, His Majesty's Government would prefer to refuse the reopening of discussions with Marshal Tito on the basis of his latest offer and to demand the immediate acceptance of the terms contained in the joint representations of May 15th. These terms should be interpreted in the sense that Yugoslavs should be excluded from the administration of the area in question and Yugoslav forces only accepted within the area provided Field Marshal Alexander agrees.

3. His Majesty's Government are awaiting Field Marshal Alexander's views. In the meantime, they enquire whether the United States Government would be prepared to return a reply to Marshal Tito on the lines suggested.

[57a] See telegram 102, May 21, from Belgrade, p. 1170.

4. His Majesty's Government also wish to point out that inasmuch as under any agreement which is made, the eastern part of Venezia Giulia will be handed over to Yugoslav military occupation and civil administration, the principle must be safeguarded that the ultimate fate of the whole province should be reserved for the peace settlement. The Yugoslav Government must, therefore, subscribe to some statement to the effect that its present occupation of eastern Venezia Giulia does not mean that its annexation to Yugoslavia has been recognised by the British and American Governments.

WASHINGTON, May 23, 1945.

740.00119 Control (Italy)/5-2545 : Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, May 25, 1945.
[Received May 25—8:40 a. m.]

52. At 10 a. m. today Foreign Office handed me following note dated May 24.

"The Government of Democratic Federative Yugoslavia are informed that the Allied forces entered today the whole area of that sector of the Slovene littoral about which negotiations are pursuing between the Government of the United States, Great Britain and the Government of Democratic Federative Yugoslavia.

The Yugoslavia Government deeply regret that this unilateral action should have been taken, and consider that such a measure by no means contributes to a satisfactory solution of this problem.

These proceedings surprise the Government of Democratic Federative Yugoslavia inasmuch as they have proved by their note No. 1060, of May 21, 1945,[58] their extreme willingness to come to an understanding about this problem.

While the above unilateral action cannot meet the approval of the Government of Democratic Federative Yugoslavia, they hopefully expect that the presence of Allied forces in this area will not affect the present status of the military and civil administration of this area till a friendly agreement of this problem be finally reached between all governments concerned.["]

PATTERSON

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[58] Apparently reference is to note quoted in telegram 102, May 21, from Belgrade, p. 1170.

740.00119 Control (Italy)/5–2145 : Telegram

The Acting Secretary of State to the Ambassador in Yugoslavia (Patterson)

WASHINGTON, May 26, 1945—6 p. m.

106. Your 102, May 21. The following is for transmission to the Yugoslav Government [59] in reply to its note of May 21:

"Careful consideration has been given to the reply of the Yugoslav Government of May 21 concerning the occupation and interim administration of Venezia Giulia. It is gratifying to learn that the Yugoslav Government agrees to the establishment of Allied Military Government under the authority of the Supreme Allied Commander, Mediterranean, in an area to be defined by agreement between Field Marshal Alexander and Marshal Tito.

There is attached a military agreement which the Government of the United States, acting in concert with the Government of the United Kingdom, has authorized the Supreme Allied Commander to negotiate with Marshal Tito. The agreement while assuring to the military forces of the Allied governments the means of carrying on their further tasks in enemy territory, also sufficiently safeguards the principles of an orderly and just solution of territorial problems which this Government has enunciated in its note of May 15.

In agreeing to Yugoslav occupation and administration of a portion of the disputed region of Venezia Giulia the Government of the United States has manifested its willingness to cooperate with the Yugoslav Government to the utmost. At the same time the United States Government must solemnly reaffirm that its acceptance of this provisional military line of demarcation should in no way be considered as prejudicing the disposition of the entire area, represented by the compartment of Venezia Giulia, in the final settlement. It is confidently anticipated that the Yugoslav Government will find that all its legitimate interests are appropriately safeguarded.

As soon as the Yugoslav Government has signified its agreement the Supreme Allied Commander will be prepared immediately to receive Yugoslav staff officers of appropriate rank in Caserta or at the headquarters of the Eighth Army to work out the detailed arrangements involved in the agreement."

"*Enclosure:* Agreement between Supreme Allied Commander, Mediterranean, and Marshal Tito.

1. The portion of the territory of Venezia Giulia west of the line on the attached map which includes Trieste, the railways and roads from there to Austria via Gorizia, Caporetto, and Tarvisio, Pola and the anchorages on the west coast of Istria will be under the command and control of the Supreme Allied Commander.

2. All naval, military and air forces west of the line on the attached map will be placed under his command from the moment at which

[59] Transmitted to Yugoslav Government on June 2, with an oral statement to the effect that it represented the final word of the United States and the United Kingdom Governments and that the two Governments hoped for a prompt acceptance.

this agreement comes into force. Yugoslav forces in the area must be limited to a detachment of regular troops not exceeding 2,000 of all ranks. These troops will be maintained by the Supreme Allied Commander's administrative services. They will occupy a district selected by the Supreme Allied Commander west of the dividing line and will not be allowed access to the rest of the area.

3. Using an Allied Military Government, the Supreme Allied Commander will govern the areas west of the line on the attached map, Pola and such other areas on the west coast of Istria as he may deem necessary. A small Yugoslav mission may be attached to the Headquarters of the Eighth Army as observers. Use will be made of any Yugoslav civil administration which is already set up and which in the view of the Supreme Allied Commander is working satisfactorily. The Allied Military Government will, however, be empowered to use whatever civil authorities they deem best in any particular place and to change administrative personnel at their discretion.

4. Marshal Tito will withdraw the Yugoslav regular forces now in the portion of Venezia Giulia west of the line on the attached map by (date to be inserted) 1945. Arrangements for the retention of the Yugoslav detachment referred to in paragraph 2 will be worked out between the Supreme Allied Commander and the Yugoslav High Command.

5. Any irregular forces in this area will, according to the decision of the Supreme Allied Commander in each case, either hand in their arms to the Allied Military Authorities and disband, or withdraw from the area.

6. The Yugoslav Government will return residents of the area whom they have arrested or deported with the exception of persons who possessed Yugoslav nationality in 1939, and make restitution of property they have confiscated or removed.

7. This agreement in no way prejudices or affects the ultimate disposal of the parts of Venezia Giulia west of the line. Similiarly the Military occupation and administration by Yugoslavia of the parts of Venezia Giulia east of the line in no way prejudices or affects the ultimate disposal of that area." [60]

Field Marshal Alexander will furnish you with copy of map and date to be inserted in paragraph 4 of military agreement whereupon you should immediately concert with your British colleague for the presentation to the Yugoslav Government of parallel notes and identic military agreements.

Moscow should not inform Soviet Government of the foregoing until specific instructions are received.

Sent to Belgrade. Repeated to Caserta as no. 519, Moscow as no. 1154, and London as no. 4206.

GREW

[60] The agreement as quoted here is identical with the final text signed June 9, 1945, except in paragraph 1 following "Tarvisio" are inserted the words "as well as Pola and anchorages" and in paragraph 4 following "maps" are added the words "as well as those in the town and vicinity of Pola by 08 hours GMT, June 12th". For final text of Agreement and appended map, see Department of State Executive Agreement Series No. 501, or 59 Stat. (pt. 2) 1855.

734-362—68——75

740.00119 Control (Italy)/5-2945: Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union (Harriman)

WASHINGTON, May 29, 1945—8 p. m.

1175. The following message from the President is for transmission to Marshal Stalin:

"I have received your message of May 23 [60a] and am glad you share my conviction that the future of the Venezia Giulia territory should be determined during the peace adjustment. Only by the maintenance of these principles which take into account legitimate aspirations of the peoples concerned can we insure peaceful and orderly development in the future.

Since sending you my message on May 20,[60b] Marshal Tito has informed both the United States and British Governments that he agrees to the establishment of Allied Military Government under the authority of the Allied Supreme Command in the Mediterranean. In order that the Allied Commander may fulfill the responsibility we have placed upon him in this respect he must have adequate authority to enable him to carry out this task and to safeguard the interests of all concerned. Therefore we must leave to him the determination of the method in which civil administration will be carried out and the number of Yugoslav troops under his command which may be maintained in the area. He is prepared to utilize Yugoslav civil administration which in his opinion is working satisfactorily, but must have authority to change administrative personnel in his discretion, particularly in centers which are predominantly Italian.

I am confident that we can work out a solution along these lines and am instructing the American representative in Moscow to furnish your Government with the details of the proposal which the British and American Governments are presenting to Marshal Tito in the confident assurance that we can reach a satisfactory settlement."

Telegraphic instructions to Belgrade containing the note and draft military agreement for presentation to the Yugoslav Government have been repeated to you. Please inform the Soviet Foreign Office of these communications.

Sent to Moscow. Repeated to Belgrade as no. 113, Caserta as no. 532, and London as no. 4274.

GREW

[60a] See memorandum dated May 23, p. 1172.

[60b] See telegram 499, May 20, to Rome, p. 1168.

740.00119 Control (Italy)/6–245 : Telegram

The Acting Secretary of State to the Ambassador in Yugoslavia (Patterson)

WASHINGTON, June 6, 1945—4 p. m.

127. While note delivered four days ago (your 132, June 2)[61] remains unanswered, reports on the situation in Venezia Giulia indicate continuing Yugo action contrary to letter and spirit of our proposals. Please inform Yugo Govt this Govt takes a serious view of Tito's failure to reply and trusts there will be no further delay.

Repeated to Caserta as no. 554 and Moscow as no. 1233.

GREW

740.00119 Control (Italy)/6–745

The Italian Minister for Foreign Affairs (De Gasperi) to the American Ambassador in Italy (Kirk)[62]

ROME, June 6, 1945.

DEAR AMBASSADOR: I have been told that the conversations now taking place between Marshal Alexander and Tito seem to be directed toward the organization of an Anglo-American administration to the west of the Wilson line[63] and of an exclusive Yugoslav administration to the east of that line.

I do not know whether the information is exact. If it is, it would cause us grave anxiety and worry.

You know our point of view and it is therefore superfluous to explain it again. I should like here only to emphasize particularly that, should the conversations really be taking this course, the division of Venezia Giulia into two zones and the entrusting of one of these zones to the exclusive administration of Yugoslavia would certainly signify in substance two things:

1) falling short of the principle that the administration of all the territory under discussion should be entrusted to Anglo-Americans;

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[61] Not printed; for text of note delivered June 2, see telegram 106, May 26, 6 p. m., to Belgrade, p. 1176.

[62] Copy transmitted to the Department in despatch 1702, June 7, 1945, from Rome; received June 14.

[63] During the Paris Peace Conference in 1919, President Woodrow Wilson put forward a proposal for the demarcation of the Italo-Yugoslav frontier. The most detailed formulation of the line by the American Delegation at the Peace Conference appears in a memorandum by Douglas Johnson, dated May 8, 1919, printed in René Albrecht-Carrié, *Italy at the Paris Peace Conference* (New York, 1938), p. 93, and in Ray Stannard Baker, *Woodrow Wilson and the World Settlement* (New York, 1922), vol. III, pp. 296–302. For President Wilson's brief description of his proposal, made at a meeting of the Council of Four, May 13, 1919, see *Foreign Relations*, The Paris Peace Conference, 1919, vol. V, p. 579. The "Wilson Line" is indicated in *Foreign Relations*, 1945, vol. II, on the map facing p. 252.

2) yielding to the Yugoslav *coup de main* by granting them the advantages of it. That such advantages might be only partial does not seem to me to modify the fact that the fundamental principle of preventing violent methods and replacing them with means and methods more consonant with the new exigencies of international conduct, would as a result be gravely prejudiced and compromised.

I would like to add that under a regime of this sort the Yugoslavs could only feel encouraged to put forth even greater demands and to transform the already acquired advantage into a springboard for aspiring to ever greater concessions. This is, as you know, the invariable technique for all *coups de force.*

It is superfluous for me to tell you that I am keenly aware of the grave difficulties that the question presents for the British and North American Governments and how profound is our feeling of solidarity with Washington and London. But I am truly and deeply convinced that postponement of territorial questions until the peace conference, and the energetic suppression of violent methods, are really cardinal principles which must be safeguarded with all our power.

It is for this reason that I take the liberty to ask you to express our concern to your Government, which has given us such convincing proof of its friendly assistance in this question, and to convey our hope that, also with regard to the zone to the east of the Wilson line, should it be absolutely impossible to arrange for Anglo-American administration, as would be just, there be devised a formula for mixed administration which, while giving certain definite participation to Yugoslavia, would give to us a guarantee of justice and equity; and to everyone the feeling that the fundamental principles to which I have referred are being effectively and truly safeguarded.

Please believe me [etc.] DE GASPERI

740.00119 Control (Italy)/6–745

The Italian Ambassador (Tarchiani) to the Secretary of State

MEMORANDUM

The Italian Ambassador presents his compliments to the Honorable the Secretary of State and, according to the instructions received from Rome, has the honor to express the deep appreciation of the Italian Government for the firm attitude taken by the Government of the United States in the question of Venezia Giulia, in order to prevent that an untimely unilateral action may compromise the final settlement of the Italian frontiers.

The Government and the people of Italy, who follow with anxiety and emotion the developments of such a situation from which the

future of so many Italian nationals may depend upon, have seen in the impartial and resolute attitude of the United States the enforcement of those democratic ideals of justice and international morality, for the defense of which this war has been fought and won.

The Italian Government has instructed his Ambassador in London to approach the Foreign Office in order to induce the British Government to fully join the American Government in the attitude taken by him in the matter.

While reserving to communicate to the United States Government further details concerning the step made by the Italian Ambassador in London, as soon as they will be known, the Italian Government begs the Government of the United States to grant its authoritative support to the action undertaken by Count Carandini in this sense.

The Italian Government, while expressing the sense of deep preoccupation and concern caused by the recent events both of western and eastern frontiers in the soul of the Italian people, is confident that the Government of the United States will not fail to keep steadily that attitude of objectivity and equity which corresponds to those ideals of international morality on behalf of which the democratic Nations have victoriously fought and won.

WASHINGTON, June 7, 1945.

860S.00/6-945

The Chairman of the Council of People's Commissars of the Soviet Union (Stalin) to President Truman

Thank you for your second message [64] on the question of Istria–Trieste. I have also acquainted myself with the note of Mr. Harriman [65] which outlines the proposals of the Government of the United States and Great Britain to the Government of Yugoslavia regarding the settlement of the situation in this region.

From your communication it can be understood that an agreement in principle has been reached between the Governments of the United States and Great Britain on one side and the Government of Yugoslavia on the other, on the question of establisment on the territory of Trieste–Istria of an Allied military administration under the guidance of the Allied Commander in Chief on the Mediterranean Sea. However, it seems to me that for complete settlement of the present situation in Trieste–Istria an agreement should likewise be reached with the Yugoslav Government on the concrete proposals of the Governments of the United States and Great Britain as well.

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[64] See telegram 499, May 20, 4 p. m., to Caserta, p. 1168.
[65] See telegram 1175, May 29, 8 p. m., to Moscow, p. 1178.

I hope that after the statement of the Government of Yugoslavia about its agreement to the establishment of an Allied military administration on the territory of Trieste–Istria there will be no obstacles for the Yugoslav interests to be duly satisfied and that the whole question about the present tension in the region of Trieste–Istria will be happily settled.

[Moscow,] June 8, 1945.

740.00119 Control (Italy)/6–945 : Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, June 9, 1945.
[Received June 9—10:48 p. m.]

148. Following is text of letter to me dated June 9 signed by Dr. Ivan Subasic. It is not to be published until mutual decision has been reached regarding publication of the agreement:

"Your Excellency: On the occasion of the conclusion of the military agreement between the Government of Democratic Federative Yugoslavia and the Governments of the United States and Great Britain concerning the occupation and the administration of Venezia Giulia, I have the honor to communicate to you the following declaration of the Yugoslav Government with the request to bring it to the knowledge of the Government of the United States of America.

The Government of Democratic Federative Yugoslavia have decided to conclude with the Governments of the United States of America and Great Britain the military agreement as proposed by the note of June the 2nd, 1945.[65a]

The Yugoslav Government are fully aware how much the feelings and interests of the Yugoslav population in Istria, in Trieste and in the Slovene Littoral, as well as those of all the Yugoslav peoples are hurt by the fact that a greater part of the Yugoslav Army on the request of our Allies has to withdraw from the territories which it had liberated from the enemy yoke at the cost of so many sacrifices, and especially as almost all the places with the exception of Trieste are inhabited by compact Yugoslav population.

The Yugoslav Government, however, took this decision in order to prevent on their part every possible cause which might lead to an eventual conflict, to preserve the friendship of the Allied Armies achieved in the fierce fighting, and in order also to promote and fortify good relations with their Allies securing and reinforcing by that the peace in Europe.

The Yugoslav Government are confident that their decision will in no way prejudice the justified national claims of Yugoslavia as well as the claims of the population of Istria, Trieste, and the Slovene Littoral, who in the course of this war have risen in the fight against the common enemies, the Fascist Italy and the Nazi Germany, and

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[65a] See telegram 106, May 26, to Belgrade, and footnote 59, p. 1176.

have made enormous sacrifices for the Allied cause, proving by that in a most manifest way their desire to be included in Democratic Federative Yugoslavia.

At the same time, the Yugoslav Government hope that in the working out of the detailed arrangements involved in the military agreement favorable provisions will be made in order to secure the interests of the local Slav population and Yugoslavia.

The Yugoslav Government avail themselves of this opportunity to state that in the area concerned no confiscation of properties or deportations, and no arrests were made by the Yugoslav authorities except on the ground of military security and this only when persons known as prominent Fascists or war criminals were in question.

In communicating the foregoing, I beg Your Excellency, to accept the assurance of my highest consideration."

PATTERSON

740.00119 Control (Italy)/6–745

Memorandum of Conversation, by the Special Assistant to the Secretary of State (Phillips)

[Extract]

[WASHINGTON,] June 9, 1945.

1. The Italian Ambassador left the accompanying note[66] with me this afternoon. Before reading the note I expressed our gratification that the agreement with Tito had been signed and that the situation, which at one moment seemed a dangerous one, had been disposed of temporarily. The Ambassador agreed and said that the importance of maintaining the two principal cities, Trieste and Pola, free from Tito's forces could not be overemphasized. On the other hand, having studied the text of the agreement, he could not be sure of the boundary line which would run between Pola and Trieste. There was no mention made of such a line and he wondered whether the Yugoslavs were free to occupy coastal points between the two cities. However, the real criticism which he had of the agreement was the fact that Tito's forces were permitted to occupy parts of Istria which, according to the 1939 boundary, were parts of Italy. Thus, he said, the principle of Allied control in this region had been abandoned. He realized that this Government had stood out for a solution on the grounds of principle and he supposed that the British had given these advantages to Tito on the grounds of practical necessity. In the circumstances he wondered whether it was still not impossible for 2,000 Italian *carabinieri* to be invited into the picture, no matter where, in order to balance the forces which Tito had available in his locality.

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[66] Attached copy of instructions sent by the Italian Minister for Foreign Affairs to the Italian Ambassador at London, not printed.

The Ambassador admitted that this was a secondary matter, but nevertheless of importance in the future. It would also greatly help and strengthen the new Italian Government if it were known publicly that Italy's position and claims were having equal consideration to those of Tito.

. . . . . .

WILLIAM PHILLIPS

Department of Defense Files: Telegram

President Truman to the Chairman of the Council of People's Commissars of the Soviet Union (Stalin)

WASHINGTON, June 11, 1945—10:05 a. m.

286. I deeply appreciate your message of yesterday's date[67] and thank you for your attentive interest in our effort to come to a friendly agreement with Marshal Tito on the question of military government in the Trieste region.

The agreement which was signed at Belgrade on 9 June covered the concrete proposals of the British and United States Governments. I fully agree that there should be no delay in coming to a firm settlement of the military government question and it is to this end that Marshal Alexander's Chief of Staff will meet with Marshal Tito's Chief of Staff next week to work out the military and technical details.

740.00119 Control (Italy)/6–1645: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, June 16, 1945—5 p. m.
[Received June 16—4:53 p. m.]

1642. See my 1560 of June 10.[68] Minister of Foreign Affairs has communicated with me in following sense regarding Venezia Giulia agreement.

(*Begin paraphrase*) Among other provisions in agreement reached between the British, American and Yugoslav Govt concerning administration of Venezia Giulia on a temporarily military basis as reproduced in newspapers, article 1 provides that the port towns on western coast of Istria including Pola will come under jurisdiction of SACMED. Furthermore, article 3 as published states that Supreme Allied Commander will through AMB [*AMG*] administer Pola and other zones which he judges necessary on west coast of Istria.

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[67] Apparently reference is to Marshal Stalin's message of June 8, p. 1181.
[68] Not printed.

In addition to Pola there are the following towns, all Italian, on west coast of Istria: Isola, Fasana, Cittanova, Muggia, Rovigno, Orsera, Capodistria, Pirano, Parenzo, Umago. In addition further Italian towns exist in immediate hinterland of western Istria: Gallesano 3 kilometers from coast, Buie 10 kms as well as Visignano, Valle and Montona. It is felt that these towns all of which are west of the principal national highway between Trieste and Pola and which are all entirely Italian should be in the zone under Allied jurisdiction.

It is felt that it would also be fair if when the details of execution of agreement were being discussed it might be possible to establish some type of guarantee for Italians east of demarcation line particularly those residing Fiume. Among guarantees which should be agreed upon are freedom to travel with possessions from one side of demarcation line to the other and the organization of a local committee either Italian or Allied of observers who shall have as their function the surveillance in eastern zone similar to that provided for in agreement of the western zone.

I trust that you shall consider this communication in the spirit in which I write it—that in loyal and honest cooperation with the British and American Govts reach an answer which so far as possible shall conform with equity and fairness.

I desire to reiterate that I comprehend fully the seriousness of the difficulties which this problem has caused and is still causing to British and American Govts and the sincere and strenuous efforts which have been required to overcome these difficulties. Both the Italian people and the Italian Govt are appreciative and grateful. However, as you know this problem involves cutting in to Italy's living body already so wounded. Therefore, I feel sure that you will realize the sentiments which dictate my asking you to be so kind as to bring these observations urgently to the attention of SACMED so that they may be considered insofar as possible when the implementation of the Venezia Giulia agreement is put in writing.

I need hardly tell you how appreciative I shall be for your assistance. With cordial greetings. Signed De Gasperi. (*End paraphrase*)

The foregoing has been brought to the attention of AFHQ for discussion at meetings being held in the Venezia Giulia between officers of AFHQ and Yugoslav military officials.

KIRK

[Controversy between the American and British Governments and that of Yugoslavia with respect to the administration of Venezia Giulia continued. Documentation for the period June 19–27 is printed in *Foreign Relations*, The Conference of Berlin (The Potsdam Conference), 1945, volume I, pages 840–856. Conference documents and supplementary papers dated July 25–30 are printed *ibid.*, volume II, pages 1213–1222. For references to discussions of this subject in meetings of the Conference, see *ibid.*, volume I, index entries on page 1087. Documents regarding Venezia Giulia printed in these Conference volumes are not reprinted in this volume.]

740.00119 Control (Italy)/6–1645 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, June 16, 1945—8 p. m.
[Received 8:50 p. m.]

2643. Re our 2637 of June 15, 8 p. m.[69] Text of agreement as submitted by Gen Morgan follows:[70]

"Agreement between Supreme Allied Commander Mediterranean Theater of Operations and the Supreme Commander of the Yugoslav Army.

1. The purpose of this agreement is to determine certain detailed matters arising out of agreement signed by Yugo Foreign Minister and US and Brit Ambs in Belgrade on June 9.

2. The term Venezia Giulia will be considered throughout this agreement to mean the 1939 Italian provinces of Gorizia, Trieste, Fiume (Carnaro) and Pola (Istria).

3. The areas of territory of Venezia Giulia which will be under command and control of Supreme Allied Commander and Yugoslav High Command respectively will conform to boundaries now marked accurately on maps at Appendices A and B.

4. The Yugo detachment remaining in area under command and control of Supreme Allied Commander will initially concentrate in accordance with instructions attached at Appendix C.

5. For liaison duty in connection with Yugo troops, a Yugo mission will be attached to HQ Eighth Army or to most appropriate HQs. The detailed composition and functions of this mission will be as set out in Appendix D.

6. Yugo authorities will facilitate occupation of area around Pola by troops of Supreme Allied Commander in accordance with details set out at Appendix E.

7. Yugo rights regarding war booty will be as set out at Appendix F.

8. Arrangements in respect of command and control of anchorages on west coast of Istria will be as set out at Appendix G.

9. Control of movement in Venezia Giulia will be in accordance with Appendix H.

10. Arrangements will be made for control of railway traffic between Allied and Yugoslav occupied zones of Venezia Giulia and for settlement of matters affecting trade and commerce between those zones in accordance with Appendix I.

11. Yugo will have right to use ports of Trieste and Pola in accordance with Appendix J.

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[69] Not printed.

[70] Text proposed to Yugoslav military representatives at a conference at Duino. Delegates representing Field Marshal Alexander, the Supreme Allied Commander, and those representing Marshal Tito had met in conference for the purpose of negotiating the military details necessary to implement the principles of the agreement signed at Belgrade June 9, 1945. The implementing agreement was signed June 20, 1945, by Gen. W. D. Morgan on behalf of Field Marshal Alexander and by Gen. Arso Jovanović on behalf of Marshal Tito. For the English language text including the eight appendices and the note on civil administration, see Ministry of Foreign Affairs, Federal People's Republic of Yugoslavia, *Medjunarodni Ugovori*, Sveska Br. 3, pp. 22–45.

12. This agreement enters into force on being signed. Like that signed at Belgrade on 9 June, it in no way prejudices or affects ultimate disposal of any part of Venezia Giulia".

Regarding Appendix[es] which are too detailed to cable please see immediately following telegram.[71] KIRK

740.00119 Control (Italy)/6-1645

The Italian Ambassador (Tarchiani) to the Secretary of State

No. 4183

The Italian Ambassador presents his compliments to the Honorable the Secretary of State and has the honor to interpret the feelings of appreciation and gratitude of the Italian Government for the action taken by the United States Government in the matter of Venezia Giulia.

The Italian Ambassador has been furthermore directed to ask the United States Government to give their kind and valuable support in order that the demarcation line provided for Istria be such as to include within the territory under Anglo-American administration the Pola–Trieste railroad, which is essential to the communications and to the very economic life of that area.

The Italian Government equally recommends the inclusion of such a vital traffic line as the national highway, without which no possibility of material life could be left to the population in the Allied-administered area.

Moreover the Italian Government recommends that in the zone attributed to the Jugoslavs, a guarantee, similar to that granted to the latter in the zone occupied by the Allies, be granted to Italy in order to safeguard the Italian population there residing: that is observers or an Allied-Italian Mission.

The Italian Ambassador will be grateful if the Honorable the Acting Secretary of State could kindly back the Italian request which has been brought also to the knowledge of the British Government.

WASHINGTON, June 16, 1945.

740.00119 Control (Italy)/6-2045

The Italian Ambassador (Tarchiani) to the Acting Secretary of State

No. 4296

The Italian Ambassador presents his compliments to the Honorable the Acting Secretary of State and has the honor, with reference to the Embassy's note of June 16, 1945, No. 4183, to communicate to him

[71] Telegram 2644, not printed.

the instructions transmitted a few days ago by the Italian Government to the Royal Embassy in London on the matter of Venezia Giulia:

"Your Excellency is requested to confirm at once to the Foreign Office, in the most friendly terms, that we are fully aware of the gravity and the risks which the question of Venezia Giulia involved for the Allies.

We are therefore deeply grateful for the sympathetic comprehension shown to us many times during the crisis by the Allied Government and our feelings of solidarity with Great Britain and the United States have been evermore strengthened.

Nevertheless, we were, and still are, kept entirely in the dark not only as to the development of the conversations, but also of their outcome. So that, even today, we are unaware of the contents of the agreement and of the course of the demarkation line established between the Anglo-American and Yugoslav forces in that zone.

Your Excellency knows that the question is of the utmost importance for our national life and that it strikes deeply into the very soul of our people.

In these conditions, if the principle is safe to reserve until peace the main question of the final decision on these territories, it is not possible to say the same thing about that equally important question of maintaining an Anglo-American administration in the contested areas. Thus, the "coup de force" of Tito has shown, even if partially, its results.

Therefore, I beg Your Excellency to point out these fundamental reasons of internal nature which have determined our attitude on this matter and to inform the Prime Minister that we rely on his comprehension now more than ever".

WASHINGTON, June 20, 1945.

740.00119 Control (Italy)/6–2345 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, June 25, 1945—6 p. m.

614. Your 2734, June 23.[72] Dept opposes piecemeal settlement of Italian territorial questions, which should all be dealt with in final treaty with Italy, probably to be negotiated in near future. Please keep this view before AFHQ and insist Yugos be held strictly to June 9 agreement without further concessions in derogation of the principles involved. To negotiate a settlement now would mean yielding to threat of force in this first real test of our principles encouraging other claimants of Italian territory to demand their share, and probably falling short of any fair solution contributing to the maintenance of future peace. Dept is specifically recommending that this view be upheld at forthcoming conference.

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[72] *Conference of Berlin (Potsdam)*, vol. I, p. 192.

We discussed subject of your 2725, June 22,[73] with British today, expressing concern, requesting urgently views of Brit Govt, and asking support in Belgrade of our position that June 9 agreement must be fully respected. Your 2749 June 24,[74] has since been received. Please discuss whole matter with SAC, saying we are deeply concerned that Morgan so exceeded his instructions. You should also make every effort to obtain full report on negotiations if you think all facts not yet revealed.

Repeated to Belgrade as 157.

GREW

740.00119 Control (Italy)/6–2545

The Italian Ambassador (Tarchiani) to the Acting Secretary of State

No. 4537

The Italian Ambassador presents his compliments to the Honorable the Acting Secretary of State and has the honor to bring to his knowledge the following:

The Italian Government has just received from Admiral Stone communication of the tracing of the so-called Morgan line [75] established by the Alexander–Tito agreement on the demarkation of the respective occupation zones.

This communication is to the effect that the aforesaid line starts from Mount Binialuz at the Yugoslav border, follows the left side of the Isonzo river until Mount Vodice when it runs southeast as far as Aidussina and then, turning southward through San Giacomo, Divaccia and Erpelle, reaches the coast south of Trieste below Muggia. According to the said communication, no indication is given in regard to the harbor installations mentioned under articles 1 and 3 of the British-American agreement; neither is there any mention of Pola, the occupation of which is, however, assured within a radius of 6 kilometers around the town.

The Italian Ambassador, under instructions received from his Government, has the honor to submit the following considerations on the subject.

1) The line contemplated by the Alexander–Tito agreement, being even more unfavorable to Italy than the Wilson line especially in the section north of Trieste, does not contain any protective provision whatsoever as far as the Istrian region is concerned. Yugoslav control would thus extend to such a territory which, in the area of the

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[73] *Conference of Berlin (Potsdam)*, vol. I, p. 849.

[74] *Ibid.*, p. 852.

[75] Line separating zones A and B projected in Belgrade Agreement but not clearly defined until Duino Agreement, June 20.

western coast and together with the Lussino island, is populated for the far greater majority by Italians, totaling over 150.000.

It is therefore hard to perceive that the Morgan line follows any principle, be it geographic, military, ethnical, economic, historical or administrative.

2) The demarkation line in question, in spite of its provisional nature, represents to a 9/10 extent, the confirmation of the Tito's "fait accompli" which is in contrast with the point of view previously expressed by the Allies, according to which and according to the engagements taken through the armistice terms and subsequently, the entire Italian territory within the 1939 frontier, would be administered by the Anglo-American authorities, pending the decisions to be reached at the Peace Conference.

Even granting, however, that reasons of general politics, expediency might suggest the adoption of a compromise solution, it is unquestionable that the solution represented by the Morgan line is absolutely unfavorable to Italian interest and doesn't seem to take into any account a fundamental element, that is the ethnic composition of the region.

Such a decision, while not providing any guarantee whatever for the Italian populations of that area, exposed—as they are—to Yugoslav reprisals and animosity (of which recent events have unfortunately given sufficient evidence) represents a clear tactical advantage for Yugoslavia which is meantime in a position to bring the zone under her subjection and consolidate her hold on it in prevision of the moment when the controvery will be discussed in its whole for its final disposal.

3) The Italian Government is perfectly aware of the difficulties of an international order which the Yugoslav question involved and of the dangers which might have derived from a matter that evidently exceeds the terms of the Italo-Yugoslav dispute, but touches upon the relations amongst the greater Allies.

The Italian Government therefore expresses its full recognition of the effort made by the Allied Governments—and particularly by the Government of the United States—in order to find a solution as satisfactory as the situation permitted, and its deep appreciation of its attitude of comprehension and sympathy in favor of the Italian cause which corresponds to principles of equity and international morality.

On its side, the Italian Government, in its awareness of the present delicate stage of the international situation, and in spite of the pressure of its public opinion, has so far avoided declaring its views on the question. At the same time, it has exerted a conciliatory action through the press, and intends not to depart from such an attitude

which is inspired by a sense of political responsibility and by its confidence in the aims of justice pursued by the Anglo-Americans.

The Italian Government cannot, however, ignore the present situation and the settlement which is being given to purely Italian territories which, except for a mere aspect of prestige, have absolutely no meaning, either from the economic or the military standpoint for the Yugoslav people, while forming on the other hand, an integral part of the Italian national territory.

4) The Italian Government is well aware that the definitive assignment of the territory in question is not compromised by the Alexander–Tito agreement and that the final disposition of this area is to be made on the basis of those principles of justice and democracy for which the Allied Nations have fought and won this war.

If, however, the agreement recently reached had to be considered as the basis for a future definite settlement, the Italian Government would since now emphasize that such a settlement could not be considered either satisfactory or acceptable, but that it would, on the contrary, represent, from all viewpoints—including the defence of the national territory and of western civilization—an illogical and painful mutilation of Italian soil, which certainly would have a definite influence on the future Italian interior and foreign policy.

5) It would, at all events, be of great comfort for the Italian people to have confirmation that these considerations are present in the mind of the United States Government and that they will not be forgotten in the framework of the settlement to be given to Europe in the spirit of justice and democracy.

WASHINGTON, June 25, 1945.

740.00119 Control (Italy)/6–2645

The Ambassador in the Soviet Union (Harriman) to the People's Commissar for Foreign Affairs of the Soviet Union (Molotov)

No. 363 Moscow, June 26, 1945.

DEAR MR. MOLOTOV: I have just received the following message from the President to Marshal Stalin:

"Personal and Top Secret for Marshal Stalin From President Truman:

"Subsequent to the receipt of your message of June 21 [76] with reference to the negotiations at Trieste I have been informed by the Supreme Allied Commander that these discussions in Trieste have been concluded and a supplementary military accord signed. The sole purpose of these discussions was to implement the military aspects

[76] *Conference of Berlin (Potsdam)*, vol. I, p. 846.

of the political agreement reached between the United States, British and Yugoslav Governments on June 9. The June 9 agreement embodied the principle that the future disposition of the Venezia Giulia territory should be reserved for orderly adjustment as a part of the eventual peace settlement, and that nothing in the agreement would prejudice or affect the ultimate disposal of this territory.

"It was conceded, after agreement had been reached on this point, that Yugoslav administration could be established in the disputed area up to the limit of the territory necessary to meet Allied military requirements. Due regard has been given throughout the discussions, both on the government and military level, to legitimate interests of both Yugoslav and Italian populations as well as to the contribution made by Yugoslavia to the elimination of German military power.

"The Allied Commander, as I said in my previous message to you on this subject, must have adequate authority in the area entrusted to him to enable him to carry out his task and to safeguard the interests of all concerned. In a like fashion responsibility of the Yugoslav Commander has been recognized and there has been no effort to interfere with the exercise of his responsibility in the region of Venezia Giulia entrusted to him east of the agreed line. The Allied Governments must therefore insist, particularly since both commanders have agreed that they will refrain from any action prejudicing the final settlement, that there be no interference with the exercise of their responsibility west of the line.

"During the conversations at Trieste it is true difficulties arose since it appeared that the Yugoslav authorities did not fully appreciate that the fundamental principle of the agreement of June 9 was that no action could be permitted which would prejudice the ultimate disposal of the area. The Yugoslav military commander declined at first to recognize the Allied Commander's authority which was established by Article 3 of the Belgrade Agreement over administration west of the line. This and other acts on the part of local commanders subsequent to June 9 have given rise to the impression that the full extent of the agreement reached with Marshal Tito and the Belgrade Government had not been communicated to these local commanders.

"If there should be any further aspects of the agreement which you feel should be considered, we shall have an opportunity at our early meeting to discuss this."

Will you please deliver this message to Marshal Stalin.

Sincerely yours, W. A. HARRIMAN

740.00119 Control (Italy)/8-2945 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 29, 1945—4 p. m.
[Received August 30—9:03 p. m.]

3443. We had a long conversation with Supreme Allied Commander today in which we stated frankly we felt it our duty in our advisory

capacity to state to him that insofar as the United States Government was concerned we felt considerable apprehension with regard to the situation in Venezia Giulia and Trieste. We said we felt the situation was not satisfactory and we wondered whether Allied authorities on the spot were being sufficiently firm with Yugoslavs and whether we were not inviting trouble for ourselves later on by not insisting that Yugoslavs carry out their part of Belgrade [77] and Morgan–Jovanovic [78] agreements in letter and spirit. We pointed out to Alexander inspection of Bassovizza pit [79] has not been completed and deported Italians not returned to our zone in Venezia Giulia. We informed him of our surprise on learning of presence of Yugoslav guards in Trieste (see our telegram 3368 of 24 August [80]). In conclusion we added that we had discussed conditions in Venezia Giulia and Trieste with our British colleague who commented that he too was not completely happy. Alexander replied that he was fully aware of our concern and that he wished to assure us that he would push investigation to the Bassovizza pit through to a successful conclusion. He reminded us of his interest in the matter, his visit to the pit, and invitation to us to accompany him. He added that only this morning he had talked with General Harding [81] on the telephone and the matter was being pursued. Unfortunately technical difficulties and lack of proper equipment was causing considerable delay. With regard to deported Italians, he felt British and American Embassies in Belgrade could do more than he could and invited our attention to his message of August (see our 3347 of 22 August [80]). Supreme Allied Commander went on to say he had instructed British officials in Venezia Giulia and Trieste to report fully on developments and keep AFHQ in closest possible touch with situation. He concluded with statement that while he knew entire Venezia Giulia affair was not a pleasant one, and while he realized there may be things going on underground of which we are not fully aware, he, nevertheless, felt situation was not serious and that in fact things were working out surprisingly well. We then informed Supreme Allied Commander that in our opinion it might be desirable to increase American intelligence personnel in Trieste and Venezia Giulia. He said he would be delighted to have this done and suggested that we arrange this with Chief of Staff. We

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[77] Signed June 9, 1945; for text, see Department of State Executive Agreement Series No. 501, or 59 Stat. (pt. 2) 1855. See telegram 106, May 26, to Belgrade, p. 1176, which contains essentially the text of the agreement.

[78] Agreement signed at Duino June 20, 1945; see footnote 70, p. 1186.

[79] There were newspaper stories in Rome to the effect that Allies had recovered 600 bodies in the Bassovizza pit, but the 13th British Corps denounced the stories as false.

[80] Not printed.

[81] Lt. Gen. Sir John Harding, Commanding General, 13th Corps.

also informed him that an American Foreign Service officer had been assigned to Trieste and would arrive there sometime next week and that we planned to escort him to Trieste in order to introduce him to Lt. General Harding and various American Military Government and British and American intelligence officials. Alexander stated he thought this was an excellent idea and promised us that he would send immediate telegram to General Harding instructing him to give every facility to the American political representative at Trieste. We then asked Supreme Allied Commander whether he would have any objection to instructing General Harding to submit a weekly SitRep.[83] He said that he would be glad to do so and made a note to this effect. We then informed him we had an appointment to see General Morgan immediately and would report the conversation which we had with him. He summoned General Morgan at once and went over the above. Chief of Staff indicated his concurrence in proposed measures.

After we left Supreme Allied Commander's office we accompanied General Morgan into his office at which time we reiterated our deep interest in improving the situation in Venezia Giulia and expressed our pleasure with Supreme Allied Commander's attitude. We stressed to General Morgan that there was a bit of concern in Washington with what seemed to be a tendency at AFHQ to take political decisions regarding Venezia Giulia without reference to our two Governments. We pointed out that every [*even?*] seemingly unimportant day to day events might have a vital effect on relations with the Yugoslavs if the political elements involved were not given full consideration, and impressed upon him the desirability, indeed the necessity, for keeping in the closest possible touch with Washington on all matters related to Allied administration in Venezia Giulia (reference your 766, August 21, 8 p. m.) [84]

KIRK

740.00119 Control (Italy)/9-245 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, September 2, 1945—midnight.
[Received September 2—8:45 p. m.]

3501. Broad [85] has shown us telegram from Foreign Office to Halifax with regard to Yugoslav note July 17 (reference our 3196, August 4, 9 p. m.[86]) which described it as loosely argued and incoherent docu-

[83] Situation Report.
[84] Not printed.
[85] Philip Broad, member of the staff of the British Minister Resident at Allied Force Headquarters at Bari.
[86] Not printed. For text of *note verbale* No. 1938 of July 17, addressed by the Yugoslav Minister for Foreign Affairs to Embassies of Great Britain and the United States in Belgrade, see *Conference of Berlin (Potsdam)*, vol. II, p. 1215.

ment the main purpose of which is to request that method of administration through system of committees should be adopted uniformly throughout Allied Military Government areas of Venezia Giulia.

Foreign Office proposes that reply should be made to Yugoslavia stating that Supreme Allied Commission's [*Commander's?*] decision to install prefectorial system of civil administration in preference to system of administration through committees had full approval of British Government and that there is no foundation for view that prefectorial system is by definition undemocratic for [*or?*] that committee system has monopoly on democratic principles. Reply of Foreign Office would be substantially as follows: Yugoslav Government should not need assurances that the military governor will exercise his authority with full respect for the rights of the people and for democratic principles. Slovene inhabitants will of course have the same rights and share in administration as the Italians, however, the special characteristics of the area as one for which Allied Military authorities must act as trustee until final front is laid down by international agreement will be fully recognized. Communal and municipal elections in area at earliest opportunity are proposed by Supreme Allied Commission [*Commander?*]. Such Yugoslav committees as are in his opinion working satisfactorily are being retained by Supreme Allied Commission [*Commander?*] in an advisory capacity in accordance with article III of Belgrade agreement.

British consider their obligations under June 9 agreement fully carried out by above policy, and that they cannot accept Yugoslav Government's suggestion that Yugoslav system of committees should be applied to this area. It is further considered that the degree of security and stability required for line of communication can best be attained by using prefectorial system and could not be attained by committee system.

Inasmuch as Yugoslav Government considers it right to submit views to British Government regarding nature and administration of Allied Military Government in Venezia Giulia, British Government reserves right to question Yugoslav nature and conduct of administration in Yugoslav zone. British Government inquires whether Yugoslav Government agrees to attachment of small liaison mission to Yugoslav administrative headquarters to act as observers, similar to attachment of Yugoslav mission to XIII Corps. Foreign Office suggests some of the following points might also be included in reply if it is decided such reply should have specially sharp character:

a. Characterized as intolerable is the implied suggestion that Allied Military Government is imposing Fascist administrators and administration on the area.

b. Objection is taken to reference in Yugoslav note to "Yugoslav nationality" of inhabitants of area. Inhabitants are Slovenes and

Italians and are Italian nationals until otherwise decided at peace conference.

c. The original intention of British Government to reject committee system by conduct of Yugoslav press and radio since signing of June 9 agreement is confirmed. It has been made clear by this propaganda campaign that the argument for maintenance of national liberation committees, Peoples Courts, and Peoples Militia has primary and narrow political significance as part of campaign of agitation for cession of area to Yugoslavia. It has also been made clear by this propaganda campaign that if these organs had been maintained, they would have been used to further political aims of Yugoslav Government.

Foreign Office states that Prime Minister's reply to letter of July 25 signed by Tito and Šubašić [87] might include some hope for maintenance of friendly relations or for abandonment of this question as a subject of dispute, but would simply refer to official reply to Yugoslav note.

KIRK

740.00119 Control (Italy)/9-845 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, September 8, 1945—9 a. m.
[Received 1:50 p. m.]

3552. Refer our 3472, September 1, 7 p. m.[88] Further investigation of the canvass by threat, bribe and force to gain signatures to petition calling for annexation of Italian territory to Yugoslavia reveals that two distinct petitions are being circulated. Italian language version calls only for creation of an autonomous city of Trieste and its union with Yugoslavia, Slovene version demands union with Yugoslavia of "Istria, Fiume, Trieste, Gorizia, Slovene Littoral, the Veneto and Julian region in general". Slovene version clearly includes all of Venezia Giulia and could be made basis for claim to large portion of so-called Veneto extending westward from Venezia Giulia as far as Lake Garda and south to Po River.

All available evidence points to Italo-Slovene Anti-Fascist Union as organization responsible for circulation of petitions. This organization professes joint and equal Italian and Slovene representation, but is in fact highly pro-Yugoslav and believed to take directions from Belgrade.

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[87] Ivan Šubašić, Yugoslav Minister for Foreign Affairs; for text of letter of July 25, see *Conference of Berlin (Potsdam)*, vol. II, p. 1214.

[88] Not printed.

Degree of success of canvass is unknown but illegal methods and forms of pressure have been used to obtain signatures. As of August 30, six persons have been arrested in Allied-controlled territory for using threats to obtain signatures, and warnings against unauthorized nature of campaign have been issued in Allied-controlled press.

We have [consented?] in directive to British XIII Corps to take strict measures to suppress all forms of intimidation used to obtain signatures and to give full publicity to illegal aspects of campaign; also in statement to be released to world press on lines of above.

KIRK

740.00119 Control (Italy)/9-1145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 11, 1945.
[Received September 12—2 p. m.]

2661. My 2607, 6th.[89] Various papers this morning carry text of AMG (American Military Government) communiqué from Trieste denouncing persons circulating so-called petitions in Venezia Giulia asking for annexation of region to Yugoslavia. AMG statement as reported locally takes cognizance of stories that force has been used to obtain signatures to these petitions and advises [those?] who have been threatened to communicate to AMG authorities or to Allied military police details of such incidents at once.

Same story also states that AMG has asked population of Trieste to assist in cutting down criminal outrages and organized sabotage. Regional commissioner furthermore expressed his disappointment Trieste CLN (Committee of National Liberation) has refused to cooperate with AMG orders for local administration which provided for approval by AMG of all appointments. In this connection commissioner announced that additional week's time had been granted to CLN to determine whether it would cooperate but that no cooperation had been given. In conclusion he stated that he desired aid of all political parties but that CLN's refusal endangered position of committee itself.

Sent Dept, repeated to Caserta No. 596.

KIRK

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[89] Not printed.

740.00119 Control (Italy)/9-1245 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 12, 1945—10 a. m.
[Received 11:02 a. m.]

2669. My despatch 2196, September 1 [90] and my telegram 2661, September 11. Foreign Ministry has protested to Allied Commission [91] that Yugoslav authorities are organizing among population of Venezia Giulia a so-called plebiscite favoring transfer of this region to Yugoslavia.

According Foreign Ministry Yugos propagandists make inflammatory speeches in each town occupied by Yugos and then ask inhabitants individually to sign a petition. It is claimed that threats and physical violence are used whenever consent is not readily forthcoming. Cases are cited where machine gun fire was employed as form of intimidation.

In Trieste it is alleged a campaign is being carried on in favor of an "autonomous Trieste under Yugoslavia" methods used are less obvious but whoever refuses to sign is subject to serious threats.

Text of Foreign Ministry's note to Allied Commission to follow by air mail.[92]

Sent Dept, repeated Caserta 598.

KIRK

740.00119 Control (Italy)/9-2745

The American Embassy in Yugoslavia to the Yugoslav Ministry for Foreign Affairs [93]

No. 155

The American Embassy presents its compliments to the Ministry of Foreign Affairs and has the honor to refer to the Ministry's Note No. 1938 of July 17, 1945,[94] concerning the Allied Military Government administration of Venezia Giulia. Pursuant to instructions from its Government,[95] the Embassy has the honor to convey the following reply to the Ministry's note under reference.

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[90] Not printed.

[91] Foreign Ministry note dated September 6, not printed.

[92] Foreign Ministry's note was transmitted to Department in despatch 2268, September 13, 1945, from Rome; not printed.

[93] Copy transmitted to the Department in despatch 131, September 27, 1945, from Belgrade; received October 17. The British Embassy addressed a similar note on the next day to the Yugoslav Government.

[94] *Conference of Berlin (Potsdam)*, vol. II, p. 1215.

[95] In Department's telegram 294, September 7, 8 p. m., the Ambassador was instructed to deliver in concert with his British colleague a note to the Yugoslav Government along the lines of this note (740.00119 Control (Italy)/9-745).

The claim of the Yugoslav Government that the Belgrade Agreement of June 9 has been disregarded by Allied officials in the Allied-occupied sector of Venezia Giulia is emphatically rejected by the American Government. The assertion that the Supreme Allied Commander has restored the laws of Mussolini is totally unsupportable and inacceptable. Actually, the basic civil law of Italy, purged of fascist elements, has been restored by the Supreme Allied Commander, in conformity with international law and the usages of military government.

The American Government considers that there is no foundation for the view that the prefectorial system of government is undemocratic, or that the committee system of administration can claim a monopoly of democratic principles. The guiding principle followed by the Allied Military Government is that the government be representative of the people, which is of primary importance.

Under Allied Military Government, Slovenes and Italians have equal rights and both have been given opportunities for participation in the administration. Only those local committees which have shown themselves to be incapable of functioning or unrepresentative have been eliminated; all others have been retained. Moreover, it is hoped to hold local elections throughout the area at an early date.

The action taken by the Supreme Allied Commander in the institution of Allied Military Government in Venezia Giulia has the full approval of the American Government, which cannot accept the contention of the Yugoslav Government that Allied administered territory has been brought to a position worse than that of occupied enemy areas.

The American Government holds that it has carried out fully and honorably all obligations incurred by it under the Belgrade Agreement and it is unable to concur in the suggestion of the Yugoslav Government that the Yugoslav system of committee administration be applied to the area of Venezia Giulia now under Allied administration.

Aside from the considerations set forth above, the conduct of the Yugoslav press and radio since the signing of the Belgrade Agreement has provided an additional reason for rejecting the Yugoslav system of committee administration. The arguments advanced by Yugoslav publicity agencies for the retention of National Liberation Committees, Peoples Courts and Peoples Militia have made it apparent that the organizations in question would be used to further the political aims of the Yugoslav Government and to secure the cession of the whole area to Yugoslavia.

The American Government understands the interest of the people of Yugoslavia in conditions prevailing in Venezia Giulia, but is unable

to comprehend the assertion that the majority of the population in the area are Yugoslav nationals. Inhabitants of the area, Slovene and Italian alike, are Italian nationals and can have no other status unless and until the peace settlement makes other provision for them.

The desire of the Yugoslav Government for close Allied relations is reciprocated by the American Government, which is convinced that such relations can be strengthened by the cooperation of the two Governments in expediting the establishment of democratic government throughout the entire area of Venezia Giulia. Confident that the desire of the Yugoslav people to support democratic principles in their own and in other countries is the basic reason for their interest in Venezia Giulia, the American Government assures the Government of Yugoslavia that the same desire prompts a corresponding interest on the part of the American people in conditions existing in areas of Venezia Giulia under Yugoslav administration. Accordingly, the Embassy requests that the Ministry of Foreign Affairs indicate whether the Yugoslav Government would agree to the attachment of a small liaison mission to the Yugoslav Administrative Headquarters to act as observers in the same manner as the Yugoslav mission attached to the Allied Military Commander in the area.

The Embassy avails itself [etc.]

BELGRADE, September 18, 1945.

740.00119 Control (Italy)/9-2045

President Truman to the Prime Minister of Yugoslavia (Tito)

WASHINGTON, September 20, 1945.

MY DEAR MR. PRIME MINISTER: I have received the letter of July 25, 1945,[96] from Your Excellency and the Minister of Foreign Affairs regarding the civil administration of the area of Venezia Giulia under Allied Military Government, which was likewise the subject of a *Note Verbale* of July 17, from the Yugoslav Ministry of Foreign Affairs to the American Embassy in Belgrade, and proposing that elections be carried out in that part of Venezia Giulia under Allied administration.

You will now have seen the American Embassy's reply on behalf of the American Government to the *Note Verbale* of the Yugoslav Ministry of Foreign Affairs, which sets forth clearly the American view of the administration of Venezia Giulia and which states that the Supreme Allied Commander in the Mediterranean, as head of Allied Military Government, intends to hold local elections in Venezia Giulia at the earliest opportunity.

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[96] *Conference of Berlin (Potsdam)*, vol. II, p. 1214.

I need not assure Your Excellencies of the American Government's desire to cooperate with the Yugoslav Government for the restoration of democracy in all of Venezia Giulia during the interim administration by Allied and Yugoslav military authorities of that territory and of my sincere hope that there can be an effective cooperation which will lead to ever closer relations between the Yugoslav and American peoples.

With the assurances [etc.] HARRY S. TRUMAN

740.00119 Control (Italy)/9–2845

Memorandum of Conversation, by the Director of the Office of European Affairs (Matthews)

[WASHINGTON,] September 28, 1945.

The Italian Ambassador called on me this afternoon at his request and left with me five papers, copies of which are attached.[97] The first three have to do with conditions in Venezia Giulia as reported to the Ambassador by his Foreign Office. One of them draws the Department's "serious attention" to the question of repatriation as soon as possible of Italians who were deported by the Yugoslavs from that area, the necessity for controlling Slovene immigration into Venezia Giulia, and the need to establish "personal security" in the area east of the Morgan line. I told Mr. Tarchiani that these questions would be given prompt attention in the Department.

The fourth paper he left gives the text of the Soviet reply to the Italian move sounding out the three major Allies as to the desirability of attempting to arrange direct negotiations between Yugoslavia and Italy over the Venezia Giulia territorial question. The Soviet reply indicated that Russia is ready to "associate itself with London and Washington in a joint action on the Belgrade Government". Mr. Tarchiani explained that he had already raised this question with Mr. Hickerson [98] and received what he considered a satisfactory reply. He said that the whole approach was a matter of internal Italian politics undertaken with a view to cutting the ground from under the Italian Communists who have urged that with Russian support a friendly and satisfactory agreement could be reached directly with the Yugoslav Government. The Ambassador indicated that he did not consider this maneuver of much importance and that in view of the discussions held at the Council of Foreign Ministers Meeting in

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[97] The first three are printed *infra;* the last two not found attached.

[98] John D. Hickerson, Deputy Director, Office of European Affairs.

London [99] on this question he thought any direct approach by Italy to Yugoslavia now would be out of date as well as futile. In reply to my specific query he said that he did not consider any further communication from the Department is required.

The fifth communication to which Mr. Tarchiani attached apparently greater importance requests the Department to "kindly examine the possibility of backing, at the London Conference, the substitution of the Armistice with an instrument of provisional peace". He said that it seemed to him that the negotiation of the definitive peace treaty for his country would at best be a long drawn out affair and that in view of this prospective delay, the continuance of the present armistice regime was unfortunate for his country and could only serve to weaken the present Italian Government. He takes a rather pessimistic view of the ability of the present Government to solve the many problems now facing Italy but feels that it is the only possible government under the circumstances and should be given all possible support. He is strongly of the opinion that a change from the present armistice regime which he felt could be accomplished by a simple exchange of notes would be an important factor in strengthening the Government's hand internally. I told the Ambassador that we were, as he knew, in principle entirely sympathetic with the idea of getting away from the existing onerous armistice regime but that I could give him no indication of the possibility of taking steps to this end until the Secretary's return from the Conference. As he knew, I added, the whole question of Allied relationships with Italy is under active study at London and that we could not possibly take any action on this request prior to the Secretary's return. I promised him, however, to seek an immediate opportunity to bring the question to Mr. Byrnes' attention upon his return from London.

In conclusion, the Ambassador asked several pertinent questions with regard to the discussions at the Council of Foreign Ministers to all of which I replied that I had no information and could not possibly give him any "interpretation" of the proceedings. (His queries had specifically to do with what was meant by "rectification" of Italian frontiers with Austria, i.e., whether the whole of the upper Adige was involved, and the present status of proposals governing Italian colonies.)

H. FREEMAN MATTHEWS

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[99] For documentation relating to the Council of Foreign Ministers, London, September 11–October 2, 1945, see vol. II, pp. 99 ff.

740.00119 Control (Italy)/9-2845

The Italian Embassy to the Department of State

The Italian Minister for Foreign Affairs, Signor De Gasperi, has personally expressed to the Secretary of State in London Italian gratitude for the firm stand taken by the American Delegation in the question of Venezia Giulia. In order that the policy adopted during the meeting of the Ministers in London may find equitable application, the Italian Government deems it indispensable that the following conditions, which are being submitted to the serious attention of the Department of State, be carried out:

1. That the repatriation of all Italians who were deported by the Yugoslavs take place as soon as possible (such repatriation was expressly contemplated in the Tito–Alexander agreement of last July [*June?*],[1] but has not yet been executed as far as the Italians are concerned);
2. That the immigration of Slovene elements, organized with the intention of falsifying the ethnical proportions of the region, be rigorously controlled;
3. That "personal security"—now non-existent—be reestablished in the Yugoslav controlled zone.
4. That Italy cooperate, on the same and identical basis as Yugoslavia, together with the Allied Powers which are charged with defining "in loco" the border line.

WASHINGTON, September 28, 1945.

740.00119 Control (Italy)/9-2845

The Italian Embassy to the Department of State

The Italian Minister of Foreign Affairs, Signor De Gasperi, has pointed out in writing to Admiral Stone and to the American and British Ambassadors in Rome, the danger underlying the policy announced to the press by Col. Bowman, Chief of the Military Administration of Trieste, of "not making *any limitation* to the number of those who are returning to their homes in Venezia Giulia".

Now the Yugoslavs sustain that during the Fascist regime 70,000 Slovenes were obliged for political reasons to abandon Venezia Giulia. Although it is true that a political emigration took place, it was nevertheless of very modest proportions as the majority of Slovenes which abandoned those territories did so of their own free will and for com-

[1] Presumably reference is to paragraph 6 of the Belgrade Agreement of June 9, 1945; see telegram 106, May 26, 6 p. m., to Belgrade, p. 1176.

pletely different motives that were connected with professional and personal interests.

Signor De Gasperi heartily recommends that most detailed investigations and severe controls be applied to establish the rights of the Slovenes now settling in Venezia Giulia, especially because at present a great number of them are daily being brought to Trieste and to the other Venezia Giulia localities on Yugoslav trucks. What is taking place, therefore, is a movement of population that has all the characteristics of an artificial immigration accomplished for purely political reasons with the intention of modifying today's natural proportion of Italians and Yugoslavs inhabiting those regions.

WASHINGTON, September 28, 1945.

740.00119 Control (Italy)/9–2845

The Italian Embassy to the Department of State

The Italian Minister of Foreign Affairs, Signor De Gasperi, has addressed to Admiral Stone a letter in which he underlines the serious situation developing in Venezia Giulia, where Yugoslav authorities are organizing a so-called "plebiscite". The American and British Ambassadors at Rome have been informed thereof.

Especially in Istria, Yugoslav propaganda agents are going from one village to the other holding fiery speeches after which they search the houses exacting written adherence to their policy from each individual inhabitant.

According to reliable information, in certain localities, after the population has refused to adhere, all circulation permits were withheld by the Yugoslav authorities; in the village of Pinguente machine guns were set up and many shots were fired to terrorize the population; in other pales curfew was ordered at 6 P. M. so that nobody could hide outside of his own home.

Individual citizens are brutalized and made to adhere often under the threat of expropriation of property and sometimes under direct threats of armed violence.

It has been ascertained that the attempt to accomplish this sort of "plebiscite" takes place also in Trieste and in all the Allied controlled zones. Naturally, the methods employed in these instances are less apparent and violent, but the citizens who are "invited" to sign in favor of "autonomous Trieste within Yugoslavia" are subjected to serious threats and blackmail should they refuse.

WASHINGTON, September 28, 1945.

740.00119 Control (Italy)/10–245 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 2, 1945—7 p. m.
[Received October 2—5 : 20 p. m.]

2926. In view of communiqué released by Council of Foreign Ministers London September 29 [*19*] [2] regarding Italian Yugoslav border and future of Trieste Admiral Stone has recommended to Allied Commission that the [Supreme Allied Commander?] exercise authority granted him by article 1 of Belgrade agreement to establish Allied military liaison officers along west coast of Istria to observe and report situation and movements of population in that area during interim period awaiting arrival of committee of experts to determine ethnic line (last sentence Department's 1714, October 1 [3]). In this connection Stone recommends all possible steps be taken to ensure that ethnic character of various localities of Venezia Giulia not be disturbed during interim period by deportation of Italian population or other means. According to Italian Minister of Foreign Affairs, Stone reports that Italian Government has list of some 7,000 Italians alleged to have been deported from Yugoslav occupied Venezia Giulia in last 2 months while Yugoslavs are being moved in and that if these reports are true, Council's communiqué will probably have effect of accelerating this process. West coast of Istrian Peninsula between Trieste and Pola is believed to have densest population of Italian extraction and article 1 of Belgrade agreement provides that anchorages on west coast of Istria are under command and control of Supreme Allied Commander. Consequently Stone suggests that under this provision of agreement it would seem possible to establish military liaison officers along this coastal area to observe and report on conditions and movements of Italian population. Opinion is expressed that mere presence of Allied observers might be sufficient to prevent further deportations from that area prior to arrival of the mission of enquiry. In requesting steps be taken to establish such officers in area mentioned, Chief Commissioner points out they would have to be provided from military sources as none are available from Allied Commission, whose personnel is being rapidly depleted (as result of present redeployment measures in theatre).

Sent Department, repeated AmPolAd 720 and London 258 for Dunn.

KIRK

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[2] For text of communiqué released to the press on September 19, 1945, see Department of State *Bulletin*, October 14, 1945, p. 565.

[3] Not printed; in last sentence the Department inquired if Allied authorities were making any effort to restrict movement of pro-Yugoslav people made for the obvious purpose of strengthening Yugoslav claims to Italian territory (740.00119 Control (Italy)/9–1445).

740.00119 Control (Italy)/10-245: Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, October 5, 1945—8 p. m.

878. Rome's 2926, Oct 2 rptd as 720 to you. Stone's recommendation for liaison officers along west coast of Istria has considerable merit. Please support proposal at AFHQ. Inform Rome, referring also Deptel 1714, Oct 1 [4] to Rome asking whether Allied authorities were making any effort to restrict movement of pro-Yugo elements into predominantly Ital areas.

Sent Caserta as 878, rptd London for Dunn as 8842.

BYRNES

740.00119 Control (Italy)/10-1245: Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, October 18, 1945—6 p. m.

907. Your 3823 Oct 7 and 3855 Oct 12.[5] AFHQ assumption of Yugo refusal to maintain Allied liaison officers west coast of Istria and in any case of Yugo obstruction of their work does not appear valid reason for failing to make an effort to place observers in this predominantly Ital area of Istria, especially when Yugos have ample facilities for observation throughout Allied zone.

Dept moreover cannot accept AFHQ view, reported in Broad's 1794 to FonOff Oct 1, that question of observers and an economic mission in area east of Morgan Line is no concern of AFHQ. While inclined to agree it is inadvisable to demand Ital representatives be permitted to enter Yugo zone, fact remains that Allies are politically and morally responsible as occupying powers and signatories of Belgrade agreement for conditions in all pre-war Ital territory.

BYRNES

740.00119 Control (Italy)/10-2345: Airgram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 23, 1945.
[Received November 5—6 p. m.]

A-876. Reference my A-665, dated August 31, 1945.[4] The Allied Commission has made available a copy in English translation of a message addressed to Colonel Alfred C. Bowman, Senior Civil Af-

[4] Not printed.
[5] Neither printed.

fairs Officer for Trieste, by the General Committee of the Slovene-Italian Anti-Fascist Union. In the message, the Union appeals to Colonel Bowman to convey to the "International Commission arriving upon the injunction of the Five Foreign Ministers' Conference in London to ascertain the ethnological conditions in the Julian March . . . the categorical will of the whole Slovene-Italian Anti-Fascist Union which represents the entire Slovene-Croatian population and the majority of the Italian population in the Julian March and Trieste", that all of Venezia Giulia be "annexed to the Democratic Federative Yugoslavia".

The message encloses a resolution of the General Committee of which the following are the salient points:

1. "The whole of the Slovene population and the majority of the Italian population in the Julian March including Trieste" want to unite "their destinies with the ones of the people of the Democratic Federative Yugoslavia".
2. The Union declares itself opposed to a frontier line that would destroy the unity of the area. "The new democratic Federative Yugoslavia will guarantee national rights to all people in this state and build a real basis for fraternal collaboration among peoples".
3. The Union endorses the proposal made by the Yugoslav delegates at the London Conference to bestow "on the town of Trieste the position of seventh Federative State of the Democratic Federative Yugoslavia".

KIRK

740.00119 Control (Italy)/10–2545 : Airgram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, October 25, 1945.

A–199. Reference Embassy's despatch No. 131 dated September 27,[6] enclosing copies of American and British notes to Yugoslav Foreign Office concerning Allied military administration in Venezia Giulia, there follows text of Yugoslav Foreign Office note No. 4389 dated October 20 in reply to Embassy's note:

"The Yugoslav Ministry of Foreign Affairs present their compliments to the American Embassy and with reference to the latter's Note No. 155 of September 18th last, concerning the Allied Military Government administration of Julian March, have the honour to state the following:

"The Yugoslav Government have received with regret the interpretation of the Government of the United States of America concerning the national committees as members of the administrative authorities in Julian March. These committees, which have been created by the wish of the people themselves in the course of the struggle against

[6] See footnote 93, p. 1198.

the Italian and German fascism, represent the absolute majority of those people and in that way best express their wish. The elimination of the national committees, as the local administrative authorities, by supposition that they could be used to further the aims of the cession of these areas to Yugoslavia, the Yugoslav Government consider as an interpretation which could not be taken as a friendly one towards the people of Julian March, who have been fighting on the side of the Allies from the beginning of the war and with the great sacrifices.

"The Yugoslav Government point out that, according to the terms of the Belgrade Agreement of June 9th, the status of the liberated area was recognised to the Julian March while the Italian territory is the occupied one. It is clear that the area should enjoy the more favorable position than the occupied one. However, the Allied Military Government by their order No. 11 [8] have eliminated almost all the committees, as the local administrative authorities, and not only those "which have shown themselves to be incapable of functioning or unrepresentative". In that way the inhabitants of Julian March, under the Allied Military Government, have been placed, with regard to their rights of appointing their authorities in the worse position than the inhabitants of the Italian territory, placed under the Italian administration.

"The Yugoslav Government consider it justifiable and necessary that the national committees should either be restored as the local administrative authorities or to be held the free elections in that area at an early opportunity. Both decisions would correspond to the democratic principles of the administration over such a territory. The inhabitants of the Julian March have proved by its conduct during the war that they know how to appreciate democracy and liberty and that they can govern themselves by the democratic principles. The Yugoslav Government therefore have received with satisfaction the assertion that "it is hoped to hold communal and municipal elections at an early opportunity," and agree with the opinion of the Government of the United States of America that the elections for the local administrative authorities in Julian March should be held as soon as possible.

"The Yugoslav Government consider that the question of sending of a small military liaison mission to the Yugoslav Administrative Headquarters in Julian March to act as observers has no foundation in the Belgrade Agreement of June 9th. At the same time the Yugoslav Government emphasize that the Yugoslav Military Mission attached to the Allied Headquarters of the 8th Army has not only the character of observers which function has been recognised by the article 3 of the Belgrade Agreement, but, first of all, it has to fulfill the concrete tasks in connection with the Yugoslav detachment on the territory under the Allied Military Government, as it was arranged by the article 5 of Devin's Agrément of June 20th.[9]

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[8] Order No. 11 provided for the institution of Communal Councils in the Communes under Allied Military Government.

[9] For text of article 5, see telegram 2643, June 16, 8 p. m., from Caserta, p. 1186.

"The Yugoslav Government express once more their wish for close Allied relations with the United States of America. The Yugoslav peoples are greatly interested in the events of the whole Julian March where is living a majority of the population of Yugoslav origin. The Yugoslav Government therefore are hoping that the Government of the United States of America will rightfully understand the endeavour of Yugoslavia that the sovereign rights of the peoples of Julian March should be fully guaranteed to elect their own members of the local authorities and to decide of their own destiny which they have fully deserved by their great sacrifices and struggle on the side of the Allies.

"The Ministry of Foreign Affairs avail themselves of this occasion to renew to the Embassy of the United States of America the assurance of their high consideration."

PATTERSON

740.00119 Control (Italy)/10-2745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 27, 1945—11 a. m.
[Received October 28—9:26 a. m.]

3282. Dept's 907, Oct 18 to Caserta and previous. AC (Allied Commission) has replied to AFHQ's (Allied Force Headquarters') rejection of earlier suggestion that Allied military observers be sent to west coast of Istria by pointing out that sending of liaison officers to western ports of Istria was considered desirable as it was assumed that no commission investigating ethnic character of an area, without evidence from both sides could inform itself concerning changes in the ethnic character. The admission (by AFHQ) that the Yugoslavs are not living up to terms of their agreement, is thought to add strength to argument that they will do everything possible by means of forcible changing of residents of areas under their administration to produce false evidence. AC concludes, therefore, that it appears incumbent upon Allies to prevent these abuses with all means at their disposal. Finally it states that since Allies have right to unrestricted use and inspection of ports in question, the exercising of these rights since it might assist in producing evidence of abuse, is desirable and necessary.

Sent Dept; repeated Caserta as 897.

KIRK

740.00119 Control (Italy)/10-3045 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, October 30, 1945—6 p. m.
[Received 7 : 36 p. m.]

11359. Department's 8842, October 5,[10] and Rome's 258, October 2, to Embassy; [11] Department's 878, October 5 to Caserta. Foreign Office official today informed us that Foreign Office had communicated with British Military authorities at Caserta regarding Stone's recommendations for liaison officers along west coast of Istria. Official said that Foreign Office does not believe it practicable to station liaison officers on western coast as it is doubtful if they could prevent further deportations and undoubtedly there would be incidents with Yugoslav authorities. Foreign Office thinks that only thing that could be done is to urge Belgrade Government to desist from such deportations. Foreign Office told military authorities at Caserta that whatever populations prevail after such deportations, the line they would back for demarcation between Italy and Yugoslavia would be based on ethnographic position before the war. Foreign Office has also inquired of Caserta what measures are being taken to prevent Yugoslav infiltrations into Istrian coastal area.

Sent Department as 11359; repeated Caserta as 142.

WINANT

740.00119 Control (Italy)/10-3145 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, October 31, 1945—1 a. m.
[Received October 31—11 : 15 a. m.]

3998. Resident Minister has been informed by British Embassy Belgrade that Yugoslav Government has replied to notes presented in United States and British Embassies concerning conscription of population of Yugoslav occupied Venezia Giulia.[12] In their reply, Yugos assert they did not order any conscription of population of this area, but Yugo units which helped people of Venezia Giulia to struggle against the enemy "invited" the people of the area to join them. Yugos further assert that the posters and notices mentioned in the British note "relate to this kind of invitation".

Yugo Government states that moreover on learning some of their

[10] Same as telegram 878, October 5, to Caserta, p. 1206.
[11] Same as telegram 2926, October 2, from Rome, p. 1205.
[12] Notes not printed.

local commanders did not understand change status of Venezia Giulia since its liberation, had issued on May 15 through Gen. Staff of Yugo Army an order instructing that no conscription should be made and if volunteers present themselves to Yugo Army they might be received and enlisted.

Yugo Government concluded with statement that Ministry of Foreign Affairs consider this an explanation of the situation.

We are transmitting by air mail despatch No. 1357 today's date [13] photostatic copies received from XIII Corps of proclamation issued by Yugo Military Commander of Gorizia ordering general mobilization of classes of 1896 to 1928 stating that all those who do not respond to decree will be considered as deserters.

KIRK

740.00119 Control (Italy)/11-845: Telegram

The Deputy United States Political Adviser in Italy (Offie) to the Secretary of State

CASERTA, November 8, 1945—11 a. m.
[Received November 8—10: 50 a. m.]

4067. Reference Deptels 878, October 5, 8 p. m., to Caserta and 1714, October 1, to Rome.[14] Control posts are established on Morgan Line manned by troops from XIII Corps and sentries have instructions to comply with Morgan–Jovanovic agreement for effective frontier control.

It has been found impossible to comply with all its principles as it has been difficult to differentiate between Yugoslav inhabitants and residents of zone B in Venezia Giulia. Language difficulty also produces problems as examination of identity documents, often printed or written in Cyrillic characters, give considerable difficulty to American and British soldiers. Numerical check is made, however, so preponderance of movement from one zone to another can be detected. As Dept is aware, original agreement on Morgan Line envisaged issuance of special identity cards for persons domiciled in Venezia Giulia. These are now being issued to residents of Allied occupied zone and by December 15th it is anticipated that all residents of Venezia Giulia province west of Morgan Line will have been provided with such permits. After December 15th passage across Morgan Line will be refused to undocumented persons. Information received at AFHQ indicates that Yugo authorities have so far not taken any steps to prepare documents for residents on their side of line.

OFFIE

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[13] Not printed.
[14] Latter not printed.

740.00119 Control (Italy)/11-1245: Telegram

The Deputy United States Political Adviser in Italy (Offie) to the Secretary of State

CASERTA, November 12, 1945—11 a. m.
[Received 2:27 p. m.]

4098. Reference my 4036, November 3, 4 p. m.[16] General Harding has informed SAC that he called on Parri at Udine on evening of November 10 and explained that since he was responsible to General Morgan for law and order and security of Allied troops and their communications in that area, he naturally was interested in Parri's visit. Italian Prime Minister stated to General Harding he had just come from meeting of Action Party at which in general terms he had touched on Venezia Giulia problem. Parri explained that aim and wish of Italian Government was to secure by agreement interests of Italian nationals, and to do all possible to help in finding solution which would make accessible to all user nations the facilities of the port of Trieste. He went on to emphasize the restraint and moderation shown to date by Italian Government. Harding agreed Italians had shown restraint and expressed the hope for continued restraint, adding that in his opinion it was particularly important Italians should refrain from any provocative action at present juncture. Parri agreed fully and reiterated his previous remarks about Italian moderation and added that so far none of the reconciliatory advances made by his government had elicited any response from the Yugos at all. He then explained he was attending a general meeting of the Action Party that evening but that he did not intend to make a formal speech then and would not be touching on the frontier problem in any case. Parri appeared to appreciate the interest shown in his visit by General Harding. Referring to the solution of the problem of Venezia Giulia, Harding asked Parri what his own views were. Latter replied he shared views De Gasperi had already expressed, and obviously hoped for frontier on Wilson Line, but admitted it might, to the advantage of Yugoslavia, be modified slightly in places by negotiation with that country. Parri was most emphatic in view that if it was prepared to accept a treaty that did not provide for the predominantly Italian city of Trieste and West Coast of Istria being within political frontiers of Italy, no Italian Government could remain in power.

The question of the frontier between Italy and Austria was then discussed and Parri said he felt very strongly that for economic reasons the Southern Tyrol must remain in Italy although Italy had

[16] Not printed.

no ethnical claim on the Tarvisio area. He added Italy had no wish to evict the Tyrolese or Italianize them.

The question of the present position in Western Istria was then raised by Parri and he inquired whether in the case of incidents such as that reported recently in Capodistria,[17] it would not be possible for Allied troops to intervene to protect them. Harding explained that east of the Morgan Line he could not take action. Italian Prime Minister then asked General Harding if he could point out to any Yugo commanders that the latter came in contact with, how damaging to an agreed solution and future relations between Italy and Yugoslavia such incidents were. Harding agreed to take any opportunities that arose to point this out. Parri stated he hoped it might be possible for Allied warships to visit ports on West Istrian coast as he believed it would have a reassuring effect, and Harding replied that during General Morgan's forthcoming visit he would discuss the matter. See my No. 4072 of November 8, 4 p. m.[18]

OFFIE

740.00119 Control (Italy)/11-1445

The Chargé in Italy (Key) to the Secretary of State

No. 2642 ROME, November 14, 1945.
[Received November 23 (?).]

SIR: With reference to my despatch no. 2457 of October 15, 1945,[18] and previous correspondence on conditions in Venezia Giulia, I have the honor to enclose herewith a report in three parts,[18] prepared by the Local Government Sub-commission of the Allied Commission, on that portion of Venezia Giulia lying between the Morgan Line and the eastern boundary of Udine province. The report covers the following points: ethnic distribution; local feeling with regard to final disposal of area; and economic considerations and communication problem to be taken into account in disposal of area.

With regard to ethnic distribution, the report says that in general the population of the large cities is overwhelmingly Italian and that the Slovene population, being chiefly occupied in agriculture, inhabits the countryside and hinterland of the zone. Gorizia is the one large city where the population is about equally divided. As to movements of population, in the early days of Italian administration, Italian migration into the area was encouraged. On the other hand, on lib-

[17] The town of Capodistria was penetrated by bands of people from the surrounding countryside, looting and giving vent in many ways to their hatred of the Italians. It is alleged this occurred with the connivance of the Yugoslav troops.

[18] Not printed.

eration of the area by the Yugoslavs, a considerable number of persons of that nationality entered the zone and there is evidence that infiltration of Yugoslav nationals is still proceeding. Military operations, due to the war, have brought about considerable movement of the population, but the report does not believe that these movements have altered very considerably the total population or its division. Statistics quoted in report indicate the population in the area in question is predominantly Italian.

With regard to local feeling as to final disposal of the area, the report is careful to state that its findings are chiefly based on opinions formed as result of interviews with Allied Intelligence and Civil Affairs officers stationed in the large cities of the area. "It should be kept in mind furthermore," continues the report, "that people in the entire area have been subjected to high pressure and propaganda . . . and that local feeling is not necessarily based on ethnic differences but to a large extent on economic or political differences . . . Much pro-Slav feeling has been induced by the fact that the Communist party in the area has identified itself with Tito and Yugoslavia, who have been portrayed as the soul of democratic protagonism." However, viewing Venezia Giulia as a whole, according to the report, the majority of Slovenes desire to become part of Yugoslavia. They are definitely against incorporation into Italy, being mindful of former attempts to de-nationalize them.

"Italian opinion is still in a process of changing," the report finds, "and is dependent on economic factors to a large extent and on nationalistic factors to a smaller extent. Fear of reprisals and extinction of their culture, influence a large portion to disfavor incorporation into Yugoslavia. The large urban middle class and majority of large farmers prefer some form of autonomy with British and American protection. The large working class and the small farming group favor incorporation into Yugoslavia or to a lesser degree, an autonomy under United Nations protection."

"In the city of Trieste," the report maintains, "sentiment of the Italian population is swayed principally by economic considerations. In Gorizia, the Italians and the middle class in general are definitely against incorporation into Yugoslavia. In Pola the Italian community which for the most part includes the business population of the city, is anti-Yugoslav and many thousands will leave if the area is turned over to Yugoslavia."

The economic part of the report points out that the area is particularly important to Italy for its bauxite deposits, oil refineries, mercury, coal mines and fisheries and that the "establishment of an Italian [*sic*] frontier between Italy and the whole of Venezia Giulia

would entail a serious loss to Italy. On the other hand, there appears to be no economic justification for the retention by Italy of Fiume, Zara, or the Adriatic Islands."

The section of the report on communications states that the telegraph and telephone facilities are owned by the Italian state and its concessionaries. In the event the territory is conceded to Yugoslavia there would be "the problem of compensating the companies for losses sustained in physical plant investment" as well as the problem of the employees, many of whom "probably would not wish to sever their connections with the companies and whose rights should be protected."

Respectfully yours, DAVID McK. KEY

740.00119 Control (Italy)/11-1645: Telegram

The Chargé in Italy (Key) to the Secretary of State

ROME, November 16, 1945—2 p. m.
[Received November 16—12:39 p. m.]

3564. In replying to AFHG's unfavorable reaction to AC's original suggestion that military observers be stationed on the west coast of Istria in implementation of article 1 of the Belgrade Agreement (see my 2926 of October 2) Admiral Stone has telegraphed as follows:

(*Begin paraphrase*) Apparently I did not make the facts clear and I am sorry. While I admit that the facts are largely circumstantial based on assumption and evidence I must emphasize that if we did not face reality we should be failing in our duty. I made these suggestions because (1) the decision of the Council of Foreign Ministers at London which admittedly may never be implemented to send a commission (to Venezia Giulia) would almost certainly invite the Yugoslavians to populate with their own nationals the towns which are Italian by origin in zone B; (2) every effort in every field to sabotage the Morgan Agreement has been made by the Yugoslavians.

I concur with the policy outlined in your 5139 of November 1 only if we are content to look on and watch this progress otherwise the action recommended in my 6418 of October 2 is urged.[20] (*End of paraphrase*)

Repeated Caserta 1055.

KEY

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[20] For action recommended by Admiral Stone, see telegram 2926, October 2, 7 p. m., from Rome, p. 1205.

740.00119 Control (Italy)/11-1645

The Italian Ambassador (Tarchiani) to the Secretary of State

No. 13500

The Italian Ambassador presents his compliments to the Honorable the Secretary of State and, with reference to previous communications concerning the situation in Venezia Giulia, and particularly to the two memoranda dated September 28, 1945, has the honor to point out the following.

The Italian Government has received these days further and detailed information on the continued worsening of the tragic situation that has developed in Venezia Giulia, east of the Morgan Line, and characterized by arbitrary acts of violence against the Italian population. It is sufficient to quote the example of the town of Capodistria where bands have penetrated from the surrounding countryside, looting and venting their hatred against the Italians with the connivance of Yugoslav troops.

Such situation has seriously worsened following arbitrary withdrawals of Italian currency and its substitution with a new currency which has no value outside the said zone.

The Italian Government has drawn immediately the attention of the Allied Commission and of the United States and British Embassies in Rome so that measures be adopted to eliminate this unbearable state of affairs.

The Italian Government has expressed its grave concern and has emphasized the critical internal situation deriving from the widespread repercussions of these events in Italy.

The Italian Ambassador has been purposely instructed to draw the most serious attention of the Honorable the Secretary of State on the gravity of the above mentioned circumstances and on the necessity that appropriate action be taken in order to bring an end to the plight of the grief-stricken Italian population of Venezia Giulia east of the Morgan Line.

The Ambassador would deeply appreciate receiving from the Honorable the Secretary of State a word of assurance in this connection.

WASHINGTON, November , 1945.[21]

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[21] This note was undated; it was received on November 16, 1945.

740.00119 Control (Italy)/11-3045: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, November 30, 1945—1 p. m.
[Received 9:50 p. m.]

3804. Reference Dept's 2198 of Nov 27.[22] Admiral Stone had discussion yesterday with SACMED on subject of my 3749 of Nov 26.[22] Chief Commissioner in presenting his case spoke from memorandum of which following is extract of pertinent portion.

After communiqué issued on Sept. 26 by Council of Foreign Ministers in London regarding Italian-Yugoslav frontier, political advisers recommended sending military liaison officers to anchorages on west coast of Istria and from Appendix "C" of Morgan Agreement it appeared that maintenance of military liaison officers in these ports was justified. Furthermore, AFHQ's original stand on this matter appeared to indicate it desired information concerning change in the inhabitants of this area and that only through stationing of these officers on shore could this information be obtained.

Since AFHQ rejected AC's proposals Allied Commission felt it should reiterate its case (see my 3282 of Oct 27) to effect that Yugoslav policy of sabotaging Belgrade Agreement would lead to their producing false evidence to deceive the commission of inquiry and that therefore Allies should by legitimate means attempt to prevent presentation of such false evidence.

With respect to SACMED's views (see my 3564 of November 16), since Allies have right to inspect ports and anchorages in question, surely this right could be used to obtain evidence on population movement. There is ample evidence that Yugoslav policy is to proceed to annexation of Zone B and not to hold it "in trust". Finally, it is reiterated that it appears important to ascertain truth and in this connection it is also pointed out that US Embassy has stated that the rights re question to inspect the anchorages were included in Belgrade Agreement more for political reasons in order to increase Allied control over densely populated Italians areas and not so much for purely naval reasons, at least from American viewpoint.

Suggestion of SACMED that this matter be taken up through diplomatic channels is termed impracticable since Yugoslav Govt would never furnish evidence that it was causing population changes in this area and, furthermore, no diplomatic action could stop such movement.

In conclusion, Admiral Stone's memorandum notes that I originally pointed out in this connection that it was preferable to implement the existing agreements under which we had these rights rather

[22] Not printed.

than to start some new diplomatic crisis. In his last point the Chief Commissioner mentions that Allied Commission was instructed to prepare ethnic and economic report on whole of Venezia Giulia and that original proposal to send officers to anchorages on west coast of Istria was made in order to facilitate preparation of truthful report for use of Foreign Ministers.

Chief Commissioner informs me that following presentation of his case SACMED informed him that inasmuch as his presentation appeared to offer nothing new he did not propose to alter his previous decision. In this stand, according to Admiral Stone, Morgan was supported by his American Deputy, Gen. Ridgway. It appears that SACMED's position was in substantial agreement with Foreign Office's position as outlined in London's 11359 of Oct. 30 repeated to Caserta, and that he had made decision in favor of his, the British Govt's policy.

In view of fact that this question appears to represent a difference of opinion between the Allied Govts (since Dept's position as outlined in its 1907 [*907*] of Oct 18 to Caserta would not appear to be in agreement with Foreign Office and SACMED's position) and this would not appear to be a matter for decision in the field, it is suggested that the Dept and the appropriate British authorities may care to refer this matter to CCS for decision following which appropriate instructions could be sent to SACMED.

Sent Dept; repeated London 350; Caserta 1142.

KIRK

740.00119 Control (Italy)/12-1845: Telegram

The Ambassador in Yugoslavia (Patterson) to the Secretary of State

BELGRADE, December 18, 1945—4 p. m.
[Received December 21—9:52 a. m.]

769. We have received 6-page ForOff note dated December 14 referring to Bevin's statement in Commons on November 23 concerning release of northern Italian provinces to Italian Govt and to official Italian comment that part of territory in east near Yugo frontier will also be taken over by Italian authorities. Note gives reasons why western boundary of zone A, Belgrade Agreement June 9, should be extended to include Slava-Italiana and Valcanale, i.e., to the line put forward in claims of Yugo delegation at London Conference of Foreign Ministers. Dept will recall that Yugos wanted AMG extended west to this area prior to conclusion of Belgrade agreement. See Embtel 132, June 2.[23]

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[23] Not printed.

This is apparently effort of Yugo Govt to strengthen its territorial claim against Italy.

British Embassy received same note. Stevenson has recalled that at time of signing Belgrade Agreement he pointed out to Dr. Subasic that territory in question had been under AMG and would presumably remain so since it lay across communications between Trieste and Austria. Since Yugo note makes no reference to these communications Yugo Govt probably intends to maintain attitude that occupation of zone A is purely political.

Text follows by despatch.[24]

Sent Dept. repeated Caserta.

PATTERSON

ECONOMIC RELATIONS BETWEEN THE UNITED STATES AND ITALY

740.00119 Control (Italy)/12-2044 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk) [25]

WASHINGTON, January 5, 1945—8 p. m.

20. Department's 639, December 20, 9 p. m.[26] We submitted to the British on December 29 the following proposal on financial matters to be incorporated in revised Italian directives: (*Begin paraphrase*)

1. There should be terminated promptly all functions carried on by the Allied Financial Agency with respect to territory which has been returned to the Italian Government. Among other things this will mean that AFA will cease to make lire available for the purpose of procuring goods for export and for the payment of remittances from Allied countries, as is its practice at present. In addition, AFA will cease to collect lire proceeds of civilian supplies turned over to the Italians except as such collection may be necessary in territory under AMG.[27]

2. There should also be terminated the control which AFA exercises over Italian external financial transactions e.g. payments out of the post-liberation accounts, in the United Kingdom and the United States. In lieu of these controls the Italian Government should be required to inform the Allied Commission of its external financial transactions so that this Commission may, if it regards such action as necessary, recommend to CCS [28] that these controls be reimposed under the armistice.

3. Those functions of AFA which remain would then be concerned only with the financial operations of AMG in forward areas and of

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[24] Despatch 183, December 18, 1945, and enclosure, not printed.

[25] Alexander C. Kirk was also United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater. In this capacity, his office was located at Caserta.

[26] Not printed.

[27] Allied Military Government.

[28] Combined Chiefs of Staff.

the Allied military forces. AFA should be transferred as promptly as possible to AFHQ [29] which would give direct supervision and control to these remaining functions of AFA.

4. The Italian Government should have access to full information on those activities of AFA which will be the responsibility of the Italian Government hereafter. Except as specifically authorized by CCS, however, books and other records of AFA must not be released by AFA.

5. The centralization of all currency issues in the Italian Government or agencies designated by it should be the subject of negotiations undertaken through diplomatic channels with the Italian Government. These negotiations should also lead to the explicit assumption by the Italian Government, or such agency as it may designate, of responsibility for AM [30] lire in circulation in Italy at present. There should be included in the arrangements made with the Italian Government provision for meeting Italian Government requests for the printing and supplying of sufficient quantities of lire necessary for all Italian needs and provision for the supply of adequate volume of lire currency and credits to meet the operational needs of the Allied forces. AFHQ, of course, would reserve the right to use any other currency it deemed desirable in the event that adequate quantities of lire currency are not available to the military forces at any time. (*End paraphrase*)

We pointed out to British that foregoing merely involves the specific application to financial matters of the Macmillan proposal.[31] British Treasury Delegation in Washington has submitted proposal to London. Proposal represents agreed U.S. viewpoint and was approved by Spofford.[32]

STETTINIUS

865.50/1-2645

The Italian Minister for Foreign Affairs (De Gasperi) to the American Ambassador in Italy (Kirk)[33]

[Translation]

ROME, January 9, 1945.

DEAR AMBASSADOR: I draw your close attention to the enclosed Memorandum [34] which intends to show the urgency and necessity of

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[29] Allied Force Headquarters.

[30] Allied Military.

[31] Harold Macmillan, British Minister Resident at Allied Force Headquarters, Mediterranean Theater, and Acting President of Allied Commission, Italy. His proposal, in general, pertained to the reorientation of the Allied Commission regarding Italy.

[32] Presumably Brig. Gen. Charles M. Spofford, Assistant Chief of Staff, G-5, Allied Force Headquarters.

[33] Copy transmitted to the Department in despatch 858, January 26, from Rome, p. 1228.

[34] Not printed, but for summary, see despatch 858, January 26, p. 1228.

a revision of the economic and financial clauses of the Convention of Armistice.[35]

While warmly begging you to submit it to the consideration of your Government, I take the liberty of pointing out to you once again that an intervention of the United Nations directed to the implementing of a practical program of economic recovery of Italy cannot be further delayed.

From the data, contained in the Memorandum, you will readily realize all the gravity of the present economic and financial situation which threatens to plunge Italy into a crisis of unprecedented magnitude and duration.

I am furthering a copy of this Memorandum to Admiral Stone[36] at the Allied Commission and I fully trust, as always, in your friendly and authoritative support for a speedy and favourable examination of the Italian requests.

Believe me, cordially yours, [DE GASPERI]

865.24/1-1145

The Foreign Economic Administrator (Crowley) to the Secretary of State

WASHINGTON, January 11, 1945.

MY DEAR MR. SECRETARY: Almost since the first landing of our troops in Sicily FEA has been sharing the financing of civilian supplies called for by the War Department for the liberated portion of Italy and FEA funds are now responsible for a substantial part of the total supply burden there.

The War Department calls for supplies in accordance with a policy laid down by the CCS. This policy, as the Civil Affairs officers concerned have stated, and as FEA officials in Italy and Washington have agreed, while probably adequate for a brief emergency period, is in the long run, extremely limited, with disastrous economic effects for the Italians and dangerous repercussions for the foreign policy of the United States.

On September 26, 1944, the President and the Prime Minister issued a joint statement[37] on policies toward Italy, which clearly indicated a

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[35] For texts of Italian Military Armistice, September 3, 1943, and the Instrument of Surrender, September 29, 1943, see Treaties and Other International Acts Series No. 1604, or 61 Stat. (pt. 3) 2740 and 2742.

[36] Adm. Ellery W. Stone, Chief Commissioner, Allied Commission, Rome.

[37] Joint statement by President Roosevelt and British Prime Minister Churchill released to the press following their conversations at Hyde Park, N.Y., September 18 and 19, 1944. For text, see telegram 205, September 27, 1944, to Rome, *Foreign Relations*, 1944, vol. III, p. 1153; also printed in Department of State *Bulletin*, October 1, 1944, p. 338. Documentation regarding these conversations following the Second Quebec Conference, is scheduled for publication in a subsequent volume of *Foreign Relations*.

supply policy for Italy broader than that heretofore followed by the CCS and in line with the policy of the United States toward liberated areas as outlined in Secretary Hull's letter of January 1, 1944 to Secretary Stimson.[38] To date, however, except for the inclusion of communication and transportation equipment in the civilian supply program, there has been no alteration of the existing supply policy in accordance with the economic aspects of the principles set forth in the joint statement.

During recent weeks, British representatives have presented to the U. S. side of the CCAC [39] a declaration of policy toward Italy, drawn by Mr. Harold Macmillan, which represents the view of the U. K. government and its interpretation of the meaning of the joint statement, for the purpose of redefining the combined policy of both governments toward Italy. In considering this British declaration the War Department has taken a position which instead of representing an improvement of the present standards, except with respect to transportation and communication equipment, would perpetuate the old policy, in the economic field, and which is moreover considerably narrower than the British interpretation of the joint statement.

The FEA has indicated its disapproval of the War Department view. However, at a recent meeting between the British representatives and representatives of the U. S. side of the CCAC, of which the FEA is not a member, on the subject of the British draft, the War Department view was presented as the U. S. position. This government was as a result placed in the position of advocating for Italy a much more restricted and less realistic supply policy than the British.

I feel that it is urgent that an agreement be reached between State Department, FEA and the War Department, which will define the U. S. economic supply policy in regard to Italy, in such a way as to take into account not only the limited and temporary interests of the War Department but the long-range responsibilities and interests of the U. S. as a whole.

Sincerely yours, LEO T. CROWLEY

865.51/1-1345 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, January 13, 1945—3 p. m.

66. Following is for your information on program of discussion with Italian technical mission. Mission arrived in Washington

[38] For Secretary Hull's letter to the Secretary of War, Henry L. Stimson, see *Foreign Relations*, 1944, vol. II, p. 304.

[39] Combined Civil Affairs Committee.

November 10 with letters from Bonomi [40] to President, Secretary and Secretary of Treasury describing the mission as "fully accredited" by the Italian Government.[41] In preliminary discussions to ascertain purpose of visit, mission indicated desire to discuss measures to stabilize and provide backing for the lira, credits, return of gold seized by Germans, Allied military expenditures in Italy, the centralization of the note issue in the Bank of Italy, and the participation of Italy in various United Nations economic organizations. They described financial and monetary questions as key to Italian problems and expressed hope of learning extent to which Allied support would be given in backing currency. Generally, they intend to find out where Italy stands in relation to United Nations in economic and financial matters.

Mission was reminded that United States is merely one of United Nations and was told that some of these points could not be discussed in detail. It was suggested that they direct their attention to specific practical problems in Italo-American relations. They were told that discussions would be carried on at technical level.

Discussions have followed two general lines. The principal discussions have related to financial matters and have taken place with Treasury. Italians have outlined their problems in detail and have urged (*a*) steps to regularize financial relations with the Allies in such a way as to permit Italian Government to control internal finances, to put lira on a firm basis, and to be informed of what its assets and liabilities are; (*b*) that the United States make available to Italy the dollar equivalent of lira expenditures of our forces in Italy for purposes other than troop pay, plus the dollar value of any excess of supplies and resources furnished us on a requisite basis over supplies which we furnish to Italy.

Treasury is about to hand the mission a statement on these proposals which will say:

1. We view with sympathy Italian desire to assume responsibility for entire note issue and will discuss Italian request with British, to whom Italian Government should also make known its views.

(As reported in a separate telegram, we have already proposed this to the British in connection with the discussions in CCAC).

2. We are prepared to enter into an agreement governing financial arrangements arising out of the operation of American troops in Italy, designed to formalize present procedures. (This would transfer the troop pay arrangement from a unilateral American statement to an undertaking as part of agreed procedures.)

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[40] Ivanoe Bonomi, Italian Prime Minister.

[41] The mission was headed by Baron Quinto Quintieri and Raffaele Mattioli and is often referred to as the Quintieri–Mattioli mission.

3. We will take steps aiming to provide the Italian Government with full information relating to transactions affecting American-Italian relations.

4. We will assist the Italian Government to mobilize its foreign assets to the maximum.

This statement constitutes in effect an acceptance of the first group of Italian proposals and rejection of the second. For reasons which have been explained to you in connection with the proposed lira account (see Deptel 396, November 7),[42] it is impossible for us to pay dollars for expenditures for our forces in Italy other than troop pay. However, we are asking the War Department to agree to replace free of charge any goods requisitioned or purchased with lire which are in short supply and use of which necessitates current replacement by importation. We have given similar undertakings to the continental Allies. Although such an arrangement would probably have limited practical significance in Italy, it would seem to us to be of some value from a political viewpoint.

The mission has also been provided with information concerning the procedures under which AM lire are issued, and figures on total issues of AM lire and issues to American forces and to Italian agencies. Detailed information has also been provided on standing of post-liberation dollar accounts.

In addition to the financial conversations, discussions have been arranged for the mission on the subject of trade, the current status of Italian assets in this country, trading with the enemy restrictions, the proclaimed list, etc. While the interest of the mission in these subjects has been primarily in their relationship to the Italian financial position, we think that the discussions have been of value.

We anticipate that our conversations with the mission will end in about two weeks. We plan to give them a consolidated memorandum stating our position and views on the principal points covered during the discussions. In addition to these specific points, we hope to give them a general statement of our attitude toward Italy's economic problems, indicating our sympathy and interest but also making clear the limitations on our ability to help Italy.

We also plan to issue a press release indicating in very general terms the nature of the discussions, portraying them as laying the basis for the resumption of normal economic relations between the two countries, and suggesting that they will eventually be followed by some agreements.

It would be desirable if this statement could be made a joint one with the Italian Government.

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[42] Not printed.

The Department's general attitude toward the discussions has been that they would perforce be mainly explanatory and informative, but that the mission should not be allowed to return home without accomplishments. We will try to make the memorandum summarizing the discussions as substantial as possible. The press release will necessarily be thin. We see nothing to be gained from an overblown statement and think that directing publicity toward the fact that we are trying to work out detailed economic problems by joint discussions is the best approach.

(We gather from the mission that the Italian Government has discouraged press discussions of the mission, and its members have scrupulously refrained from giving out information to the press here.)

Exactly what the Italian Government expected the mission to accomplish is far from clear to us. We have gathered that no precise instructions were given the mission and assume that it was expected to find out how matters stood and to do the best it could. That the Italians had hopes of obtaining something substantial would seem to be indicated by the fact that the mission was armed with full powers in the face of our agreement to receive it only in an unofficial capacity. We for our part are convinced that the achievements of the mission, though perhaps disappointing to it and to the Italian government, will have been far from negligible. It has effectively served to present and explain concrete Italian problems, to promote goodwill, and to lay the basis for later solutions. It might be well for you to convey this thought in any informal discussions with officials of the Government.

We plan to inform the British of the conversations and to show them for their information the statements we will give the Italians before they are handed to the mission. The mission had planned to go on to London but we understand the British are not prepared to receive them at this time.

A full record of the discussions has been made and copies of minutes and documents are being sent you by mail.

Department would welcome any comments you may have.

GREW

865.24/1-2245

The Secretary of State to the Foreign Economic Administrator (Crowley)

WASHINGTON, January 22, 1945.

DEAR MR. CROWLEY: I have your letter of January 11, 1945, concerning the United States economic supply policy in regard to Italy

and I am in accord with you that agreement should be reached on the long-range responsibilities and interests of the United States as a whole.

I believe that the task of reconstructing Italy is primarily a responsibility of the Italians themselves. However it appears to be definitely in the interest of this government that Italy be assisted in reviving her economic life so that she can contribute to the winning of the war and attain that internal stability which is necessary if she is to play a constructive role in the establishment of world peace and security. Toward this end we can contribute essential supplies and technical advice.

The furnishing of essential supplies depends upon the provision of necessary shipping and finances. The State Department has taken an active interest in seeing that the maximum amount of shipping tonnage consistent with other war needs is currently made available, and it is our hope that this tonnage can be increased in the future.

At present two sources of funds appear to be available to finance the purchase of supplies insofar as the United States is concerned: (*a*) the dollar equivalent of the pay of United States troops in Italy together with the proceeds of private remittances to Italy and exports from Italy (*b*) funds appropriated to the War Department for military purposes, or funds or supplies transferred to the War Department by the Foreign Economic Administration upon certification by the War Department of their need for military purposes. The determination of what supplies are needed for military purposes is, of course, primarily for decision by military authorities in the light of the military aims set forth in the joint statement of the President and the British Prime Minister on September 26, 1944. The State Department is anxious that the military program of supplies be adequate to cover all reasonable military needs. The definition of military needs, with respect to civilian supply in Italy, now under discussion in the Combined Civil Affairs Committee appears to be considerably broader than that followed heretofore, in that it makes provision for the furnishing of supplies necessary for the restoration of power systems and transportation and communication facilities as well as for the shipment of supplies such as fertilizer, raw materials, machinery and equipment to permit the production in Italy of essential civilian supplies which would otherwise have to be imported. The State Department has been assured by military authorities that they recognize the fact that both the prevention of unrest and disorder and the attainment of production for war purposes may now require additional imports in the military program not needed in the beginning.

It is clear, of course, that the military program will not provide imported supplies in sufficient quantity to permit a full restoration of the Italian economy. Although some of the additional items needed can be financed through the use of funds mentioned above in category 'a' it seems probable that additional funds will be needed if the policy of this government, to assist in further rehabilitation measures, is to be implemented. I should welcome from you any views you may have concerning the extent of our long-range economic interest in Italy and steps which this government may take to implement its policies. In view of the fact that the length of the period of military activity is unknown and may be of relatively short duration it seems important that urgent consideration be given to this problem.

Sincerely yours, For the Secretary of State:
WILLIAM CLAYTON

740.00119 Control (Italy)/1-2545 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, January 25, 1945—1 p. m.

137. When the United States members of the Combined Civil Affairs Committee agreed to approve the Italian directive without reference to a preliminary peace and without the desired financial clauses they introduced into the minutes of the CCAC meeting of January 22 the statement of their views along the following lines:

1. We feel strongly that greater political and economic freedom of action by the Italian Government is desirable and not only compatible with but to a large extent dictated by military considerations in the area. Macmillan's proposals are a step in the right direction but the directive as now written is a relatively feeble effort. It gives merely the illusion, not the substance, of a new charter. We support it only because it provides certain minimum improvements in relationships between Italy and the Allies.

We have strongly urged the adoption at this time of other actions:

2. A preliminary peace treaty to replace the surrender terms,[43] despite reservations and safeguards, would recognize Italian efforts to cooperate in the war and would have great psychological advantage in removing Italy from the status of a surrendered enemy, which would serve our objective of a better and especially more self-reliant spirit among the people behind the lines. Apart from any Allied commitments toward Italy, failure to take such steps is no less apt than inadequate rations to cause costly disturbances behind the lines. The surrender instrument is unrealistic and does not accurately describe the present relationship. The Italians as a whole have proved

[43] For discussions regarding revision of Armistice Agreement, see pp. 991 ff.

willing to cooperate in the war and strive toward truly democratic government and their troops are now fighting alongside ours. Any major restatement of Allied policy must deal with this increasingly anomalous position. We agree to the provision requiring any new Italian government to confirm the surrender obligations only because British approval of the directive is conditioned upon its inclusion.

3. To give the Italians greater financial responsibility we proposed that the directive contain a financial section instructing SAC [44] to take steps including (*a*) suspension of controls on Italian financial transactions abroad, (*b*) establishment of Italian Government lira account to be used by Allied forces to pay for supplies et cetera where recourse to Italian procurement agencies is impracticable, (*c*) transfer of lira issuance from AFA [45] to Italian government, (*d*) arrangements with the Italians to supply lira currency and credits to meet Allied force needs and supplement Italian Government requisition procedures. While financial negotiations are intricate and might be lengthy, a specific statement of willingness to begin them should be made. The inadequate British counter-suggestion is accepted only because the British members feel they can go no further.

Inform AmPolAd; [46] repeated to London and Moscow; sent to Rome.

GREW

865.50/1-2645

The Ambassador in Italy (Kirk) to the Secretary of State

No. 858 ROME, January 26, 1945.
[Received February 6.]

SIR: With reference to my telegram No. 168 of January 19, 7 p. m., 1945,[47] I have the honor to enclose copies with ozalid of a letter bearing date of January 9, 1945 received from the Italian Minister of Foreign Affairs,[48] and of an extensive Memorandum [47] transmitted therewith stressing again (see enclosure to my despatch No. 588 of November 29, 1944 [47]) the gravity of Italy's economic and financial situation and insisting upon the necessity of lightening the financial burdens derived from the Armistice terms in order to prevent the collapse of Italian economy and monetary chaos.

Specifically, as will be seen in the ensuing summary, the Memorandum makes two requests: (1) that a counterpart in dollars or sterling be established in favor of the Italian Government for *all* AM lire, however issued, and (2) that a similar counterpart be established for all payments made by the Italian Government "for the requisitions carried out by the Allied troops, for the supplies, services and works ordered

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[44] Supreme Allied Commander.
[45] Allied Financial Agency.
[46] American Political Adviser; see footnote 25, p. 1219.
[47] Not printed.
[48] *Ante*, p. 1220.

by the Allied Commands from the Italian industries, for the works carried out for those Commands in Italian construction yards and arsenals, as well as any other payment or debiting temporarily placed to the charge of the Italian Government and relative to expenses of occupation or of war or of any other nature made by the Allied Governments." A summary of the document is given in the following 9 numbered paragraphs:

1) Setting the keynote for its following discussion, the Memorandum begins by emphasizing the grave deterioration of Italy's economic situation and by asserting that certain aspects of this deterioration are closely connected with the application of the financial terms of the Armistice. The situation has now reached such a point, it adds, that the social and financial collapse of the country can be avoided only through a prompt and efficacious intervention for mitigating the immense burdens that weigh on the Italian people and by "an action of generosity and justice in its favor."

2) Then follows a somber picture of the situation which will be faced by the Italian people following the devastation by war of the richer and more industrialized regions of the North and the financial ruin which the revengeful Fascist Government will leave in its train. As foreseen in the Memorandum, the road and railway system and the Italian ports will be found partly destroyed and completely disorganized; roads must be repaired, bridges rebuilt, rails relaid, rolling stock renewed, passenger cars and trucks provided. The reconstruction of harbor works alone will burden the State with charges running into billions of lire; and in addition it will be necessary to finance the reconstruction and repairs of public buildings destroyed or damaged by the war, the construction of housing in devastated regions, and the rehabilitation of a completely disorganized industrial system. To complete the picture, there will be the problem of pensions to ex-service men, payments due to repatriated prisoners, relief for interned civilians returning from Germany, and finally that of creating extraordinary public works to meet, especially in the North, the urgent problem of unemployment.

3) Describing next the grave state of Italy's finances in the face of the enormous expenditures which the above-described situation will require, the Memorandum points to an exhausted treasury; a budget deficit which has progressively increased from 77.3 billion lire in 1941–43 to not less than 150 billion in 1943–44, with the certainty that the deficit for the current period will also be enormous; a public debt estimated as of last June 30th at 652 billion; and a note circulation of 260 billion as of the same date and expected to reach 300 billion by the end of the year (as compared with only 12.6 billion in 1935).

4) The exhausted situation of Italian economy, it is pointed out, sets a limit to the funds which otherwise might be available from increased taxation, making it certain that from that source it will not be possible to derive the vast sums necessary for economic reconstruction; which therefore will "require the generous contribution of foreign capital". In this connection, the Memorandum mentions with gratitude statements which it says British and American statesmen have

made indicating that assistance in the form of such capital, as well as of technicians, will not be denied. It is essential in the meantime, the Memorandum declares, that the monetary situation should not further deteriorate, and to this end the most elementary remedy is that of eliminating all avoidable expenses and unnecessary burdens.

5) Assigning first place among the latter to the financial burdens arising from the application of the economic terms of the Armistice, the Memorandum sets off against the text of Article 33 of that instrument a summary of the charges which, it declares, Italy is carrying. Article 33 is quoted as follows: "The Italian Government will comply with such directions as the United Nations may prescribe regarding restitution, deliveries, services or payments by way of reparation and payments of the costs of occupation during the period of the present instrument." In point of fact, the Memorandum continues, the economic and financial charges that weigh on the country can be summed up in the following groups:

> "*a*) Requisitions carried out by the Allied troops and consequent impoverishment of Italian economy.
>
> "*b*) AM lire issued and paid out by the Allied Command to the troops, for requisitions, supplies, works and services.
>
> "*c*) Supplies, services and works, ordered by the Allied Commands and the invoices of which the Allies intend to charge entirely to the Italian Government.
>
> "*d*) Works carried out by order of the Allied Commands in State building-yards and arsenals and not yet paid for."

6) The point is then raised that as regards Italy the United Nations hold the position of an occupying power; that they not only occupy Italian territory, however, but also carry on a war against Germany on it, and that not all of the payments made in Italy by them with occupation notes or Italian currency placed at their disposal under Article 23 of the Armistice can properly be considered "occupation expenses". From this category, it is submitted, should be excluded expenses incurred by the United Nations for the preparation of new operations against the enemy, there being in the Armistice "no clause which can be interpreted in the sense that the expenses of the United Nations as regards military operations for continuing the war against Germany must be put to the charge of Italy." In short, Articles 23 and 33 of the Armistice, it is affirmed, must be interpreted in the sense that Italy's burden "must be limited to those expenses that the United Nations incur in Italy in order to exercise the rights of an occupying power."

7) Even this interpretation, it is contended, which the most extensive one that can be given to the financial clauses of the Armistice, completely disregards Italy's status of co-belligerency, a status of which Italy obtained explicit recognition when she declared war on Germany. At that time, the Memorandum declares, it was stated that the conditions of the armistice could be adjusted by agreement between the Allied Governments in the light of the assistance that the Italian Government may be able to afford to the United Nations cause. In the latter connection it is commented that the Allied Powers know well the efforts that Italy has made; and that if the help that the United States, Great Britain and the Soviet Republic have received from

other countries associated in the war against Germany exceeds in practical results that which Italy up to now has been able to furnish, no country has undergone for the common cause such grave sacrifices or suffered such pitiless destruction.

8) While, the Memorandum goes on to say, it depends upon the Allies to establish the moment for eliminating the grave contrast between co-belligerency and the armistice, the serious dangers deriving from the application of the latter's economic and financial clauses must as a matter of duty on the part of the Italian Government be called to the attention of the Allies in the most explicit and urgent fashion. For, under the previously-described condition of the Italian budget, if the Treasury must continue to be burdened with the heavy charges that are applied under the Armistice, how, it is asked, will the Italian Government be able to maintain the monetary situation? The financial and monetary situation, the Memorandum insists, contains dangerous germs of distrust which, should they develop thanks to the action of unforeseen circumstances, could make the slow but continual inflation degenerate into a monetary disaster which might produce incalculable economic and political consequences. If, however, according to the Memorandum, the Allies at this moment should take the decision invoked by the Italian Government, a feeling of confidence and relief would be produced in the financial field, and one of the essential bases would thus be laid for the issuance of a national loan which would tend to absorb a great part of the monetary circulation.

9) The Italian Government therefore begs the Allies to take into consideration the following requests:

> "*a*) All the AM lire, however issued, and all those that will be issued in the future will have to find a counterpart in dollars or sterlings in favor of the Italian Government. Exception will be exclusively made for those furnished to the Italian Government and not returned.
>
> "*b*) All the payments made or to be made by the Italian Government for the requisitions carried out by the Allied troops, for the supplies, services and works ordered by the Allied Commands to the Italian industries, for the works carried out for those Commands in Italian construction yards and arsenals, as well as any other payment or debiting temporarily placed to the charge of the Italian Government and relative to expenses of occupation or of war or of any other nature made by the Allied Governments will have to find full counterpart like the one indicated under N. 1.
>
> "As regards the payments for the requisitions carried out by the Allied troops it will be furthermore equitable to bear in mind that the said requisitions were operated on the basis of prices not corresponding to the effective price of the goods or services which formed object of those requisitions. The reimbursement that the Allies ought to make could allow the Italian Government to constitute an adequate counterpart to the damages borne by Italian citizens only if such reimbursement were based on the prices current at the time of the requisitions."

Copies of the above-summarized Memorandum have been received also by the British Embassy and the Allied Commission. The English

translation of the document which is included among the enclosures to the present despatch is one which accompanied the Italian text when submitted by the Minister of Foreign Affairs.

In forwarding the Minister's letter and Memorandum, I wish to point out that the description of Italy's disastrous economic and financial situation contained in the letter is not an overstatement. However, I am not in a position to evaluate from a technical or policy standpoint the possibility of complying with the requests of the Italian Government and I would like to have the Department's views on the matter.

Respectfully yours, ALEXANDER KIRK

740.00119 Control (Italy)/2-145: Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, February 1, 1945—7 p. m.

84. Deptel 137 January 25 to Rome. When the British members of CCAC informed us of the rejection of the United States proposal for a financial section of the Italian directive, they stated that the British were willing to discuss the subject further with us and that, in fact, the British Government was sympathetically inclined to giving the Italians a greater measure of responsibility in financial matters. They based their unwillingness to include anything of substance in the directive upon the necessity for consulting with the field and stated that they had sent our proposal to Macmillan for comments. They suggested that the American proposal be submitted on a combined basis to SACMED [49] for comments.

2. A cable is being sent to SACMED from CCAC setting forth the American proposal and requesting SACMED's views on the general approach which we proposed and on the desirability of taking the matter up with the Italian Government at this time. Telegram requests urgent reply. Text of American proposal is that paraphrased in Deptel 20 to Rome January 5 with slight expansion to include specific provision for lira account. (Reference Mat 353 from SACMED to CCAC, Deptel 396, November 17 to Rome [50] and Rome 759 November 19 to Department.[50])

3. In the meantime, the British have asked that we not give the Quintieri–Mattioli mission the statement referred to in Department's 66 to Rome January 13 in view of the fact that the financial question is under discussion on a combined basis. We have informed them

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[49] Supreme Allied Commander, Mediterranean (Field Marshal Sir Harold Alexander).

[50] Not printed.

that we would hold up giving the statement to the mission for a matter of 10 days to two weeks, in order to give them an opportunity to present their views on our proposal for a financial directive, but that the mission is leaving shortly and that we must make a statement.

4. We are anxious that a reply be made by SACMED to cable referred to in paragraph 2 as soon as possible so that the fact of an inquiry to the theater can not be urged by the British as a reason why we should not give a statement on financial matters to the Italian mission. Please do all you can to expedite a reply to this message. We are particularly anxious that attention be focused on the two major points involved in our proposal, namely the granting of autonomy to the Italian Government with respect to internal fiscal matters and to the control of its external resources, and that we not become bogged down in a discussion over the details as to how this result might be accomplished.

5. Although the British have not submitted any views, as yet on our proposals, we gather from informal conversation that they are likely to raise the following points:

(*a*) The British suggest that determination of the currency issue functions of AFA and the acknowledgment by the Italian Government of responsibility for the Allied military lire will affect public confidence in the lira, by disclosing the extent to which military currency has been issued and the burden which Italy has assumed under the armistice. It is our view that such action is essential if the Italian Government is to have internal fiscal autonomy and that postponement of action merely aggravates the situation, since the deficit represented by the issuance of military lire naturally mounts each month. We have been impressed by the argument of the Quintieri–Mattioli mission that the Italian Government must assume responsibility for meeting the economic problems of Italy now, and that nothing but harm can come from allowing matters of this kind to drag along until the Allies give up their responsibility in Italy, when the Italians will be completely unprepared. We agree with the mission that it is better for the Italian Government and the Italian people to know now what they are up against, and that no useful purpose is served by insulating them from knowledge and responsibility for what is their problem.

(*b*) The British question whether the Italian Government should be allowed to assume control over Italian external financial transactions until they are certain that there is an adequate Italian exchange control. It is our view that the Italians are entirely capable of establishing a reasonably effective control, since they have had a control in the past and in fact were one of the pioneers in the field of exchange control. We doubt whether any effective control will be established until the Italian Government is given something to control, which it does not now have. At present, the only financial relations which the Italian Government is permitted to have are with the United States and Britain, which have effective controls which could be used to check the effectiveness of the Italian control. We are concerned over

the failure thus far to permit the extension of commercial and financial relations to countries other than Britain and the United States and feel that the present situation involves a vicious circle from which we must emerge.

(*c*) While the British have not openly admitted it, they undoubtedly feel that the opening of discussions on financial matters will give the Italians an opportunity to make demands, particularly a demand that the British pay sterling for British troop pay and that payment be made in foreign currency for Allied foreign military expenditures other than troop pay. As we see it, the British must face this program eventually. Again, we see little to be gained from postponing these issues and feel that relations between our two Governments and Italy would be clarified and put on a much healthier basis if they were discussed openly and frankly with the Italian Government.

6. We regard the manner in which the financial problems are handled as a practical test of the sincerity of the statement of the two Governments that they propose to hand over to the Italian Government an increasing measure of control. We feel that the Italians will view the matter in the same light, and we attach the greatest importance to the adoption of measures along the lines we have proposed.

GREW

740.0011 E.W./2-745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, February 7, 1945—4 p. m.
[Received February 7—2:33 p. m.]

339. In his letter transmitting the message to the President contained in my 338 February 7, 3 p. m.,[51] de Gasperi [52] states that it is known with what profound sincerity the Italian Government follows a policy of friendship and close collaboration with the United States and with what trust the Italian people regard the President and his noble efforts to assist Italy on its difficult road and to guide Europe towards a settlement which will be acceptable to them and which will prevent new infections leading to disorders and wars and impeding the necessary reconstruction.

I am informed orally by the Foreign Office that the decision was taken to address the three Allied leaders on the occasion of their conference [53] because the government is increasingly concerned with the situation which it must face with the liberation of Northern Italy.

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[51] *Ante*, p. 995.

[52] Alcide de Gasperi, Italian Minister for Foreign Affairs.

[53] The Conference at Yalta, February 4–11, 1945. For documentation, see *Foreign Relations*, The Conferences at Malta and Yalta, 1945.

While the government is conscious of the assistance rendered to Italy by the Allies and has endeavored within the limits of its power to assume responsibility for the amelioration of conditions in Italy it is apprehensive lest it has not developed its capacity to confront successfully the magnitude of the problems, economic, financial and social, which it must face upon the liberation of the North and believes that, unless it is afforded the possibility in the very near future of gathering sufficient strength to carry the increased burdens which are imminent, not only will the momentum already gained be lost but the consequences will be calamitous for Italy and for order in Europe.

The Department is aware of my belief that unless the position of the Italian Government and the conditions in Italy are not promptly improved an answer to the problems presented when the entire territory is freed will not be found in a continuation of the formula which has hitherto been professed in the liberated area.

KIRK

740.00119 Control (Italy)/2-1345: Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, February 13, 1945—1 p. m.
[Received February 14—5:49 p. m.]

388. Section I. During last visit of Macmillan to Rome officers from G-5 [54] AFHQ came here to discuss with AC [55] a reply to Tam 445 [56] regarding proposed directive on Italian financial matters and prepared a draft which was taken by G-5 officers to AFHQ with the intention of having it transmitted from Caserta to Combined Chiefs of Staff. Although discussions on this draft are apparently still being carried on in G-5 where the general lines of Department's 84, February [1] to AmPolAd are known and although draft has not been submitted to offices of political advisors to SACMED for concurrence I submit following paraphrase thereof based on text as agreed upon in conferences in Rome:

Section II. [*Begin paraphrase*] This message is an agreed view following consultation with Acting President and Chief Commissioner of Allied Commission:

1.[57] Two main proposals are made in Tam 445: (1), that the Italian Government again control foreign exchange transactions; (2), that it should again become the only issuing authority for all lira currency,

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[54] Headquarters staff division dealing with civil affairs.
[55] Allied Commission.
[56] Not printed.
[57] The numbered paragraphs were not transmitted in chronological order; as here printed, they have been restored by the editors to the usual numerical sequence.

including all AM lire already in circulation, whether for the purpose of meeting obligations to the Allies under Armistice Clause 23 or for its own use. Since these proposals conform with the developing policy of the Allied governments toward Italy which is to have it assume the responsibilities ordinarily associated with sovereignty, I support both of them.

2. In each case there is a question, however, as to when such changes should take place.

3. Both experience and probity are required in the difficult technique of exchange control and neither can easily be found at this time in Italy. Some of the most expert persons are now in German controlled Italy and those remaining are suspended and awaiting epuration hearings. In order to obtain at least a nucleus of competent men we are trying to expedite hearings but must exercise considerable care. The Italian Government assisted by Allied Commission is now developing exchange control machinery substantially like that of 1917–1919, that is operated by Banca d'Italia as agents of Italian Treasury. So far as we know, neither the government nor the public have ever requested acceleration of date when full responsibility would pass to Italian hands. Furthermore, the Allied governments have an interest to the extent to which they have to make foreign exchange available to the Italians either now or in the future in making sure that the little foreign exchange now at the disposal of the Italian Government is not wasted through improper or imprudent management. In telegrams Tam 136 and 398 and Tam airgram 24 [58] you have urged the need for exercising control in all transactions in the currencies of neutral countries as well as in the operation of post liberation accounts in the United States and United Kingdom and you, therefore, seem to share this view. You may feel that these considerations weigh against any premature relinquishment of controls. I shall meanwhile continue the policy of preparation for transfer of full responsibility to the Italians whenever you may so direct.

4. Regarding the second proposal, the Italians at some date clearly must publicly shoulder the burdens which they have not had to face simply because the Allied invasion came from the south and consequently for almost a year the note printing facilities were not available to the Allies and were found destroyed when they were reached. The Italian Government was thus unable to make currency available in fulfillment of its obligations under article 23. I sympathize fully with your desire to make the Italians face this issue and to realize that possible escape from or reduction of their obligation is an illusion. It is due only to the above military circumstance that AM lire have

[58] None printed.

had to be printed and imported and yet I do not doubt that both the government (as evidenced by its recent memorandum) and the public hope that the Allies might be persuaded to make available sterling and dollar credits commensurate with the currency thus created. This control over the issue of currency, I must warn you, since it means the open assumption of an obligation of the Armistice which the Government publicly has declared it is seeking to avoid, may well appear to the Italians far from a welcome concession or as of no advantage. Whereas the lire account proposed last autumn, if carried out, would have meant a charge of some 15–18 billion lire annually to the government's budget, the new proposal would mean an increase in the government's debt to the Banca d'Italia of some 50 billions immediately and budget charges of some 5 billions of lire would continue each month.

5. In a recent memorandum [59] to the Governments of the United States and the United Kingdom and to the Allied Commission, the Italian Government has requested the dollar and/or sterling counterpart not only for all Allied military lire outstanding but also to cover all payments which the Italian Government has made or will make for supplies, requisitions, services and work furnished to or ordered by the Allied forces. I do not think it likely, but unless the two Governments propose to accept this demand, they must face the question whether it is wise in the name of "decontrol" to make the Italian Government and people resolutely undertake their financial obligation at this particular moment. The arguments in favor of so doing without further delay, I recognize, are both in logic and in equity very strong: The realities should be faced by the Italians. It is the outward and visible sign of a sovereign state that it issue and control its own money, and they might as well do so at once since they will have to swallow this bitter medicine at one time or another. In present circumstance, on the other hand, it is arguable that the government is weaker than it ever will be again. If the proposal in Tam 445 precipitated a crisis, it is possible that no government might be formed at all. It took 12 days to produce a government at the last crisis. Furthermore, the people in general retain what has been called an uncritical confidence in the value of the lira, despite the grave financial situation of the country, and I should not like to do anything to destroy the present confidence in the currency. Savings are made, bank deposits continue, contributions for life insurance, assistance societies and the like flow in, and so far there has been no sign of any panic flight from money into goods.

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[59] Memorandum of January 9, 1945, not printed; for summary, see despatch 858, January 26, from Rome, p. 1228.

6. In view of these considerations, although I agree that assumption by the government of responsibility for its currency is desirable, I feel that I should invite your attention to the fact that in deciding this question due regard should be given to the wide issues and potential dangers which I have set forth. Should you determine to go ahead with the proposal, however, I should like to make informal soundings as to the likely reaction of the Italians before making any demands officially.

7. All of the same considerations apply with respect to the establishment of a lira account although in a reduced form. It is technically desirable but it is difficult politically.

8. My experts at AC and at this headquarters have advised me in the following sense with respect to the proposals concerning AFA contained in Tam 445:

(*a*) The Allied forces in Italy regardless of their location with respect to Italian Government or AMG territory must continue to receive an adequate volume of lire currency from AFA. Consequently, if responsibility for all currency is assumed by the Italian Government, AFA should either physically draw currency from the government or obtain currency from abroad as at present for Italian Government account, but for military use. After the non-military currency arrives, moreover, the remaining stocks of AM lire should be retained by AFA and it should have the right to use them in an emergency.

(*b*) The Finance Sub-commission including AFA will require some months to complete the process already begun of ridding itself of financial operations such as mentioned in paragraph L–A of Tam 445. Certain operations which must be continued by AC and which are in addition to those mentioned in paragraph L–C of Tam 445 include civilian supply and financial accounting and the financing of Advisory Council and AC–AMG.

(*c*) The transfer of AFA to headquarters, therefore, could not be accomplished for several months and even then would require the creation of another Finance Sub-commission section to continue handling many current functions of AFA.

9. The wider problem of giving "a greater measure of responsibility in financial matters" to the Italian Government is dealt with only to a limited extent in Tam 445. The AC is concerned at present in varying degrees between advice and control with many other areas of financial operations such as the following:

(*a*) The AC assists the government in its own territory in the control of expenditure and finds it necessary to a certain extent to bring pressure upon the government from time to time to prevent essential communications and other services necessary to the Allied war effort from breaking down.

(*b*) The AC collaborates with the government in the collection of revenue, the development of new sources of revenue, the improvement

of existing techniques of collection and in the effort to reduce collection costs and generally stimulate the efficiency of the revenue service.

(*c*) With regard to governmental accounting within and without the budget, the AC works with the central accounting authority in attempting to keep a close check on budget deficit, expenditure and disbursement deficit.

(*d*) With the Italian Government the AC is trying to obtain normal operations of domestic insurance, but is keeping a tight control at the same time as required by Tam 417 over insurance interests abroad.

(*e*) In the field of property control and in the absence of any instruction in detail from CCS, the AC has been trying to conserve the properties of Allied nationals in Italy and to arrange appropriately for the transfer of this responsibility to the Italian Government.

10. I intend to continue as heretofore until otherwise instructed. *End of paraphrase.*

Section III. Without presuming to enter into technicalities, I can only say with regard to the foregoing that it is an unhappy commentary on Allied policy and practice in Italy if, owing to a failure to take reasonable measures to strengthen the position of the Government and improve conditions in the country, it is considered inadvisable to establish now financial measures which would have been realistic and practical if determined months ago and which must eventually be put into effect as a part of a safe economy in Italy.

To my mind the liberation of the north should not be regarded as a potentiality for increased strength to the present government but as an eventuality fraught with fresh burdens which may prove unbearable and consequently contributory to a state of disorder throughout the country similar to but greater in extent than we have already witnessed in other areas. To confront the present government in its present state of weakness and disillusionment with the necessity of adopting measures which, taken by themselves, increase their responsibilities before the country without concrete and present benefits may be found by Allied financial experts here too drastic a dose but even that will not be established without determining accurately the measured views of all the interested ministries of the government. Some steps to that end are, I understand, envisaged.

In conclusion I can not refrain from submitting however that if the Italian Government can be assured that the President's expressed views as regards food and transport requirements for Italy may be regarded as in process of execution and, that the American policy to substitute a more realistic status for Italy in place of the present armistice regime has been accepted for implementation, the Italian Government should then be able to absorb the shock of the contemplated financial measures particularly in view of the fact that they are fundamentally salutary and do not in themselves preclude the possi-

bility of eventual credits to Italy which may prove necessary and constructive. And even if that is too optimistic a view and the government fails in the test outlined above it can be argued that the consequences of such a revelation of weakness would be more easily dealt with now than at the time of the real emergency when the north is liberated.

KIRK

865.24/2–1545

The Foreign Economic Administrator (Crowley) to the Assistant Secretary of State (Clayton)

WASHINGTON, February 15, 1945.

DEAR MR. CLAYTON: Thank you for your reply of January 22 to my letter of January 11, addressed to Mr. Stettinius, in which I raised the question of redefining at this time the supply policy of this Government with respect to Italy. In your reply you state that the determination of what supplies are needed in Italy for military purposes is primarily for the military authorities, and that the State Department is concerned that all reasonable military needs be met.

It is my understanding that the State Department by virtue of its representation on the Combined Civil Affairs Committee, in which this Administration has no voice, has the function there of expressing the views of the civilian agencies of the government with respect to the supplying of civilian needs in Italy during the period when the primary responsibility in supply matters rests with the Combined Chiefs of Staff. For this reason I sought, in my letter to you of January 11, to point out what I believe are grave deficiencies in our supply policy and their possible consequences, in the hope that the then forthcoming directive would be so drawn as to eliminate these defects.

You state in your reply that the directive, as drawn, is considerably broader with respect to civilian supply in that it makes provision for supplies necessary for the restoration of power systems and transportation and communications facilities, and for the production of civilian supplies in Italy which would otherwise have to be imported. The previous policy of the Combined Civil Affairs Committee, while it did not expressly mention these categories of supply in the same way, nevertheless did not expressly exclude them. The question is now, as always, the interpretation of the general policy of the Combined Civil Affairs Committee in the field and in Washington by the various administrative agencies, such as the Allied Commission, the

Allied Force Headquarters, and the U. S. Procurement Committee, which pass on the supply needs and the requisitions from the theater. It was my hope that the wording of the new directive would be sufficiently explicit to indicate to all the organizations concerned that a broader interpretation than that heretofore given was now required. On this question of interpretation you state that the State Department has been assured by the military authorities that they recognize that the prevention of unrest and disorder and the attainment of production for war purposes may now require additional imports in the military program not needed in the beginning. If this attitude is to have an effect on operations it must be transmitted to all the branches of the military organization involved in the supply program.

The concern of this administration with the problem is of long standing and arises from financial and administrative responsibility for some of the supplies being sent there, and from the fact that it has been supplying personnel to the Allied Commission. Information coming to me as a result of these responsibilities indicates that for over a year there has been a failure to give attention to the restoration of certain aspects of industry and agriculture which are essential to the minimum civilian economy of the country. The supply problem as a whole includes many other factors, of course. Italy still needs large quantities of food and other relief goods, and shipping constitutes a major difficulty with respect to these commodities. But the materials most needed for the restoration of the local economy are not large in tonnage, and failure to provide them has not, by and large, been due to shipping limitations, but rather to limitations of policy.

As early as December of 1943, I sent Mr. Adlai Stevenson [60] to Italy to report to me on economic conditions there. In his report the policy followed by the military was described as follows:

"Military government has a limited objective—maintenance of civil order in the rear and prevention of disease among the civilian population . . .[61] Military government makes no provision for the importation of supplies for the restoration of agriculture, industry and employment.

". . . The net effect of this policy has been to defer the major economic questions for future handling. Failure to bring in necessary rehabilitation goods at this time must necessarily aggravate the Italian economic situation . . . Bad as the Italian economic situation is now, it may be expected to be worse six months or a year from now, subject only to the moderating effect of reasonably adequate food imports . . .

[60] Special Assistant to the Secretary of the Navy.
[61] Omissions indicated in the original letter.

"Economic policy objectives with respect to Italy should be defined progressively, sharply and as far in advance as possible . . . We suggest that present policy should include not only the military objective of food, fuel and medicine, but also at least a minimum of selective rehabilitation of industry and agriculture to increase self-support in food and essential consumer goods. Every day of delay in tackling this problem aggravates the economic disintegration, increases the burden on our food supply and shipping, and piles up problems for the future."

Hon. Henry F. Grady, who represented this agency as well as the State Department in the Allied Control Commission, made a similar report on March 29, 1944,[62] and in his final report to the Secretary of State dated July 31, 1944 [62] he recommended a reduction of the military control over Italian resources and production, a rapid demilitarization of the Allied Commission and a definition of the policies of relief and rehabilitation.

General William O'Dwyer, who succeeded Mr. Henry F. Grady as Vice President of the Allied Control Commission and represented the FEA and the Department of State there, found the situation so serious that on September 8, 1944 he reported directly to the President recommending immediate increase in the allocation of shipping so as to carry to Italy larger amounts of food and other supplies. He also stated:

". . . Next in importance to an increased food supply will be a partial restoration of power.

"Without adequate food supply and partial restoration of manufacturing the result may well be rioting, bloodshed and anarchy. Without these two basic aids the Italian people and the government will be in a desperate plight . . . A relatively slight change in present policies may help to correct this situation."

As a consequence the President on September 8, 1944 sent the Secretary of War a memorandum directing the War Department to "take immediate action to make available the additional essential civilian supplies and shipping necessary to remedy this condition." With a similar memorandum the President invited me to "cooperate to the fullest extent possible with the Secretary of War in meeting the objectives stated in the memorandum to him."

On September 13, 1944 the Theater Commander [63] in a cable to the Combined Chiefs of Staff pointed out the restrictions imposed on the civilian supply program by existing policies, and called for a new directive adapted to the current situation. His cable, paraphrased, reads in part:

"Supplies have been imported and distributed to the civilian population in order to minimize disease and prevent unrest, and efforts

[62] Not printed.
[63] Field Marshal Sir Henry Maitland Wilson.

toward economic rehabilitation have had the primary, if not the exclusive, purpose of utilizing Italy's resources for the war effort and producing in Italy goods which would otherwise have had to be imported.

"In the light of the changed operational situation the limited directives which have governed seem no longer to be adequate . . . Moreover, if the two governments continue at this stage to consider only what is required in the interest of the war effort, they may lose the opportunity of ensuring one of their own long term interests, i.e., the establishment of a reasonably prosperous and contented Italy after the war."

The cable then goes on to give certain examples of the difficulties arising under the limited policy:

"Notwithstanding this fact the standard of military necessity still obtains and in the provision of supply is being strictly adhered to. For example, a clothing program was submitted in June (Lac airgram 32) based on the estimated essential needs of the population this winter, but also having regard to the anti-inflationary effects of an increased supply of consumer goods. I am now asked, however, (Cal 738) to certify that this clothing is the minimum requirement to prevent disease and unrest which would prejudice military operations. As another example, not of great importance in itself but indicating the type of question which is now arising, in response to a requisition of paper essential for proper keeping of Italian tax records, it is asked (Cal 566) whether the paper is necessary 'To control and manage the civil population'."

This last extract most clearly indicates the need for a thorough understanding, at every administrative level, of the interpretation to be put upon the policy laid down by the Combined Chiefs of Staff. It also suggests to me that the State Department cannot safely remain indifferent to the application of this policy in day-to-day operations. The final authority for supply remains, during this period, in the military, but the consequences of military administration affect the civilian economy and our long-range interests with respect to Italy.

I would therefore like to suggest that the new directive should be accompanied on the U.S. side by a modification of the hitherto exclusive control exercised by the military over its implementation. The civilian agencies have up to now played a minor role in policy decision and administration with respect to economic and supply problems both here and in the field. This situation should be changed, and the FEA, along with other civilian agencies, should be given official representation on, and a vote in all the committees where economic decisions on Italy are made.

Unless something of this sort is done neither this administration nor the State Department will be adequately informed of supply operations for Italy, nor will they be assured that the objectives of the civilian agencies, during the military period, are being met.

For the financing of these civilian supplies appropriated funds, supplemented by the dollars made available, or to be made available to the Italian government, seem adequate for the time being. FEA will shortly submit proposals for further financing on which we hope to have your support.

I should like to add that unless a change makes itself felt immediately all reports indicate that conditions in Italy will be driven to the verge of political and social chaos, particularly if the northern areas are added to the territory under Allied control. I am sure that such consequences are not desired by this government, which has in its public utterances given every indication of a desire to provide a peaceful and democratic solution of Italian affairs.

I have confined my remarks to the supply phases of our economic policy toward Italy. With respect to the political and financial sections of the new directive, as you know, I concurred in the memorandum filed by the U.S. members of the Combined Civil Affairs Committee on January 22.[64] Matters described in that memorandum seem to be of the utmost importance. However, the immediate problem in Italy is one of supply and it is only through an improvement of the supply program that immediate effects can be achieved.

Sincerely yours, LEO T. CROWLEY

740.00119 Control (Italy)/2–1345 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, February 17, 1945—4 p. m.

331. Department appreciates information contained in your 388 February 13 and your analysis of financial proposals. Your comments appear to us to deserve fundamental review of our financial proposals. Would you object to our giving this telegram to Treasury, and possibly War, for limited distribution for purposes of such discussion?

GREW

Aide-Mémoire of February 24, 1945, From the Acting President of the Allied Commission (Macmillan), to the Italian Government[65]

In accordance with the declaration of the President of the United States of America and the Prime Minister of the United Kingdom of Great Britain,[66] the Allied Governments propose to relax the control of the Italian Government under the armistice in the matter of day-

[64] Not found in Department files.

[65] Reprinted from Department of State *Bulletin*, November 11, 1945, p. 757.

[66] The Declaration was released to the press by the White House, September 26, 1944; for text, see telegram 205, September 27, 1944, to Rome, *Foreign Relations*, 1944, vol. III, p. 1153.

to-day administration and only to exercise such control when Allied military interests require.

2. The Political Section of the Allied Commission is being abolished as of the 1st March, 1945. The Italian Ministry for Foreign Affairs will deal with the Chief Commissioner on matters of major policy, and on matters of minor policy and routine business it will address itself to whatever section (economic or civil affairs) of the commission may be appropriate to the subject involved. Matters involving the travel of diplomatic and other public officials will hereafter be dealt with on behalf of the commission by the office of the Executive Commissioner.

3. The Italian Government will continue, as at present, to have direct relations with foreign diplomatic representatives accredited to the Quirinal. The Allied Commission should be kept generally informed by the Italian Government of any negotiations in which they engage with other Governments. Facilities for the use of secret bags will be granted to the Italian Government for use in correspondence with their diplomatic representatives abroad. Undeposited cypher facilities cannot be allowed for the present.

In so far as these negotiations have to do with economic and financial matters, the Economic Section and its Finance Sub-Commission should be kept informed of their progress.

It would be convenient if the Italian Government would furnish a periodic summary of all negotiations completed or pending with other Governments.

4. The Allied Commission will limit its dealings with respect to territory under the jurisdiction of the Italian Government to consultation with and advice to the Ministers of the Italian Government.

5. The advisory functions of the Sub-Commissions of Education, Monuments and Fine Arts, Local Government, Legal and Labour in territory under the jurisdiction of the Italian Government will be performed only when requested by the Italian Government.

6. It will no longer be necessary for the Italian Government to obtain the approval of the Allied Commission for decrees and other legislation enacted by the Italian Government in the territory under the jurisdiction of the Italian Government.

Nevertheless the Allied Commission should be informed of proposed decrees some time before their enactment, in order to enable the Chief Commissioner to consult with the Italian Government as to their application to territory under the jurisdiction of Allied Military Government (A.M.G.), and to lay plans for their effective implementation in such territory when appropriate.

7. It will no longer be necessary for the Italian Government to obtain approval of the Allied Commission for Italian appointments,

whether to national or local offices, in territory under the jurisdiction of the Italian Government except with regard to the attached list of positions having military significance.[67] The Italian Government will have the right to alter appointments made previously by A.M.G. authorities.

8. The Allied Commission officers stationed in the field in the territory under the jurisdiction of the Italian Government will be withdrawn. As a first step it is intended to abolish by the 1st April, 1945, the Regional Offices of the Allied Commission for Sicilia, Sardegna, Southern and Lazio–Umbria Regions. Representatives of the Allied Commission will, however, be sent into territory under the jurisdiction of the Italian Government when necessary, and certain specialist officers with economic functions will remain in such territory for a limited period.

9. It is the desire of the Allies to encourage free trade in knowledge and learning with the Italian people. Arrangements will be facilitated for the flow between Italy and the United Nations of books and other publications of a scientific, political, philosophical and artistic nature, and for the movement of scholars, artists and professional men between Italy and the United Nations.

10. The Allies welcome the decision to hold local elections in territory under the jurisdiction of the Italian Government as soon as may be.

11. The Allied nations desire to make concessions with regard to Italian prisoners of war now or hereafter held in Italy, other than those captured since the armistice was signed. Provided that arrangements can be made for the services of such persons to continue to be made available on terms satisfactory to the Supreme Allied Commander, their status as prisoners of war will be terminated.

12. It is essential that the Italian Government formulate and implement appropriate economic controls and take all other steps possible both in order to ensure that maximum production and effective and equitable distribution and control of consumption of local resources possible under existing conditions be secured and as a prerequisite to increased economic assistance.

13. In the joint programme of essential Italian imports, now being prepared by the Inter-Ministerial Committee for Reconstruction and the Economic Section of this commission, there will be some supplies for which the combined United States–United Kingdom military authorities will assume responsibility for procurement (Category "A") and other supplies for which they will not assume responsibility

[67] For the attached list, see Department of State *Bulletin*, November 11, 1945, p. 759.

(Category "B"). A definition of the supplies which fall into Category "A" follows:—

(*a*) Those quantities of agreed essential supplies necessary to prevent disease and unrest prejudicial to military operations, such as food, fuel, clothing, medical and sanitary supplies.

(*b*) Those supplies, the importation of which will reduce military requirements for the import of essential civilian supplies for the purposes referred to in this paragraph, such as fertiliser, raw materials, machinery and equipment.

(*c*) Those materials essential for the rehabilitation of such of the Italian communication facilities, power systems and transportation facilities as will directly further the Allied military effort.

14. The programme for which the military authorities assume responsibility will be maintained for the duration of combined (United States–United Kingdom) operations in Italy. For this period, and within the limits defined in paragraph 13, Italy will be treated as a whole. The date of the termination of military responsibility will be fixed by the Allied Nations.

15. In addition to the programme of supplies for which the military assume responsibility for procurement (Category "A") the Allied Commission will assist the Italian Government in the preparation of programmes of supplies designed to rehabilitate Italian industry. Such programmes, referred to as Category "B," will be handled under procedures already notified. The purchasing of supplies in Category "B" programmes will be undertaken immediately without reference to the present difficult shipping position in order that the supplies so purchased may be called forward as and when shipping space becomes available.

16. The Allies desire that industrial rehabilitation in Italy be carried out by the Italian Government to the fullest extent permitted by Italian resources and such supplies as it may be possible to import under the terms of paragraphs 13, 14 and 15 above, and subject to the limitation in paragraph 19 below. The sole exception to this principle is to be made in the case of industries involving the production or repair of munitions or other implements of war, which will be rehabilitated only to the extent required by the Supreme Allied Commander in the discharge of his military mission, and to the extent necessary to further the Allied military effort in other theatres. The priority order in which Italian industry will be rehabilitated (after the rehabilitation of industries essential for Allied Military purposes) will be determined by the Italian Government, with the assistance and advice of the Allied Commission.

17. The prime responsibility for the control of inflation in Italy, including the imposition and administration of the appropriate finan-

cial controls and economic controls, and appropriate utilisation of supplies, rests with the Italian Government. In this connexion, as in others, the Allied Commission stands ready to advise and assist.

18. The extent to which exports are to be stimulated and the development of machinery to handle export trade are for determination by the Italian Government. For the time being, the Italian export programme will necessarily be limited by certain shipping, military, financial and supply factors. The applicability of these factors to individual programmes will be worked out between the Italian Government and the Economic Section of the Allied Commission along the lines already discussed by the Economic Section with the Inter-Ministerial Committee for Reconstruction.

19. Nothing contained in the above should be taken as constituting a commitment by the Allied Nations with respect to shipping. Any supplies to be imported into Italy must be transported within such shipping as may be allocated from time to time by the Allied Nations.

HAROLD MACMILLAN

24 FEBRUARY, 1945.

865.51/2-2845 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, February 28, 1945—midnight.
[Received February 28—6 : 52 p. m.]

254. Question to [*of*] transfer of currency responsibility to Italian Government will be discussed at SAC's political committee meeting March 2. We have not changed our position as expressed in various telegrams to Department recently sent from Rome. *Stars and Stripes* [68] here reported AP [69] story this morning from Washington stating that Secretary Morgenthau [70] testified yesterday before House Appropriations Committee "possibly Italian Government may place a claim for reimbursement after the war and we on our side will have a claim for the cost of invasion, et cetera". It is further stated that Morgenthau said that Italian Government has accepted responsibility for redemption of Italian invasion currency under terms of armistice agreement.

If Secretary of Treasury did indeed make statements attributed to him for publication the sole argument which Macmillan and the AC have used in taking their position on this question, i.e. that Italian

[68] Army newspaper.
[69] Associated Press.
[70] Henry Morgenthau, Jr., Secretary of the Treasury.

Government could not at this time acknowledge publicly its financial responsibilities, automatically disappears.

Any information which Department may be able to give us on this matter before next political committee meeting would be appreciated.

KIRK

865.51/2-2845 : Telegram

The Acting Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, March 1, 1945—8 p. m.

180. Reurtel 254, February 28. Financial policy toward Italy has been under review within the Department during the past several weeks, particularly with regard to method of financing imports after military period ends. Thinking on the subject has not crystallized, but there is some feeling on the part of technical personnel who have studied it that transfer of issuing authority for military lire to Italian Government might be possible only as a part of some broader move which would enable Italian Government to justify assumption of liability to Italian people. This feeling stems to a considerable extent from study of Rome's 388, February 13, 442, February 16, 501, February 22 and Des 858, January 26.[71] In discussions with British here we have taken care not to foreclose ourselves from using financial situation as an argument for making more fundamental changes in Italian position vis-à-vis Allies. (see Section 3 Rome's 388).

Morgenthau statement does not necessarily dispose of point raised by Macmillan. There has been no public acceptance by Italian Government of responsibility for AM lire such as by consolidating it with Bank of Italy note issue and including it in published figures of liabilities of the Bank. In fact the Italian Government in memorandum [71a] enclosed with Des 858, January 26 questions its liability under the armistice for total AM lire issue. If the Italian Government publicly acknowledges the accuracy of position taken by Secretary Morgenthau, the question is resolved. If it is silent or questions its obligation, the issue remains.

Foregoing is our hasty reaction to your 254 for your background for March 2 meeting and does not reflect considered view of Department.

GREW

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[71] Telegrams 442 and 501 not printed.

[71a] Not printed.

865.51/3–845 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, March 8, 1945—7–9 p. m.[72]

461–463. Discussions with Quintieri–Mattioli mission were concluded on March 6 and mission is leaving United States today for Italy.

Memorandum was handed mission on March 6[73] covering points on which we felt it possible to make statements. Copy of statement has been airmailed to you.

Summary follows:

1. United States Government has welcomed initiative of Italian Government in sending mission and feels that discussions have been helpful. United States desires restoration to normal basis as promptly as possible of economic and financial relations between the two countries. However, owing to war conditions and legal consequences of state of war between the two countries, this objective can be achieved only by gradual process.

2. Memorandum includes a statement on financial points along the lines summarized in Deptel 66, January 13 to Rome.

3. United States will pay dollars for all post-liberation diplomatic expenses in Italy.

4. Memorandum notes that the mission has raised the question of foreign exchange payments for military expenditures in Italy other than troop pay and for supplies and services furnished on a requisition basis. This subject has been regarded as inappropriate for discussion with mission, but mission has been informed of difficulties attaching to this proposal. Memorandum further notes that similar request has been made formally by the Italian Government to AC and to U.S. and British Governments and states that reply will be made to the Italian Government in due course.

5. Memorandum sets forth substance of revised export policy (reference Tam 456, February 9) and indicates willingness of United States Government to issue licenses under Trading-with-the-Enemy Act[74] to permit the importation of Italian goods into the United States.

6. Memorandum states that Italian Government with AC advice and assistance will be authorized to prepare a supply program for rehabilitation items.

7. United States is willing to enter into agreement on economic policy objectives (Deptel 175, January 31[75]). Text of proposed note

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[72] Telegram sent in three separate sections numbered 461, 462, and 463, dated March 8, 7 p.m., 8 p.m., and 9 p.m., respectively.

[73] Not printed.

[74] Approved October 6, 1917; 40 Stat. 411.

[75] Not printed; in this telegram the Department advised that it was considering an early proposal to the Italian Government of an exchange of notes embodying substance of article VII of the Mutual Aid Agreements (840.50/1–3145).

on this subject was handed Italian mission. Neither the memorandum nor the draft note mentions article VII [76] of the lend-lease agreements.

8. United States is granting unconditional most-favored nation treatment to Italian exports to this country and we expect reciprocal treatment for American commerce as Italian foreign trade revives. At a later date we may wish to propose negotiation of commercial agreement embodying reciprocal assurance of such treatment. United States desires that trade between the two countries be expanded as rapidly as possible and be returned at an early date to private channels.

9. Memorandum describes action which has been taken by Alien Property Custodian to relax controls over Italian pre-war assets. However, ultimate disposition of such assets remains to be determined in the light of American claims against Italy after consultation with other Allies.

10. Speed with which restoration of Italian external financial and trade relations can be restored to normal will depend to substantial extent on cooperation of Italy with Allied economic warfare measures.

Re penultimate paragraph Deptel 66, January 13, record of discussions has not been put in final shape and has not been mailed to you as yet. It will be sent out in a few days.

Reurtel 199 January 23,[77] no press release is being issued here. However, press inquiries will be answered along lines of following statement, text of which has been made available to Italian mission.

For the past several months, an economic mission representing the Italian Government has been engaged in discussions with experts of the interested agencies of the United States Government regarding economic problems of mutual concern to the two Governments. The mission is headed by Baron Quinto Quintieri and Mr. Raffaele Mattioli.

The discussions have included both financial and trade matters and have afforded an opportunity for a full exchange of views between the two Governments on these subjects. Consideration has been given in particular to the problems involved in the restoration of normal economic relations between the two countries. Substantial progress has been made in exploring the steps in this regard which will be necessary on the part of each Government, and a basis has been laid for future action.

The discussions have now been concluded and the mission is returning to Rome to report to the Italian Government.

Text of memorandum was handed to mission at formal meeting presided over by Assistant Secretary Dunn. It was made clear to the mission that we recognize memorandum does not cover certain points which they raised with us, such as credits, lend-lease, and

[76] For text of article VII, see Department of State Executive Agreement Series No. 241, or 56 Stat. (pt. 2) 1433.

[77] Not printed; in this telegram Ambassador Kirk expressed hope that it would not be necessary for Department to issue a press release regarding nature of Quintieri–Mattioli discussions in Washington (865.51/1–2345).

Italian participation in Bretton Woods Agreements.[78] They were told that the omission of these points should not necessarily be regarded as indication of negative viewpoint on our part but merely that we do not feel time is ripe for discussing these subjects. The mission indicated appreciation of our difficulty but expressed hope that further steps would be taken shortly.

Length of memorandum precluded possibility of reading and discussing it at the meeting and mission made no statement of reaction to the memorandum. However, in informal conversation after the meeting they raised two points:

1. Is there any possibility of United States paying dollars for military expenditures other than troop pay and requisitions of United States forces in Italy? It was pointed out to them, as had been done on numerous occasions during the course of the conversations, that such a step would place Italy on a more favorable basis than France, Belgium and other Allied countries. In these countries, we pay dollars for troop pay, but obtain supplies and services for our troops on reciprocal aid.

2. Mission asked for information as to scope of program for furnishing rehabilitation supplies and method of financing program. They were told that we are not in a position to give a final answer on this point, but that it will probably be financed by troop pay dollars.

GREW

865.24/3-2745.

Memorandum of Conversation, by the Acting Associate Chief of the Division of Financial Affairs (Reinstein)

[WASHINGTON,] March 27, 1945.

Participants: Mr. Alberto Tarchiani, Italian Ambassador
Mr. Clayton, A-C [79]
Mr. J. J. Reinstein, FN

The Italian Ambassador called by appointment today to discuss the following matters: [79a]

1. *Italian Supply Program*

The Ambassador said that he understood the FEA is working on a project for supplying Italy with $600,000,000 worth of goods dur-

[78] For documentation regarding the United Nations Monetary and Financial Conference at Bretton Woods, New Hampshire, July 1–22, 1944, see *Foreign Relations*, 1944, vol. II, pp. 106 ff.; for texts of Articles of Agreement of the International Monetary Fund and Articles of Agreement of the International Bank for Reconstruction and Development, formulated at Bretton Woods, see Department of State, Treaties and Other International Acts Series No. 1501, or 60 Stat. (pt. 2) 1401 and 1440.

[79] William L. Clayton, Assistant Secretary of State.

[79a] Apparently only the one matter is treated in this memorandum.

ing the coming year. He described this program as being one of "reciprocal aid", and appeared to be under the impression that it would be based upon some recognition of Italy's contribution to the war as measured by Allied military expenditures and requisitions in Italy. He indicated that the supply program drawn up by the Italian Government had originally amounted to more than $1,000,000,000. He said that the Italian Government recognizes that a program as large as this is out of the question, but he thought that the figure of $600,000,000 would be of substantial assistance to Italy. He did not indicate very clearly what the purpose of his visit was, but it appeared to be to express the hope that the State Department would support the proposal.

The Ambassador was informed that, as the Department understands the matter, the discussions which have taken place with reference to the Italian supply program have envisaged the continuation of the general types of arrangements which are now in effect and with which the Italians are familiar. These were described to him as being the military program, which provides certain basic civilian supplies, and the program for rehabilitation materials, which will probably be financed principally by the use of the troop pay dollars insofar as the United States is concerned. He was told that the extension of lend-lease aid to Italy is not receiving active consideration and that the extension of such aid has not been regarded as feasible.

865.24/4–1645 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, April 16, 1945—4 p. m.

654. From Treasury for Tasca.[80] A Mission from the Office of the Army–Navy Liquidation Commissioner, headed by Mr. Livingston L. Short, has departed for Italy to deal with the disposal of surplus Army–Navy property in Italy and will contact you on its arrival in Rome. It is our understanding that this Mission will carry out its negotiations with the Italian Government through the American Embassy, and you should cooperate fully with respect to the financial aspects of these negotiations.

State and Treasury have worked out with the Mission the basic principles governing disposals as follows:

a. Insofar as possible, all sales of surplus property will be made to the Italian Government at negotiated prices. The Italian Government will be expected to pay dollars currently for items of surplus property when the Italian Government would have purchased similar

[80] Henry Tasca, of the Treasury Department, on special mission to Italy.

goods for dollars in the absence of a surplus sale. All other surplus property will be sold for lire to be deposited in a special account in the name of the Treasurer of the United States. The Italian Government would recognize its obligation to convert the lire balance in this account into dollars and a funding arrangement would eventually be negotiated by State and Treasury with the Italian Government.

b. Agreement would be reached with the Italian Government that the funds in the special account would be available for certain limited uses. We would not expect to use the funds in the account to meet military expenditures or to pay for exports from Italy. However, we would desire to use the funds for non-military expenditures of the United States Government and for certain other purposes such as tourist expenditures, personal remittances to Italy, American charitable, educational and scientific expenditures, and servicing of American ships in Italian ports. The exact uses will of course have to be negotiated.

c. The Italian Government would guarantee the balance in the lira account so that the dollar equivalent of the balance would in no way be altered by exchange fluctuations.

We are sending you by despatch copies of various memoranda and letters relating to the disposal of surplus property in Italy for your guidance and information. Please keep us fully informed of developments relating to this matter. [Treasury.]

STETTINIUS

740.00119 European War 1939/4–2645 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, April 26, 1945—6 p. m.
[Received April 26—5:05 p. m.]

1053. I am in receipt of a *note verbale* from the Italian Foreign Office submitting that Italy has the right, along with other belligerents, to indemnification in the reparations account against Germany for damages which the Germans have caused to Italian economy. As a corollary, the note proposes that Italian Technical Commissions for identifying Italian assets carried away by the Germans and arranging for their return be admitted to the Allied bodies which will follow the Allied occupying forces in Germany, and that Italian representatives be admitted to the reparations commission to assemble at Moscow. In paraphrase, the substance of the *note verbale*, which the Foreign Office asks me to support to my Government, is as follows:

Begin paraphrase. In anticipation of the early cessation of hostilities with Germany and the consequent occupation of German territories, the Royal Ministry calls the following to the attention of the United States Embassy:

(1) In direct dependence upon the state of war with Germany, the Italian economy has suffered a vast amount of damage, comprising

(*a*) destruction of equipment belonging directly to the state (highways, ports, railways, public building, public service plants, et cetera); (*b*) total or partial destruction of private productive plants (electric centrals, industrial plants, stocks of raw materials, crops, livestock); and (*c*) indirect damages (costs of German occupation, paralysis of production in many fields of activity in consequence of the military occupation, and vast dislocations of industries effected by the German authorities for military purposes, et cetera.) The dependence of this immense total of damage on the juridical state of war is undeniable, nor can it be denied that Italy with the same right as pertains to any other belligerent, is entitled to suitable indemnification in the reparations account.

(2) A further consideration is that the German military authorities forcibly carried away from Italy vast quantities of productive assets (machinery, plants, railway equipment, raw materials, et cetera) which in large part have been used or incorporated in fixed plants on German territory; in addition, during the summer of 1944 the German Government ordered the German-occupying military authorities to compel individuals and private bodies to make private agreements for transporting many machines to Germany to complete and reinforce plants in that country. On the basis of these agreements, the ownership of such machines was to remain with the Italian industries which made them available, as it was contemplated that the material in question would be restored to Italy at the end of the war. The Royal Government considers that it has the right to demand the restitution of all such material and productive assets in so far as they may be found, so that it may arrange for returning them to their rightful owners. In the event that their recovery is not possible, the Royal Government considers that they should be included in the account for war damages to be charged to Germany.

(3) While reserving the right to supply all possible data to prove the extension of damages suffered by Italian economy and imputable to the German Government, and to demonstrate the foundation of single claims; and while reaffirming its demands for the restitution of the gold of the Bank of Italy and works of art, which previously have been made the subject of separate communications, the Royal Government holds it to be its duty to make the fullest reservation now of the rights of the injured individuals and bodies, and requests that the Allied governments recognize: Its power to exercise its rights for suitable indemnification in the reparations account, the right to restitution of assets carried away, or failing this, the right to share in a proportionate eventual distribution of the German productive equipment; and that the Allied Governments consent to the direct admission of Italian Technical Commissions in the Allied bodies which will follow the forces of occupation in Germany, so that they may proceed to the recognition and consequent recovery of all machinery, materials and property of any kind which have been carried away; and the direct admission of Italian representatives in the Reparations Commission which, pursuant to the Yalta Conference, is shortly to meet at Moscow.

It is the hope of the Royal Ministry that the Embassy of the United States, constituting itself an interpreter of the foundation for the foregoing requests, will support them to its government, and awaits knowledge of the latter's views in the matter. *End paraphrase.*

In view of the broad issues included, I should appreciate being instructed as to what reply I should make to the Foreign Office.

KIRK

740.00119 EW 1939/5-945 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, May 9, 1945—11 a. m.
[Received May 9—9 : 28 a. m.]

1217. Member of Italian Government has handed me personally a copy of a letter to Chief Commissioner of AC in which Premier Bonomi points out that with the liberation of northern Italy and the surrender of the German troops there large quantities of the enemy's military material remain in Italian territory. The Italian Government, he says, requests that such of that material as can be used for civilian purposes be left at the disposal of the Italian authorities, a request which he bases (1) on the assistance which Italy has given in bringing about the liberation (2) on the serious spoliation of Italian property carried out by the Germans, and (3) the need for using the material in question immediately in works of reconstruction so as not to nullify the efforts made by the Italian Patriots to save Italy's industrial equipment. Adding that the utilization of the material would serve to reduce unemployment and the prejudicial, political and social effects derived therefrom, he expresses his confidence that the Allied authorities will be disposed to give the most benevolent examination to the Italian Government's request.

In connection with the foregoing I am exploring the matter with AC and AFHQ and will report any pertinent developments from this end.

Sent Department repeated to AmPolAd as 149.

KIRK

865.50/5-2845

The Italian Ambassador (Tarchiani) to Mr. William Phillips, Special Assistant to the Secretary of State

WASHINGTON, May 28, 1945.

DEAR MR. AMBASSADOR: I have read in the press the letter that President Truman has written to Mr. Crowley,[81] following Judge

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[81] For text of President Truman's letter to Leo T. Crowley, Foreign Economic Administrator, see Leland M. Goodrich and Marie J. Carroll (eds.), *Documents on American Foreign Relations*, vol. VII, p. 922.

Rosenman's report [82] on the situation of the countries of northwestern Europe, which was released from the White House on May 21st.

I have noted from such letter that, realizing the dangers of the economic conditions of such countries and being fully aware that a "chaotic and hungry Europe is not fertile ground" for stable and democratic governments, President Truman has stated that it is the established policy of the United States Government to accept the responsibility of being the principal source of civilian supplies for those countries and that instructions have accordingly been given to the agencies concerned.

You know too well, my dear Mr. Ambassador, with what concern I view the economic situation, especially from the supply standpoint, of my country, and in particular how I do fear the political consequences that may arise also in Italy out of the present disruptive economic conditions. We have millions of people without shelter and clothing; entire towns destroyed; the greater part of our industries paralyzed by the lack of raw materials and fuel; the transportation facilities completely disorganized; the food situation very serious especially in the big centers which are, as you know, the cradle of social unrest, and our monetary circulation endangered by a serious inflationary process, with no backing whatsoever for our currency. It is therefore easy to foresee what will be the conditions of the Italian population in the years to come. That is why, dear Mr. Ambassador, I was very sorry that the survey made by Judge Rosenman in some European states was not extended to Italy, which, being one of the countries with the thickest population in Europe, might have provided, in my opinion, some useful ground for meditation, precisely in connection with the considerations so thoughtfully outlined by President Truman in his letter. I know that the various departments here are fully aware of the present difficulties of the Italian Government in the economic field, but I think that a similar survey made also in Italy could have served very usefully to enlighten the various agencies concerned on the situation there.

May I add that, now that the end of the military responsibilities in Italy is approaching, she might encounter the greatest difficulties in providing the necessary funds in order to finance her essential import program, especially if she will have to rely on her very meager foreign exchange credits and if the military program should fail to support her requirements.

This is the reason why I was, I must confess, rather distressed in reading that in the provisions so speedily taken by President Truman

[82] For summary of report of Samuel I. Rosenman, Special Counsel to President Truman, released to the press May 1, 1945, see *Documents on American Foreign Relations*, vol. VII, p. 918, or Department of State *Bulletin*, May 6, 1945, p. 860.

in favor of some European nations the situation of my country was not taken into consideration. More so when I think that, after the courageous achievements and the concrete contributions of the partisan forces in Northern Italy, some prompt support from the United States would be interpreted in my country and especially in the recently liberated part, as a consistent acknowledgement of the efforts made by the new democratic Italy in participating in the common struggle. Such efforts, as you are aware and as my Government has already clearly stated, Italy is also very eager to pursue beyond the end of hostilities in Europe, wherever the battle for democracy is now being fought.

I have attempted to sketch in the memorandum here attached [83] the present situation from the economical and technical standpoint, and I do trust, dear Mr. Ambassador, that you will give favorable consideration to the problems outlined therein.

I thank you wholeheartedly in advance, Mr. Ambassador, for what you might decide to do in this matter and I remain

Sincerely yours, TARCHIANI

865.50/5–2845

The Italian Embassy to the Department of State

MEMORANDUM

Italy is not a Lend-Lease nation, in spite of the fact that after the Armistice she has tried with all her means to redeem herself from the errors of Fascist politics, placing all her resources at the disposal of the Allies and asking repeatedly to be allowed a greater military participation in the war.

With the end of hostilities in Europe Italy, as other European nations, must speedily proceed to the task of her rehabilitation and reconstruction. In this respect the most urgent problem which she must solve is to see to what financial and economic sources she can make recourse in the months which lie ahead.

An Italian economic mission, which from November of last year until March 1945, had been in contact with the appropriate agencies of the United States, had stressed the necessity of settling the financial and economic relationships between Italy and the United States with a reciprocal aid agreement, but such a proposal, which would have allowed Italy to become a Lend-Lease nation, was not considered acceptable.

However, whilst the military operations were proceeding on Italian soil, Italy could count on two categories of financial support: her

[83] *Infra.*

own credits in foreign currency and the program under the formula of the "prevention from disease and unrest" of the military Allied authorities in Italy.

Of these two categories, Italy's credits scarcely amounted to more than 100 million dollars (nearly all being the counter-value for troops' pay in Italy) whilst, for what concerns the other category it seemed that the military program should have amounted according to a preliminary calculation, to an approximate figure of $600,000,000 for the next financial year, to be given out of Lend-Lease appropriation.

At the end of last year, the Allied Commission in collaboration with a Committee set up by the Italian Government, drafted a first-aid program of rehabilitation which, roughly speaking, amounted, only for southern Italy, to an approximate figure of one billion dollars, part of which had to be borne by the military program, while the other part would have been financed with Italian credits. By the joint contribution of the aforesaid two categories of financial support (700–800 millions of dollars), the first-aid needs would have been nearly met.

On the contrary, with the end of the war in Europe, the military authorities have already given official notice to the Italian Technical Mission here that *some important items originally attributed to the military program will be no longer procured by them.* This seems to indicate that the part of the above program, which had to be originally borne by the military authorities, may be reduced to a much smaller scale.

Should it ever happen, furthermore, that such program be entirely withdrawn, Italy will be left only with her own credits, which will enable her to finance only one tenth of her first-aid program in the southern part of the country. On such credits she will be unable to face not only any rehabilitation program, but even the essential needs of food supplies for civilian consumption.

It is needless to point out the disruptive consequences for the Italian economy of the complete lack of financial support which would derive in the coming months from a withdrawal of the above said military program.

There are, on the other hand, no instruments or institutions at present (like, for instance, the Bank of Reconstruction and Development, still on the way of being established) to which Italy can make *immediate* recourse for borrowing the necessary currency to face [*finance?*] the import program.

It is hoped therefore that, pending such long-range arrangements on which, it is hoped, Italy might count for her final financial and economic reconstruction, the necessary means for the procurement

of the first-aid essential imports will not be interrupted in the present intermediate period.

WASHINGTON, May 29, 1945.

865.00/5–3045

Memorandum of Conversation, by Mr. William Phillips, Special Assistant to the Secretary of State

[WASHINGTON,] May 30, 1945.

The Italian Ambassador left with me this morning four communications:[84]

1. With regard to Italy's credits and to the fact that some important items in which Italy is desperately in need and which were originally attributed to the military program are no longer to be procured. This memorandum was accompanied by a personal letter to me[85] in which the Ambassador points out the difficulties confronting Italy in providing the necessary funds in order to finance her essential import program.

2. With regard to the withdrawal of French troops from Italian territory.[86] The memorandum points out that this continued occupation by French troops seriously hinders that understanding between the two countries which is one of the aims of Italian policy. The Italian Government, however, has "restrained itself from issuing any public statement in this regard for the purpose of avoiding, on its part, any worsening in the situation."

3. Requesting that we use our influence with the Spanish Government with a view to lifting of the discriminatory measures taken against Italian properties and assets in Spain. The Italian Embassy at Madrid will give the American and British Embassies all the necessary information about the institutions and properties which have been frozen.

4. This memorandum points out that the Embassy has been unable to get any replies from this Government with regard to the Italian appeal for the use of certain ships to be placed at Italy's disposal and used solely for the transportation of essential supplies to the Italian population. A second memorandum on this point deals with the Italian negotiation with the Argentine Government in connection with supplies of frozen meat which are hampered by the transportation difficulties.

The Ambassador talked at length about the Italian domestic situation. Today the Bonomi Government would resign. The Socialist and Communist parties might try to form a Government with Nenni,

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[84] Memorandum referred to in paragraph 1 is apparently the memorandum dated May 29, *supra*. The other communications are not found in Department files.

[85] *Ante*, p. 1256.

[86] See pp. 725 ff.

whom the Ambassador said he had known for twenty years. Nenni was not a statesman. He was intensely excitable and would lean strongly towards the left. The Social Democrats might possibly try to form a government through De Gasperi and it was possible also that Bonomi might be persuaded to continue in office and form a new government. The attitude of the Allies would have, of course, considerable influence in the choice.

The Ambassador talked at length about the dangers which were increasing day by day to the whole European situation as a result of the growing Soviet influence. Italy was not in a strong position to resist this movement towards the left because the Italian people were beginning to feel that the Anglo-Saxon powers were no longer deeply concerned with Italy's welfare. He cited the fact that the Allies continued to place Italy in the category of a former enemy state. For example, there was nothing which the Italian Government could do in the conduct of its foreign relations without the consent of the Allied Control. This fact merely tended to increase the feelings of unrest and dissatisfaction with the Western Powers. The Ambassador wondered whether some statement, presumably by the American and British Governments, might be issued to counteract this growing tendency. He realized that the United States Government was very sympathetic and had done a great deal to be of assistance, but he appreciated also that the British Government did not see eye to eye with the American Government in this respect and continued to dominate the policy of holding Italy down and under the control of the Allies. Summing up, it was his fear that a situation was developing rapidly in Italy which might prejudice the whole European situation. If Italy should come under the domination of the Soviets the Allies would have no real friend left in Europe. France under its present government could not be counted upon in that sense. Italy's strong desire was to remain not only the friend but closely associated with the Allies, But the danger, as he saw it, lay in the increasing fear of the Italian people that the Allied Nations were not disposed to regard Italy in the category of a friend.

WILLIAM PHILLIPS

865.24/5–2845

The Assistant Secretary of State (Clayton) to the Army–Navy Liquidation Commissioner (McCabe)

WASHINGTON, June 7, 1945.

DEAR TOM: I am replying in further detail to your letter of May 25 which I acknowledged on May 30,[87] in regard to policy on the

[87] Neither letter printed.

disposal of surplus property in Italy and the terms of the *aide-mémoire* to be presented to the Italian Government.

I agree with the view of your office that it would be unwise at this time to present uniform *aide-mémoires* to all countries. Financial conditions, as well as attitudes on trade policy, are so different in the countries in which we would be disposing of surplus that the wise policy is to prepare our *aide-mémoire*, even when some leeway is intended for bargaining purposes, so as to take account of what might reasonably be expected in that country.

I also share your view that at least some of the surplus property disposed of in Italy that would qualify for the FEA list of supplies essential for relief and rehabilitation in Italy be paid for out of the troop pay dollars. The administrative difficulty that Ambassador Kirk spoke of can undoubtedly be taken care of. You ask about the control that the United States has over these troop pay dollars. They are under the control of the United States Treasury, and I think there is no doubt of the right of the American Government in its negotiations with the Italians to insist that some of these dollars be used to pay for surplus items. In view of the very serious financial position of Italy, it is my present thought that this figure should not be over $25 million. The entire Italian financial situation is now under review by the interested American agencies, and in the light of these discussions it might be desirable to reconsider this figure.

I am, however, puzzled by your remark in this connection about "the principle of insisting on the sale to foreign governments of surplus goods for dollars in preference to the purchase by other U.S. agencies of similar goods for transfer on credit lend-lease." If by this statement you mean that surplus goods are not to be used to fill a lend-lease program, if the goods can be sold to a foreign government for dollars, that would appear to be contrary to the provisions of the Surplus Property Act.[88] Goods to fill a lend-lease program are acquired by a U.S. Government agency, which therefore has a priority in their acquisition as compared with a foreign government purchasing for dollars.

You ask the view of the State Department as to the terms and conditions of payment on which surplus goods are to be sold, if they are not sold for dollars or guaranteed lire. It is the view of the State Department, and I understand that it is also the view of the Treasury Department, that you should not accept lire without an exchange guarantee. I sympathize with your desire to get dollars but you may have to make a choice between the exercise of the right to sell for dollars in third countries and the making of an arrangement with the

[88] Approved October 3, 1944; 58 Stat. 765.

Italian Government that will enable you to dispose of all of the surplus in Italy for dollars or guaranteed lire. It would seem to me that the willingness to sell individual items for lire in Italy, even if those items could be sold for dollars elsewhere, may not only be in your own interest when the problem is looked at in its broader aspects, but also may be more nearly in accord with the objectives of the Surplus Property Act than placing the entire emphasis on the receipt of dollars. As you know, Section II of the Act sets as a price criterion to obtain "as nearly as possible, the fair value of surplus property upon its disposition". This statement as to price policy is preceded however by a number of other objectives including those:

To establish and develop foreign markets and promote mutually advantageous economic relations between the United States and other countries;

To avoid dislocations of the domestic economy and of international economic relations.

I can well see why, both on grounds of obtaining dollars and on grounds of getting a distribution of surplus property that will meet the pressing needs of some of the war devastated countries of Europe, that surplus will be disposed of other than in the country in which it happens to be located, but certainly in view of the objectives of the Act this disposition in third countries should not be made solely on the basis of a dollar priority.

Sincerely yours, W. L. CLAYTON

865.24/6–1445 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, June 14, 1945—4 p. m.
[Received 6:25 p. m.]

1604. Reference my tel 1505, June 4, 6 p. m.[89] The Italian Govt has transmitted to the Allied Commission a copy of a memorandum requesting the support of the Allied Commission in obtaining credit of $300,000,000. In addition a request is also made for a Lend-Lease or reciprocal or mutual aid agreement with the United States Govt. In transmitting the above memorandum to the Embassy the Chief Commissioner of the Allied Commission [90] inquired in a covering letter dated June 9th whether the United States Govt would be prepared to grant the credit of $300,000,000 unless such credit were directly related to an import program in view of the heavy demands which will be made on US productive capacity for reconstruction and the

[89] Not printed.
[90] Adm. Ellery W. Stone.

low priority position of Italy. He also refers to the financing by the War Dept of imports of civilian supplies into Italy under the disease and unrest formula which will be cut off when the period of military responsibility is terminated. Such Category A imports the Chief Commissioner continues would have to be financed in other ways if the flow of such supplies (foodstuffs, medical supplies, coal and petroleum products) were to be continued. This would raise in a most serious and immediate form the question of financial assistance to Italy. No information has been obtained to date regarding the date on which such military responsibility may be terminated. The Chief Commissioner desires the views of the United States Govt regarding the requests of the Italian Govt.

It was intended that the original of this memorandum would be transmitted to the Dept via the Italian Embassy in Washington. However the Italian Foreign Office has apparently considered that the form of the memorandum should be modified before transmission to the United States Govt. The following is a paraphrased summary of the important provisions of the memorandum:

1. The first aid plan refers primarily to the economic reconstruction of South Italy. With the liberation of the north additional requirements have become urgent in the form of coal, raw materials and specific types of machines and parts to replace those destroyed through aerial bombardment. With a relatively limited amount of assistance in these respects industry in the north could make a very considerable contribution to economic reconstruction in Italy.

2. It is of great importance also from a political point of view that the economic and financial assistance required above be granted. Great danger will arise if the armed workers who so valiantly turned their arms against the Germans should now remain unemployed. It is a most delicate situation which could lead to dangerous consequences.

3. The financing of the purchases of the basic commodities required, however, raises a financial problem. Emergency purchases for North Italy are estimated to require a credit of $300 million. Provision for repayment within a reasonable period of time appears possible. The imports for the payment of which the credit is necessary would constitute a most important step towards the full rehabilitation of Italian industry. In turn Axis would make possible in the not too distant future full servicing of the debt contracted.

4. On similar grounds the US Govt is urged to reexamine the possibility of a Lend Lease or some other form of mutual aid agreement. The US could take into account the counterpart of AM lire in addition to troop pay as well as the contribution of Italy in the form of requisitions, supplies and work on the part of the Allied military authorities in Italy.

5. It is desired to emphasize the urgency of the matter as well as the hope that the necessary assistance will be forthcoming.

End paraphrase.

The Embassy has been informed by the Foreign Office that the request for a credit of $300 million will be made shortly. While it is

not possible here to estimate the dollar requirements to finance the emergency program (see my report No. 86, June 5, 1945 [91]) the first aid program, or, alternatively the forthcoming plan 1946 for imports it is believed by the Allied Commission that the amount required will far exceed the dollars to be made available on troop pay account. Therefore it would seem that if Italy is to finance the imports of basic and indispensable commodities required to revive the economic life of the country it is absolutely essential that some form of financial assistance be forthcoming. The inclusion of category A imports would make the position even more serious. AC estimates that the value of such imports alone to date at about $300 million of which $200 million are for AM supplies.

As for the political implications of the necessity for providing such minimum financial aid as is required I can only say that the Ital Govt view is if anything an understatement of the situation. Vast and continued unemployment in Italy, particularly in the north, would certainly jeopardize dangerously the maintenance of order in the country which is essential to post war recuperation. The question therefore is one of the form which financial aid would take and in that connection I would appreciate an indication from the Dept as to whether it would consider preferable to a general loan a series of specific credits against the purchase of categories of commodities so as to ensure that such credits will be administered in such a way as to attain the purposes for which they would be intended.

KIRK

865.24/7–245

President Truman to the Acting Secretary of State

WASHINGTON, July 2, 1945.

DEAR MR. GREW: It is a matter of deep concern to me that the economic situation of Italy be not permitted to deteriorate further. Our policy is to assist in the recovery of Italy as the only assurance against a resurgence there of the forces we have fought in Europe, and progress towards recovery in Italy will require substantial assistance from the United States for many months to come.

I am glad to learn that the War Department and the FEA are in agreement respecting the availability of $100,000,000 for imports to Italy from 1946 Lend-Lease funds. This should assure our being able to meet minimum supply requirements during the period of redeployment of our forces and into the winter. By that time I expect that additional funds will be available for Italy.

[91] Not printed.

Funds under the new program cannot be available at an early date, and, as a result, all agencies must make every effort to make fully effective such resources as are available. With this in mind it seems important to me that the War Department be alert to declare surplus in Italy property which is economically useful, but of doubtful continuing value to the armed forces, unless it clearly has a substantial disposal value in another area. Also, in the disposal of such property as surplus the problem of prices and terms should be approached in the light of our substantial interest in assisting recovery in Italy.

Another matter which may justify exploration is the possibility of eliminating shipping charges against funds made available for relief in liberated areas including Italy when Government shipping that can be used for relief to such areas would otherwise be a charge against the War Department for the return of American troops to this country.

Very sincerely yours, HARRY TRUMAN

Rome Embassy Files, 851—Italy—Financial Directive, Vol. LIX, Lot 56A211, Box 304

The Combined Chiefs of Staff to Allied Force Headquarters [92]

[WASHINGTON,] July 3, 1945.

This message is Fan 583.

1. In order further to implement the joint declaration of the President and the Prime Minister respecting Italy of 26 September 1944, you should take action as rapidly as possible in conformity with the following paragraphs, which supplement the Directive contained in Fan 487.[93]

CONTROL OF ITALIAN EXTERNAL ASSETS AND EXTERNAL TRANSACTIONS

2. The requirement that the Allied Commission approve Italian external financial transactions prior to their execution will be suspended. The Italian Government will be required, as a condition to the relaxation of such control, to keep the Allied Commission currently informed in such detail as the Commisison shall find necessary of the status of Italian external assets and of Italian external financial transactions. In conjunction with this action, you will inform the Italian Government that it will be expected to take the following steps:

A. To establish and maintain an effective foreign exchange control agency.

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[92] Informational copies sent to SHAEF, Frankfurt, for General Eisenhower, and to AMSSO (Air Ministry Special Signals Office) for British Chiefs of Staff.

[93] Not printed, but see Mr. Macmillan's *aide-mémoire* of February 24, 1945, to the Italian Government, p. 1244, which was based on Fan 487.

B. To adopt measures in support of the economic warfare objectives of the Allied Governments.

A program for the development of the necessary measures shall be worked out by the Italian Government with the British and American Embassies in Rome. The Allied Commission will furnish all possible assistance to the two embassies in this connection.

You will further inform the Italian Government that failure to take the steps specified above within a reasonable period of time will result in the reimposition of prior control by the Allied Governments through the instrumentality of the Allied Commission.

3. You should request the Italian Government to consult with the Allied Commission before authorizing the use of Italian external assets for the purpose of paying claims arising prior to 8 September 1943. All questions of this nature should be referred to the Combined Chiefs of Staff for guidance.

4. The supervision exercised by the Allied Commission over the budgets of Italian diplomatic missions in neutral countries will be suspended (reference Tam 576).

5. As soon as the Italian Government gives assurance that it assumes responsibility for ensuring the payments will not be made to undesirable persons, screening and control by the Allied Commission of outpayments for remittances from foreign countries will be suspended. Remittances to Italy from neutral countries should continue to be channeled through banks in the United States or the United Kingdom until the measures referred to in Paragraph 2B are taken by the Italian Government.

6. The Allied Commission will suspend supervision and approval of arrangements concluded by the Italian Government with Allied and neutral countries concerning the financing of foreign trade, except it may be required to ensure that proceeds of export sales will be available for the purposes specified in Tam 136 and for meeting other essential Italian expenditures. (See also Paragraph 3 above.) This directive is not to be construed as altering the policies laid down in Tam 456 with respect to Italian export trade.

7. The Allied Commission will report to Allied Force Headquarters and will keep the Embassies of the United States and the United Kingdom informed concerning any external financial transaction undertaken or permitted by the Italian Government, or the existence of any policies or conditions respecting Italian external finances, which it deems prejudicial to the interest of the United Nations, together with its recommendations for remedial measures. In any such case, you may take such action as you deem necessary in order to protect the interests of the United Nations. You should report to the Combined Chiefs of Staff any action you may take in this regard.

You should consult the Combined Chiefs of Staff before ordering the reimposition of any prior controls over Italian external transactions.

8. The relaxation of controls over Italian external assets is not to be construed to prejudice the rights of the Allied Governments under the armistice terms with respect to Italian foreign assets nor to prejudice or affect the status of Italian property in Allied countries which has been subjected to exceptional war measures such as sequestration, vesting, and freezing.

Responsibility of Italian Government and Allied Commission for Internal Finances

9. The Allied Commission will confine its intervention in Italian fiscal matters and other internal financial affairs to cases involving Allied military necessity. The Allied Commission should advise and assist the Italian Government on financial matters in respect of Italian Government territory only when requested by the Italian Government and should give such advice and assistance at high levels.

10. A. Full information will be made available to the Italian Government concerning the volume of Allied Military currency issued by the Allied Forces in Italy, the purposes for which such currency has been expended, the amounts expended for particular purposes, and other Allied financial operations in Italy, except as it may be necessary to withhold such information on grounds of military security. The books and other records of the Allied Financial Agency and of other Allied agencies must not be released to the Italian Government, however, except as specifically authorized by the Combined Chiefs of Staff.

B. You should report to Combined Chiefs of Staff the action which has been taken pursuant Paragraph 2 of Tam 331 of 26 October 1944, on the subject of informing the Italian government regarding amounts of Allied military lire issued.

Allied Financial Agency

11. All functions performed by Allied Financial Agency with reference to territory which has been returned to the Italian government should be promptly terminated except as may be required under paragraph 17 below. This involves, amongst others, the following steps which it is understood have been or are being taken:

A. Cessation of provision of lire for purchase of goods for export (Tam 456) except in any case where the Italian government is unwilling to procure supplies covered by paragraph 2 of Tam 456 and the Allied Commander has to ensure that the supplies nevertheless come forward.

B. Cessation of advances to banks of lire for payment of remittances.

C. Cessation of collection of payment in lire for civilian supplies turned over to the Italians. There is no objection to such collection where necessary in Allied military government territory.

Allied Military Lire Currency

12. You should inform the Italian government that the respective Allied governments concerned will make replies directly to the Italian government through diplomatic channels, relative to the request of the Italian government for reimbursement in foreign exchange for Allied military lire issued and the value of requisitions made by the Allied Military forces in Italy. This request was contained in memorandum of the Italian government of 9 January 1945 [94] to the Allied Commission and transmitted to the Combined Chiefs of Staff under cover of letter from Allied Force Headquarters, dated 28 February 1945, subject: Financial proposals by the Italian government.

13. After you have been notified by the American and British embassies in Rome that the United States and United Kingdom governments have replied to the Italian government memorandum of 9 January 1945, you should inform the Italian government that the Allied governments are prepared to accede to its request that all lire currency issues be unified under the authority of the Italian government. This request was addressed by the Quintieri–Mattioli Economic Mission to the United States government and referred by the United States government to the Combined Chiefs of Staff. In order to implement this decision, you are authorized to enter into an agreement with the Italian government under which:

A. The Italian government, or an Italian agency designated by it will be recognized as the issuing authority of Allied military lire, including such lire now in circulation.

B. Future currency needs of the Allied Forces in Italy will be met with currency issued by the Italian government or its designated agency. Pending the time when the Italian government or its agency is able to acquire sufficient currency of its own design, you should make available to the Italian government Allied military lire in such amounts as are required to meet the needs of the Allied Forces in Italy. You will obtain supplies of Allied military lire by requisition as heretofore.

14. Under the agreement to be concluded under paragraph 13, the Italian government should undertake:

A. To supply such lire currency and credits as may be required by the Allied military forces.

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[94] Not printed, but for summary, see despatch 858, January 26, 1945, from Rome, p. 1228.

B. As a supplement to Italian requisitioning procedures, to establish a lira account on which the Allied Forces could draw for the purpose of making cash payments for local supplies, services and facilities. Use should be made of this account only where resort to Italian requisitioning procedures is not feasible or where the Italian government fails satisfactorily to meet requisitions by the Allied Forces (Mat 353).

C. To reimburse the United States and United Kingdom governments currently for the cost of printing and transporting currency made available by you to the Italian government after the effective date of the agreement in accordance with the provisions of paragraph 13 above. It should be understood by the Italian government that these arrangements are without prejudice to any claim by the 2 governments for reimbursements for the cost of printing and transporting currency issued by the Allied Forces prior to the agreement.

So long as Allied Forces use Allied military lire rather than Italian government lire, it will not be necessary to make an actual physical transfer to the Italian government of Allied military lire which are to be used by the Allied Forces. However, in order that the Italian government may be fully and currently informed of the lire issued on its behalf, records of all such issues should be kept on a basis to be agreed upon with the Italian government. In addition to the Allied military currency which you will make available to the Italian government, you may maintain a reserve of unissued Allied military lire to meet emergencies.

15. You will reserve the right in the event adequate quantities of lira currency are not made available to you by the Italian government at any time, to issue Allied military currency or to use any other currency which you may deem desirable.

16. If the Italian government makes any request for compensation or proposes any intergovernmental settlement in connection with the arrangements envisaged in paragraphs 13 and 14 above, you should inform the Italian government that such questions should be taken up by it directly with the Allied governments concerned.

17. So long as the combined command continues in Italy, you should maintain a combined agency responsible for receiving the currency needed by Allied forces, for distributing such currency to the Allied forces in all parts of Italy and for maintaining necessary records. Whether these functions should be carried on in the Allied Commission or at Headquarters level is primarily your responsibility (reference paragraph 1 C and D of Mat 554.) [95]

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[95] Not printed. C and D pertained to the responsibility of the Allied Financial Agency to provide an adequate volume of lire currency to Allied Forces in Italy until the Italian Government assumed responsibility for all currency.

RELATION OF THIS DIRECTIVE TO OTHER INSTRUCTIONS

18. The general policy in Fan 487 will be understood to apply to financial matters. Reference is made in particular to paragraphs 2B, 2C, 2D, 2E, 3A, 3C and 7A of Fan 487.

19. Previous instructions on financial matters which are inconsistent with this directive (such as certain parts of Tam airgram 24) are to be regarded as superseded. Such instructions should be carried out in keeping with the spirit of Fan 487 and this directive.

20. Until further progress is made by the Italian government in the defascistization and control of Italian insurance companies, you should request the Italian government to instruct the Italian Exchange Control authorities to consult with the Allied Commission before authorizing any external financial transactions undertaken by Italian Insurance Companies or involving the foreign branches or subsidiaries of such companies. Pending the receipt of further instructions, the Allied Commission and Allied Military Government should continue to be guided by the provisions of Tam 417 in dealing with insurance companies. With the development of the program outlined in paragraph 2B above, the controls by the Allied Commission over insurance should be relaxed gradually and integrated with those developed by the Italian government in cooperation with the British and American Embassies.

21. This directive does *not* relate to the matter of Allied property in Italy (reference paragraph 4E of Mat 554 and Tam 551).

740.00119 Control (Italy)/7-2345

The Chief Commissioner, Allied Commission (Stone), to the Italian Prime Minister (Parri)[96]

13242/F [ROME,] 18 July 1945.

MY DEAR MR. PRIME MINISTER:

1. I write with reference to the *Aide-Mémoire* of 24 February, 1945, which was communicated by the Acting President and the Chief Commissioner of the Allied Commission to the President of the Council of Ministers, outlining certain steps taken by the Allied Governments to hand over an increasing measure of control to Italian administration.

2. In order to implement further the declaration of 26 September, 1944, by the President of the United States and the Prime Minister of Great Britain regarding Italy, I am now directed by the Combined

[96] Copy transmitted to the Department in despatch 1951, July 23, 1945, from Rome; received August 2.

Chiefs of Staff to inform your Government that the intervention of the Allied Commission in Italian fiscal matters and other internal financial affairs will in future be confined to cases involving Allied military necessity. The Allied Commission will assist or advise your Government on financial matters in territory under your jurisdiction only when your Government specifically requests such advice or assistance, which will be given at a high level between the senior officers of this Commission and appropriate officials of your Government.

3. I am further directed by the Combined Chiefs of Staff to inform your Government that, subject to certain exceptions and conditions which are indicated below, it is no longer necessary to obtain the approval of the Allied Commission prior to the execution of Italian external financial transactions.

4. The exceptions to this general rule are as follows:

(*a*) The Italian Government is requested to consult with the Allied Commission before authorizing the use of Italian external assets for the purpose of paying claims arising prior to 8 September 1943.[97] Thus all questions relating to the settlement of Italian clearing accounts should be discussed with this Commission before any action is taken.

(*b*) The Italian Government is requested to direct its exchange control and other appropriate authorities to consult with the Allied Commission before authorizing any external financial transactions undertaken by Italian insurance companies or involving the foreign branches or subsidiaries of such companies.

5. The Combined Chiefs of Staff have stated that as a condition of the relaxation of Allied Control over Italian external financial transactions, the Italian Government is required to keep the Allied Commission fully informed as to the status of Italian external assets and of Italian external financial transactions. It is therefore requested that your Government:

(*a*) keep the Allied Commission fully advised as to the policies that may be adopted by the Italian Government, or any agency or committee thereof (including the Banca d'Italia), regarding the utilization and control of Italian external assets. You may find it desirable to consult with the Allied Commission before authorizing new policies or types of transactions, in order that no conditions may arise that might be prejudicial to the interests of the United Nations.

(*b*) submit fortnightly reports in triplicate to the Allied Commission listing all external financial transactions permitted or undertaken by the Italian Government during the period covered by the report, indicating the names of all parties to the transactions, a detailed statement of the nature and purpose of the transaction, the amount thereof, the currencies involved, the rates of exchange utilized, and any other relevant information.

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[97] Date of the radio announcement by General Eisenhower of the Italian military armistice.

6. In conjunction with the relaxation of control indicated in this letter, the Combined Chiefs of Staff have directed me to inform your Government that it will be expected to take the following steps:

(*a*) to establish and maintain an effective foreign exchange control agency

(*b*) to adopt measures in support of the economic warfare objectives of the Allied Governments.

The details of the economic warfare programme are to be communicated to your Government in the near future, by the British and American Embassies in Rome, and it is expected that representatives of your Government will work with the two Embassies in the development and implementation of this programme. I am further directed to inform your Government that failure to take the steps specified in (*a*) and (*b*) of this paragraph within a reasonable period of time will result in the reimposition of prior control of Italian external transactions by the Allied Governments through the instrumentality of the Allied Commission. I should be grateful if you would keep me as closely informed as possible of your progress in the development of the programme requested by the Allied Governments.

7. I would also request that you give assurance that you assume responsibility for ensuring that remittance payments are not made to undesirable persons in Italy.

8. The Combined Chiefs of Staff have also instructed that remittances to Italy from neutral countries are to continue to be channelled through banks in the U.S. and U.K. until the measures in support of the economic warfare objectives of the Allied Governments are taken.

9. The Allied Commission has, as part of the general suspension outlined in the third paragraph of this letter, suspended the supervision and control of arrangements concluded by the Italian Government with Allied and neutral countries concerning the financing of foreign trade, except that your Government is required to ensure that the proceeds of export sales will be made available for the purpose of making essential payments arising from import needs of Italy, Italian diplomatic, consular, or military expenditure, maintenance of the Italian merchant marine, and similar expenditure.

10. Finally, I am directed to state that the relaxation of control of Italian external assets is not to be construed as affecting the rights of the Allied Governments under the Armistice Terms with respect to Italian foreign assets, nor to prejudice or affect the status of Italian property in Allied countries which has been subjected to exceptional war measures, such as sequestration, vesting, and freezing.

11. Our supplementary financial directive from the Combined Chiefs of Staff deals with certain other matters relating to Allied Military lire currency and other Allied financial operations in Italy.

734-362—68——81

Clarification of certain points is awaited and I shall communicate with you further as soon as possible.

Yours very truly, ELLERY W. STONE

865.24/7-2745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, July 25, 1945—noon.
[Received July 27—8 p. m.]

2097. Reference Department's instruction No. 460, June 30, 1945 [98] regarding Surplus Property disposal in Italy. Discussions have taken place between the Embassy, the Treasury representative and Office Army–Navy Liquidation Commission in Italy regarding disposition of United States Army and Navy surplus property in Italy. Acting Field Commissioner of Office Army–Navy Liquidation Commission in Mediterranean Theater of Operations United States Army summarized provisions of Field Commissioner's Guide No. 1,[99] from Office Army–Navy Liquidation Commission laying great emphasis on objective of obtaining dollars maximum extent possible. With respect to the provisions in first list of priorities regarding acceptance of local currency or other obligations the Acting Field Commissioner considers preferable arrangement for disposal of surplus property to Italians on a two-fold basis; cash dollars for items appearing for example in Italian import B list which would otherwise be currently procured in the United States; for other surplus items payment would be made in dollar credits to be repaid on the basis of an agreement to be negotiated as soon as possible between the two Governments. Under such an arrangement Italian Government would be enabled to bid for and buy all surpluses offered.

However the Embassy wishes to call the Dept's attention again to the serious administrative problems which would arise from attempting to match current procurement for B program or other essential Italian imports with the disposition of surplus property. Dept must realize that the Army strongly desires that disposition of surplus property should be expeditious; an objective which would be compromised if time were to be lost comparing surplus property items with procurement planned specifically to meet Italian requirements. In addition the shifting of the bulk of Italian requirements from semi-manufactured and manufactured products to raw materials may greatly limit the possibilities of such substitution even apart from

[98] Not printed; it transmitted enclosures, copies of which are not found in Department files.

[99] Guide No. I, dated June 16, 1945, not printed.

the administrative burdens involved. Finally the delays involved in such matching might place the Italians at a considerable disadvantage as compared with other bidders unfettered by such restrictions.

Embassy also raised question of effect of priorities established in guide No. 1 on types and quantities of surplus material which would be available to the Italian Government. In this connection reference was made to the sale of almost 3,000 mules belonging to the United States Tenth Mountain Division to United Nations Relief and Rehabilitation Administration for export to Yugoslavia and Greece from Italy a country most of which has been stripped of draft animals by the Nazi Army in its retreat northward. Acting Field Commissioner of Office Army–Navy Liquidation Commission did not believe that the cream of surplus property in Italy would be skimmed off for export to other areas.

Embassy considers that dollars credits are probably the best method of disposing of surplus property expeditiously. Of course if United Nations Relief and Rehabilitation Administration program for Italy is expanded then some part of disposal of surplus property in Italy could take place through United Nations Relief and Rehabilitation Administration which would have the effect of lessening the contribution in new supplies which would be furnished Italy under such an expanded program.

Office Army–Navy Liquidation Commission would like to establish the credit arrangements as soon as possible which they consider are authorized by the Surplus Property Act but in accordance with their directives request the approval and guidance of the State and Treasury Departments. The terms of such a credit arrangement would of course be of outstanding importance and must be linked to Italy's capacity to pay. Should the Dept and the Treasury approve the use of dollar credits for this purpose instructions regarding the Dept's views on terms of payment would be appreciated.

Office Army–Navy Liquidation Commission considers that approval of the two agencies with respect to initial credits up to about 25 or 30 million dollars would probably cover the bulk of surplus property for which cash dollars are not available to Italy for payment barring any significant changes in redeployment program of the army which Office Army–Navy Liquidation Commission considers possible. While such an initial credit appears reasonable to the Embassy and the Treasury representative consideration might also be given to a smaller initial credit with the understanding that it would be increased when necessary. In this way credit extension could be more nearly fitted to the amounts of surplus property offered for sale.

In its instructions to Rome in this connection Dept and Treasury may wish to consider the following in connection with proposed dollar credit arrangements:

(*a*) A financial agreement in detail should be concluded as soon as possible with the Italian Govt.

(*b*) An initial credit would be made available to the Italian Govt. Fifteen million dollars is suggested for this purpose.

(*c*) When this amount is exhausted an additional amount would be made available to the Italian Govt. The additional credit extended would be based approximately upon the amount of surplus property which the Acting Chief Commissioner estimates will be available during the next quarterly period. The agreement probably should refer to the possibility of additional credits being granted should the circumstances warrant.

(*d*) Repayments of dollar credits should be amortized over a period of years sufficiently long to prevent default as to principal or interest as a result of lack of means of payment. Period of time would depend on ultimate size of credit on one hand and Italy's basic balance of payments position on the other. Initially the period could be fixed at 15 or 20 years. However, provision should be made for periodic review in the light of developments in Italy's international economic and financial position with the objective of revising upwards or downwards the amortization period. For this purpose a review every 3 years might be suitable.

(*e*) No payments on interest or principal should be required for an initial period of 3 years. Whether interest would be charged during this period should be determined by Dept and Treasury. Requirement of payments during first 3-year period would probably simply result in US dollars made available to Italy to finance reconstruction and rehabilitation being used to repay credits. It would appear preferable therefore to openly state no such payment will be required rather than to finance such payments ourselves.

(*f*) Whether or not interest payments should be required on the dollar credits extended is a matter for the Dept and Treasury to decide. Some interest payment might be desirable and it is suggested that one to one and one-half percent be considered for this purpose.

(*g*) The agreement would of course be based on dollar obligations avoiding thereby the problem of exchange rate fluctuations.

(*h*) Italian Govt might undertake to purchase for cash dollars any items which are offered as surplus property which are similar to or identical with items for which funds have been otherwise made available. Thus new Italian procurement concurrent with disposal of particular surplus property would be met by cash purchases of substitutable surplus property items. However, as indicated above the Embassy does not consider such procedure feasible and would prefer to have surplus property disposal handled separately from other procurement.

(*i*) US might reserve right to accept due payments in form other than dollars. This clause should be unilateral. However Italian Govt should be given the possibility of offering foreign exchange other than dollars in payment of principal and interest should the U.S. Govt approve.

(*j*) Such dollar credits might be convertible into lire for extraordinary US Govt expenditure in Italy from time to time and for such purposes as may be mutually agreed upon by the two Govts. It would be understood that such conversion should not tend to undermine the economy of Italy by increasing the difficulties of acquiring essential supplies abroad.

(*k*) Italian Govt should undertake not to export surplus property items sold for dollar credits. This would avoid the possibility of resale for other currencies. Such property should be used exclusively for the purpose of reconstruction and rehabilitation in Italy.

(*l*) Italian Govt should undertake to give US citizens national treatment in the disposition of surplus property in Italy.

(*m*) Either Govt should be permitted on 30 days' notice to open conversations with the other Govt with respect to the terms, operation conditions, etc., of the agreement.

(*n*) In the event the Italian Govt considers it cannot meet payments when due the US Govt should reserve the right to request a full statement of the reasons therefor including all the necessary supporting statistical, economic and financial data.

(*o*) It is of outstanding importance that the terms of the agreement be [consistent?] both with the Bretton Woods multilateral system of payments as well as the Trade Agreements Act as amended.[1] The proposals above are believed consistent in this sense with a multilateral system of trade and payments as advocated by the United States Government.

The Embassy has been informed by the Acting Chief Commissioner that it is urgent that the manner in which the sales of surplus property is to be financed be settled as soon as possible. Considerable amounts of surplus property are currently becoming available with no arrangement in effect for permitting the Italian Government to bid for such property directly. Other bidders are presently in a preferred position. In the interim period, the Embassy will authorize the Acting Chief Commissioner on August 2 unless instructions to the contrary are received to grant limited dollar credits to the Italian Government to enable it to bid for surplus property subject to the understanding on the part of the Italian Government that repayment provisions will form part of a financial agreement on surplus property to be negotiated in the near future.

Deputy Commissioner for surplus property in Europe, Conrad Matthiessen, OANLC (Office Army–Navy Liquidation Commission) has visited Embassy and left copy of letter dated July 11, 1945, addressed to American Ambassador to Holland [2] outlining principles to be followed in disposition of surplus property. Embassy has been

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[1] Act approved June 12, 1934, 48 Stat. 943; amended June 7, 1943, 57 Stat. 125; amended July 5, 1945, 59 Stat. 410.

[2] Stanley K. Hornbeck.

requested to adapt this letter to fit Italy. Proposals of Embassy above appear to be consistent with provisions of above letter. It is assumed that letter in question supersedes proposed *aide-mémoire* [4] on subject. See urtel 782, May 8, 7 p. m.[5]

Repeated Treasury for Tasca.

KIRK

865.50/8-1445

The Italian Embassy to the Department of State

MEMORANDUM

The Italian Ambassador encloses herewith a memorandum dated July 22, 1945, which has been received by [*from*] the Italian Ministry of Foreign Affairs as a reply to the memorandum handed by the State Department to the Italian Economic Mission of March 6, 1945,[6] regarding the various problems of economic and financial character which were discussed between the Mission and the State Department.

The time which has elapsed from the date of the memorandum here enclosed has brought about some events which may render it necessary to consider under a new light some of the problems outlined in the memorandum.

The Italian Embassy feels, however, that the memorandum in question may serve a useful purpose of stating the point of view of the Italian Government on the economic and financial situation of the country and on the provisions necessary to face the present difficulties.

The Italian Ambassador therefore would be very grateful if the competent American authorities will kindly give full consideration to the problems and the proposals contained in the memorandum in question.

WASHINGTON, August 14, 1945.

[Enclosure]

The Italian Ministry for Foreign Affairs to the Department of State

The Italian Government has examined with the greatest attention the Memorandum of the State Department, in which the Government of the United States has outlined its point of view regarding problems which were the subject of the long and profound discussions

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[4] Not printed.

[5] Not printed; it stated that proposed *aide-mémoire* was still under consideration (865.24/5-845).

[6] Department's memorandum of March 6 not printed, but for summary, see telegram 461-463, March 8, to Rome, p. 1250.

which took place between the officials of the competent American Departments, on one side, and the members of the Italian Mission, on the other.

The Italian Government is happy to be able to express its conviction that these contacts, which allowed to bring the most urgent problems of the Italian economy to the attention of the American Government, have made it possible to establish a concrete basis for the most ample future developments of the relationships between the two countries and for the reestablishment of normal economic and financial relations, according to the mutual desire of both nations. Moreover, the reopening of diplomatic missions in Washington and in Rome has furthered without doubt the realization of these objectives.

The Italian Government has also noted with satisfaction that the Government of the United States shares the opinion many times expressed from the Italian side, that the adoption of a series of measures for the solution of the most acute problems of the present economic emergency in Italy is urgently needed. Such problems are related to financial and commercial matters, and also to the juridical status of Italian concerns in the United States.

Nevertheless, the Italian Government has noticed that the Memorandum of the State Department did not indicate, as forthcoming, the solution of the problems of financial and economic character, which had already been presented to the Allied Governments by the Italian Government and which the Economic Mission had amply illustrated. Such problems refer to the essential and undeferrable needs of the Italian people, and the failing of their solution may present the greatest dangers and jeopardize the economic collaboration to which Italy is invited, and as stated below, she would be happy to give.

The Italian Government trusts therefore that the requests, upon which it finds necessary to insist with the present document, will be taken under careful and urgent consideration, with a view of finding those practical solutions for which the Italian Mission, together with the competent officers of the American Administration, had already accomplished a substantial work of preparation.

Financial Questions

The conversations which have taken place on the financial questions have permitted to enlarge, from the technical standpoint, the examination of the problems which formed the object of the note transmitted on January 9 to the Head of the Allied Commission, Admiral Ellery Stone, and also to the Ambassador of Great Britain, Sir Noel Charles. In such a note the Italian Government has stated its point of view concerning the urgent measures of a substantial character, the adoption of which seemed urgently needed for reasons of equity, and for the

purpose of counteracting a financial and monetary crisis without precedent.

During the period of time which has elapsed from the presentation of such a note, Italy has continued to contribute to the common war effort with every means at her disposal, and within limits consented by the United Nations. After the end of the war in Europe, Italy has continued to give her economic contribution in connection with the presence of Allied troops on Italian soil, and has also joined the Allies in the war against Japan, expressing its readiness of taking its share in this struggle with every possible means. The Italian Government has imposed on its citizens fiscal burdens so heavy that the contributing capacity of the Italians has now reached the extreme limit of saturization. In spite of this, the deficit of the state budget has continuously increased, the danger of inflation has become graver, and the necessity of urgent remedies always more evident.

The Italian Government, in the certainty, that the American Government will have appreciated in their full value the sacrifices sustained by Italy in the common war effort, and the action which the Italian Government has constantly taken to strengthen its contribution, is honored to answer Points 1, 2 and 3 outlined in the Memorandum of the State Department as follows:

1) The Italian Government holds it indispensable to assume full responsibility for the financial administration of the whole country as soon as possible.

2) The war being over in Italy, the Italian Government feels that the opportune moment has arrived for a definite settlement of the relations arising between the two governments for the issuance of the allied military currency.

3) The Italian Government is happy to welcome the proposal (point 3 of the American Memorandum) concerning a draft of an agreement to normalize the financial relations between the two countries, as deriving from the participation of the American forces in the military operations in Italy. The Italian Government is confident that the aforesaid agreement will keep in just consideration, with the view of the granting of a counterpart, the various contributions made by Italy at the cost of great sacrifices. The Italian Government entertains the hope that the acceptance of such request will be facilitated by the great understanding shown by the Government of the United States toward Italy and by its awareness of the critical Italian financial situation.

4) Regarding point 5 of the Memorandum, the Italian Government notes with satisfaction the friendly intentions of the Government of the United States, and will be happy to know the effective measures,

with which the promised aid could be realized so that Italian foreign exchange assets may reacquire their availability and be ready to be used for the reconstruction of the country.

5) Notice has also been taken of the decision of the Government of the United States to credit to Italy the counter-value in dollars of the sums assigned and to be assigned for the maintenance of American diplomatic and consular [personnel?] in Italy.

Commercial Questions

6) As for problems of a commercial nature, the Italian Government shares the hope, expressed in point 8 of the Memorandum, that Italy be in a position to begin, as soon as possible, the reconstruction of her own economy. It declares itself in agreement with the statement contained in the same point 8, according to which the economic structure of Italy must be adapted to the natural resources and to the aptitude of the population, so that production can meet, as soon as possible, the free international competition without the necessity of resorting to discriminatory or restrictive systems.

7) The Italian Government does not ignore the many difficulties which are today an obstacle to the resumption of commercial trade between the two countries (point 9 of the Memorandum) and which are due to the lacking of the fundamental conditions for such resumption, in particular the means of maritime transport. Nevertheless it is perhaps not premature to entertain the hope that on the initiative of the Allied Governments the first steps will be taken so that Italy may reacquire that liberty of movement and that position in the international economic field, which will contribute to make of her an active element in the world economic reconstruction.

In this connection, the Italian Government renews the requests which on various occasions have been submitted, that the Government of the United States may use its good offices with the view of obtaining that Italy may be admitted to participate in the organisms of economic financial and commercial character, decided upon at Bretton Woods as well as in other international conferences.

8) The provisions agreed upon by the United States of America and Great Britain to confer on Italy a greater liberty of action in the direction of commercial policy with foreign countries have been favorably greeted in Italian official circles. With particular reference to the problems concerning the placement of Italian products in foreign countries (point 10 of the Memorandum) the Italian Government calls the attention of the Government of the United States to the importance of the exports for the Italian economy, especially at the present moment when all normal sources of credit and foreign currency have been exhausted

The Italian Government is ready to study this important problem with the Allied authorities, and it hopes that it can be solved taking into account the following elements:

a) The necessity of disposing of a sufficient quantity of Italian products particularly wanted in foreign markets for the resumption of trade with neutral countries.

b) The necessity of obtaining the highest prices offered by the International market for exports.

c) The necessity that the currency obtained from exports be left at the free disposal of the Italian Government.

9) The Italian Government is grateful for the assistance offered (letter *d* of point 10). Regarding the second paragraph of the same letter *d*, the Italian Government renews the request already advanced to be admitted to participate in the United Maritime Authority, so as to be placed in a position to represent directly the Italian needs for the allocation of naval tonnage concerning transportation to and from Italy. The Italian Government, although it realizes that the question of naval tonnage is a cause for preoccupation for the Allies, it feels bound to point out again the necessity that a certain number of merchant ships be placed at Italy's disposal for her indispensable elementary needs, specially at the present moment in which the purchases of first aid for the reconstruction of Italy have to be speedily carried out.

10) Point 11 of the Memorandum confirms the decision of the Government of the United States and of Great Britain to meet the most urgent needs of Italian agriculture and industry with the aid of furnishing an initial quantity of capital goods for the work of reconstruction.

With the liberation of the whole of the national territory the first-aid program originally drafted for the liberated territory of central and southern Italy had to be appropriately revised and adapted to the new situation which has arisen.

The Italian Government is at present studying a program for 1946 which will presently be submitted to the American Government for examination.

The Italian Government desires in this connection to call the attention of the Government of the United States to the grave situation in which Italy would find herself if the essential imports for civil population would be in any way interrupted, such as food supplies, fuels, clothing, medicines and certain raw materials which were included in what originally has been defined as Program A. In this connection the Italian Government has the honor to indicate the necessity that the shipment of the essential supplies be at any rate assured and speeded up as much as possible.

For what concerns the merchandise and the materials intended for the reconstruction of industry and agriculture, the Italian Government points out that the credits in dollars, derived from the equivalent of the troop's pay, in itself already very inadequate for the minimum Italian needs, will rapidly exhaust themselves with the withdrawal of the troops from Italy because of the end of the war. Such being the circumstances, it would be less and less possible to meet the financing of such imports. The Italian Government finds it, therefore, necessary to point out to the American Government the disastrous situation which would face Italian economy, if the complete program of the Italian requests, already in themselves minimum, should not be fulfilled.

The Italian Government will be grateful therefore if the Government of the United States would examine the possibility of granting also to Italy the means for financing the imports, mentioned in the above said plan, by resorting to those methods and institutions of which the United States are making use or the use of which will be contemplated in the future for the needs of the reconstruction of war devastated countries.

11) The Italian Government shares the hopes formulated by the Government of the United States in point 12 of its Memorandum that private commercial relations between the two countries be restored as soon as possible.

12) The Italian Government is happy to express to the Government of the United States its sincere desire to collaborate toward the formulation of a program of concerted action which will assure, in the spirit of the joint declaration of August 14, 1941 of President Roosevelt and of Prime Minister Churchill,[7] the expansion of production, of employment, of exchange and of consumption of goods, the elimination of all forms of discriminatory treatment in international commerce and the progressive reduction of trade barriers.

The Italian Government is ready to sign an agreement of such a nature, and in the form of the exchange of notes enclosed in the Memorandum, as a starting point of the discussions of the problem in its concrete developments. Such aspects can, for Italy be summed up in the necessity of reconstructing her destroyed system of production, of restoring those industries which are considered vital, of stabilizing her currency: in short, in the necessity of realizing the indispensable requirements for the reconversion of an economy, previously based on an isolationist and autarchic orientation, and now destroyed and impoverished by the war, to an economy capable of meeting foreign competition.

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[7] *Foreign Relations*, 1941, vol. I, p. 367.

It is the keen desire of the Italian Government that this transformation and reconstruction of Italian economy be brought about in such a manner as to render as efficacious as possible the collaboration of Italy in the development of international trade, and, at the same time, in such a manner so as to insure employment to the excessive population which must find the necessary means of subsistence through a just development of domestic industries, through her traditional agricultural work, and also, wherever possible, by participating in the productive activity of other countries.

In accepting the invitation to sign the note concerning the formulation of a program of economic policy, inspired by the necessity of the greatest possible development of international trade, the Italian Government is prompted by the desire of collaborating with the Government of the United States in their task of rebuilding and recovering the world economy, on the success of which depend the well-being of all nations and the maintenance of a long period of peace.

Nevertheless, the Italian Government is well aware that the realization of such a program could be barred by the tendencies, prevailing in some countries, bound to the formation of regional groupings, within which, the relations among the participating States would be regulated on the basis of preferential treatments.

The Italian Government further realizes how the thorough destructions of wealth caused by the war, the failing of certain previous sources of credits in foreign countries and the urgent needs of the reconstruction make it extremely arduous for Italy to solve the problems of her balance of payments which are so intimately related to the program of domestic and foreign economic policy.

Nevertheless, the Italian Government is confident that it could count, also in the future, on the powerful aid of the United States of America, in order that Italy may overcome such grave difficulties and be placed in a condition of efficaciously collaborating in the work of development of world economy.

The Italian Government shares the general point of view of the Government of the United States also for what concerns the progressive reduction of customs' duties, a fundamental element for the restoration of an international economy based on a regime of competition. The Italian Government finds it opportune nevertheless to point out that the present Italian rates expressed in paper lire and unchanged with respect to prewar times, have lost all protective effectiveness in relation to the prices of goods in lire which have increased enormously. The reduction of the customs' duty must be therefore understood not in the absolute sense, but according to the incidence of such duties when a new economic situation will be shaped through the stabilization of the currency, the restoration of the public budgets and the reconstruction of the productive and commercial life of the country.

13) Regarding the clause of the most favored nation treatment, (point 14 of the Memorandum) the Italian Government is in agreement with the United States Government in expressing the wish that commercial relations between Italy and the United States should continue to be guided, as they were in the past, by the unlimited and unconditional application of the most favored clause. It seems advisable to add that this attitude has been maintained by Italy also in the past, and that the provisions establishing limitations on the imports have been adopted in Italy only after other countries had placed grave and decisive limitations on the functioning of a plurilateral system of commerce.

14) The Italian Government expresses its readiness to collaborate with the Government of the United States for the fullfillment of the objectives indicated in point 15 of the Memorandum, and it hopes that the mutual efforts of the two countries may promote as soon as possible an expansion of world commerce in its classic and traditional lines.

Italian Property in the United States

15) The communications formulated in points 16 and 17 of the memorandum have been received with notable interest. Italy has already taken steps by a decree of February 1, 1945, for the revocation of provisions and measures previously adopted in matters of properties belonging to the Governments of the United Nations and to their citizens and institutions.

Since the juridical status of the above said properties and assets is, through the said decree on the way to normalization, the Italian Government hopes that analagous measures in favor of the properties and assets of the Italian nation, citizens and institutions in America will be reciprocally adopted also on the part of the Government of the United States.

16) The decision of the Treasury Department of the United States to authorize, by means of the issuance of licenses, any transaction concerning the import of goods and products from Italy, constitutes a further step toward the normalization of the relations between the two countries.

17) As to point 18 of the Memorandum, it will be opportune that the Government of the United States confirm that, in the eventuality that the payments of the Italian goods to be exported to the United States are to be made in lire, the relative authorization will be made expressly, and in every instance, by the Italian Government.

18) Finally, regarding point 19 of the Memorandum, the Italian Government has already done what was in its power in order to cooperate with the economic warfare and since some time has proceeded to sequestrate the properties and assets of enemy citizens and

institutions, which consequently cannot be either exported or concealed.

If, on the other hand, the Government of the United States intended to refer, with the above mentioned point 19, not to the treatment of enemy properties in Italy, but to other problems deriving from the administration and the availability of enemy properties, the Italian Government will appreciate knowing the American point of view with greater precision, declaring itself from the present moment willing to examine eventual requests and suggestions with a full spirit of understanding and collaboration.

19) The Italian Government avails itself of this occasion to express the hope that through the friendly understanding of the United States Government it will be possible to achieve the solution of the problems outlined in the Memorandum and to strengthen the ties between the two countries in the financial and economic field furthering that collaboration which is profoundly wished by the Italian people.

From ROME 22nd of July 1945.

865.50/8–1445

The Italian Ambassador (Tarchiani) to the Acting Secretary of State

7646 WASHINGTON, August 14, 1945.

DEAR MR. GREW: As you are probably aware, an Italian technical delegation is now operating in the United States for the purpose of procuring materials and goods for the reconstruction of Italy and of expediting as much as possible their shipment to Italy.

The work which is being accomplished by such delegation is of the highest importance for the economic rehabilitation of Italy, because it is meant to procure those essential items, the lack of which, it is easily foreseen, would bring about a complete disrupture of the Italian economic system, already so shaken by the war.

On June 7, 1945 a list of materials (coal, liquid fuel, raw materials) was sent to the Foreign Economic Administration in Washington by the Allied Commission in Rome. The delivery of such materials should take place during the month of September. In order to obtain deliveries in September, it would be necessary now that some exceptional measure be taken so that the placing of orders by the Treasury, the loading and shipping, be expedited to the maximum.

I am certain that you will realize the extreme importance for my country to receive as early as possible the above said goods, since from the fulfillment of the program will depend the possibility of

keeping our workers employed, the industrial plants running and transportation active.

I shall therefore be very grateful to you for any steps which you will deem possible to take in this connection and I thank you heartily for your kind and friendly interest in the matter.

Believe me [etc.] ALBERTO TARCHIANI

840.50 UNRRA/10-945

The British Embassy to the Department of State

237/ /45 WASHINGTON, September 18, 1945.

AIDE-MÉMOIRE

In pursuance of the policy of encouraging the Italian Government to stand on its own feet, the control exercised by the Allied Commission in Italian internal affairs is, as the State Department are aware, being gradually reduced. So far as economic matters are concerned the Allied Commission is already in process of transferring to the Italian Government the responsibilities which it has hitherto exercised in regard to finance and foreign trade. At the same time it has recently been decided that combined military responsibility for civilian supplies to Italy should terminate with the completion of the August loadings. (The inclusion in this decision of Venezia Giulia, Udine and other small areas which may be retained under Allied Military Government when the rest of Italy is handed back to Italian administration, is subject to decision on the recommendations which have now been made by the Supreme Allied Commander, Mediterranean.) Furthermore, the Council of U.N.R.R.A. has recently decided to extend the Administration's activities in Italy.

2. In these circumstances the United Kingdom Government Departments concerned consider that the responsibilities of the Allied Commission in regard to supply matters should be terminated as soon as satisfactory alternative arrangements can be made. As regards essential civilian supplies, it is natural to suppose that U.N.R.R.A. will assume full responsibility, but it will be necessary to give the Italian Government the advice they are certain to seek in regard to the rehabilitation of industry and the preparation of their programme of imports for reconstruction (usually referred to as Programme B). The Italian Government may also seek advice on such matters as public works, agriculture, food control and public health, which at present fall within the scope of the activities of the Allied Commission. It seems doubtful whether the United Nations Relief and Rehabilitation Administration will be in a position

to advise on these matters, and it is the view of the United Kingdom Government Departments concerned that for this purpose the functions hitherto exercised by the Economic Section of Allied Commission should be transferred to the British and United States Embassies at Rome, the staffs of which could be suitably strengthened.

3. The best working arrangements will no doubt be ascertained by experiment, but an obvious possibility would be to proceed by joint working groups of representatives of the Embassies, the Italian Government, the U.N.R.R.A. mission in Italy and the Allied military authorities. The inclusion of the last mentioned would be essential so long as either the United Kingdom or the United States retained troops in Italy. Moreover, it would seem appropriate that the Embassies should be responsible for informing the British or United States Commander of the economic developments in Italy.

4. His Majesty's Ambassador has been instructed, in communicating the foregoing proposals to the Department of State, to enquire whether the United States Government agree to the termination of the Allied Commission's responsibility for supply matters as soon as satisfactory alternative arrangements have been made; and also whether they are in agreement with the suggested working arrangements outlined in the preceding paragraph.

5. If, as Lord Halifax [8] hopes, there is general agreement between the United States Government and His Majesty's Government in these matters, it is suggested that the necessary steps should be taken to arrange for an appropriate directive to be sent to the Supreme Allied Commander in the Mediterranean by the Combined Chiefs of Staff.

865.50/9-2745 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, September 27, 1945—6 p. m.

1692. Following is text of note on billing for civilian relief supplies which you should present to the Italian Government. Brit will present identic notes in Rome on own behalf and on behalf of Canadians. Simultaneous presentation desired on date you determine in consultation with Brit Ambassador.

"In the course of military operations on the European continent, the combined armies of the allies have imported into Europe certain basic supplies for the civilian population of the countries which have been liberated from German domination. These supplies for civilian use have been procured by the Governments of the United States, of the United Kingdom, and of Canada, and have reached the people in

[8] British Ambassador in the United States.

the liberated countries through or for the account of their governments. The supplying governments expect that the governments of the recipient countries will pay the costs of such civilian supplies, including in the case of Italy, all such supplies delivered since July 10, 1943.

Bills will be presented to your government by the Supreme Allied Commander through whom civilian supplies are furnished. While as a matter of convenience, these bills will be presented in terms of United States dollars, your government will be asked to pay in currencies acceptable to the supplying governments.

The supplying governments expect the Government of Italy to make payment of each bill rendered to it for civilian supplies furnished to Italy on the basis that the amount of each bill is final for the quantities of civilian supplies covered thereby. The amounts due will be based on quantitative records of the supplies furnished to Italy and on landed costs of the commodities delivered in Italy, as maintained and computed by the combined military authorities. Prices will be calculated as to cover all costs of these commodities to the supplying governments, including transportation to the point where these supplies reach Italy. Should any costs be incurred by the military authorities beyond that point, such as cost of inland transport, separate billings will be made to the Italian Government in order to cover such additional expenses incurred for the account of Italy.

At the time of the first billing by the combined allied military authorities, your government will be advised as to the procedures to be followed in making payments.

It is understood that the British and Canadian Governments are addressing similar communications to your government."

In view of Italy's present inability to make payments you should inform the Italian Govt verbally at time of presentation of note that U.S. Govt does not intend to press Italian Govt for payment but U.S. Govt will expect claim to be taken up in connection with peace treaty.

Sent to Rome; repeated to London for Reinstein.

ACHESON

865.24/10–845 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 8, 1945—6 p. m.
[Received October 8—5 : 06 p. m.]

3006. Re my telegram 2810, September 21.[9] Radio Bulletin No. 231 dated September 27 reports transfer of surplus property disposal functions from Army–Navy Liquidation Commission to Department. No official confirmation or instructions have been received in this connection.

[9] Not printed; it reported that the surplus property situation in Italy was becoming alarming (865.24/9–2145).

As Department and Treasury are aware the manner in which the questions of priorities and financing are handled will determine the possibility of an expeditious and effective disposal of surplus property. Embassy and Tasca consider the following general procedure as providing the most practical method of disposing of such property:

(*a*) Army should complete inventory of supplies in Italy and determine such items as are to be retained to meet its requirements;

(*b*) all property inventoried and available for disposal should be priced and transferred en bloc to Italian Government;

(*c*) an agreement regarding payment for property so to be transferred should be negotiated immediately. This should take place prior to transfer of property to Italy and should provide for payment along the lines indicated by the initial payment of 15 billion [*million*] dollars payable in lira. For other suggestions in this connection see my telegram 2097, July 25.

The solution above can be accomplished quickly and effectively. It contains the advantage of eliminating time consuming question of priorities including the elimination of the highly unrealistic and awkward catalog system presently employed by Army Navy Liquidation Commission and the use of a bid and sale procedure to dispose of property the price of which had already been fixed in effect by the formula devised by the surplus property authorities in Washington (i.e., f.o.b. price pays 25% less depreciation).

Repeat to Treasury from Tasca, repeated to AmPolAd as 773.

KIRK

865.50/10–1245 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, October 12, 1945—6 p. m.

1824. 1. The stage has been reached when US Govt participation in purchase of Italian imports and sale of its exports should be terminated. As far as possible all trade with Italy should be returned to private channels subject to such controls as the Ital Govt may find necessary to prevent the exportation of products needed in the Italian economy, to assure the use of Italian foreign exchange only for essential imports and to carry out pertinent directives of AC affecting Italian trade.

2. The US Govt proposes therefore to take following steps: (A) US Govt will cease its participation on Dec. 1, 1945, in the procurement of Category B, Ital Govt program of essential imports in this country. US Govt facilities will continue to be used to complete procurement of the FEA Interim Program approved by CLAC.[10]

[10] Combined Liberated Areas Committee.

Purchases in US for the present and proposed UNRRA programs [11] will continue to be made by UNRRA through US Govt procurement agencies. (B) The US Govt will terminate direct participation of the USCC [12] in the exportation of Italian goods to this country no later than Jan. 1, 1946. (At present time USCC acts as agent for ICE,[13] although Ital Govt has never signed a formal contract and has limited itself to the notification of its intention of writing a letter of intent to the USCC which will formalize relationship.) (C) Present export licensing controls existing in US with respect to US exports to Italy will be liberalized shortly and Italy will be placed in the same category as other liberated areas. The Treasury will shortly issue a new general license permitting transactions in Italian funds accruing after the date of issue. Until that time Treasury licenses will continue to be required for all transactions involving Italian assets. Full details will be communicated in separate cable to Treasury representative. By FEA action on export control, Italy would be moved from Group E to Group K countries. This step will automatically make it unnecessary to have specific licenses for commodities other than those in short supply and will make it possible for American business men to deal with Italian firms directly without any specific US Govt approval, but subject to Italian and AC regulations. At the same time provisions for shipping space for commercial shipments to Italy will be made within WSA [14] allocations so that individual exporters may arrange directly with steamship companies for space on particular ships.

3. It is our desire that all exports from Italy to US following withdrawal of USCC be handled through private channels, subject to such licensing or other appropriate procedures by Ital Govt as may be warranted to prevent exportation of essential goods needed in the Italian economy to assure that the dollar proceeds are made available to Ital Govt. We hope that a large part of Italy's imports from the US outside the proposed UNRRA program can be handled through private channels. It is recognized however that some items will have to be purchased by representatives of the Ital Govt for government account and that Ital Govt will have to license private transactions in order to assure efficient use of its available dollars for essential items only and arrange for proper coordination and distribution of imports in Italy.

4. You are requested to (A) inform Ital Govt of steps which this government proposes to take as outlined above; (B) express hope

[11] For documentation regarding United Nations Relief and Rehabilitation Administration programs, see vol. II, pp. 958 ff.
[12] United States Commercial Company.
[13] Istituto Commercio Estero.
[14] War Shipping Administration.

that all exports to US and as much of imports as possible can be handled through private trade channels; (C) suggest that Ital Govt may desire to establish at the earliest possible moment appropriate machinery to handle licensing of Italian foreign trade. Also to make arrangements for purchase by Ital Govt representatives in this country of those imports which cannot for the present be properly handled through private channels; (D) advise Ital Govt of our desire to discuss details of arrangements in Rome or Washington as soon as possible.

5. For your information the British Government has already issued statutory rules and orders authorizing persons in UK to resume trading with Italy, (refer A–311 from London to Washington, Sept. 15, 1945, repeated to Rome[15]) and expressed similar views for the need of setting up an effective Italian import and export licensing organization.

BYRNES

865.24/6–1445 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, October 12, 1945—8 p. m.

1826. Reurdes 858, Jan 26. You should address note to Ital Govt in substantially following terms in reply to letter Jan 9 from Ital Minister Foreign Affairs and memorandum transmitted therewith. This note should also serve as reply to Ital request for $300,000,000 credit (reurtel 1604, June 14).

US Govt keenly aware of economic problems confronting Italy, including budgetary deficit, inflation of prices, deficit in Ital external payments position, and urgent need for supplies. US earnestly desires to cooperate to fullest extent possible in aiding in solution of Italy's problems.

Ital memo of Jan 9 raises three fundamental problems, namely: (1) Deficit in Ital external payments position; (2) Settlement between US and Italy in connection with various claims arising out of war; (3) Budgetary deficit and inflation in Italy.

Re question 1 basic Ital import requirements for civilian supplies have been met by combined program of US, UK, and Canada and will be met by UNRRA in near future if requests for additional funds are met. Recent action by UNRRA Council therefore probably makes unnecessary a credit to finance such imports as was requested in memo referred to in Deptel 1604, June 14.

Realize that Ital Govt will also be faced with problem of financing urgently needed goods for reconstruction not included within scope

[15] Not found in Department files; apparently this reference is in error.

of UNRRA program. US Govt is sympathetic to reconstruction needs of Europe and its policy is to provide assistance whenever possible and appropriate. US Govt prepared to discuss with representatives of Ital Govt provision of funds to meet reconstruction needs for example through the Export–Import Bank. As indicated to the Ital Embassy in Washington loans are made by the Eximbank for specific projects. Applicants for bank loans are required to provide detailed information re projects contemplated and expected source of repayment of loans.

Re question 2, reimbursement for AM lire issues and requisitions by US forces is intimately related to ultimate financial settlement which will be made with respect to claims arising out of the war and also the obligation of the Ital Govt to pay for civilian supplies furnished to Italy. This question therefore expected to be taken up connection with peace treaty.

Re question 3, inflation in Italy involves internal measures and controls as well as supplying of adequate volume of essential goods from abroad. US Govt can be of assistance only in enabling Ital Govt to obtain necessary imports. This point has been covered in discussion of question 1. External assistance alone, however, cannot provide solution to inflation and general financial breakdown threatening Italy. It is of primary importance that Ital Govt take prompt and stringent measures to control prices and wages and eliminate black market. Equally important that Ital Govt modernize and improve taxation system and adopt appropriate emergency tax measures to increase revenues and that it take steps to assure the most efficient use of funds expended. It is hoped Ital Govt will be able to take more positive action than in the past to increase effectiveness of controls to combat inflation since prompt reordering of internal financial situation is of utmost importance in restoration of normal external trade and financial relations.

Note should be submitted by you directly to Ital Govt and not through Allied Commission. You should consult with British colleague [16] as to time of presentations of notes but not as to substance, although you should give him copy of US note when presented.[17]

BYRNES

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[16] Sir Noel Charles.

[17] The American Embassy presented its *note verbale* October 29 and the British Embassy a similar one on November 1, 1945; neither printed.

865.24/10–1345 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 13, 1945—1 p. m.
[Received 5:25 p. m.]

3083. In letter dated October 11 to ANLC (Army–Navy Liquidation Commission) copy of which was sent to Embassy, Italian Government summarized its price policy with respect to sale of surplus property in Italy as follows:

(*Paraphrase begins*): (1) For all foodstuffs clothing and items of prime necessity sales would be at cost price with distribution through government organizations wherever possible to eliminate speculative profits (e.g. sepral). (2) Cost prices would also be fixed for items which could give special impetus to resumption of production of particular importance to recovery of national economy. Objective in this instance would also be to distribute material directly to producers avoiding intermediary speculators through Consorzii, chambers of commerce, etc. (3) All the remaining items sold by Allies to Italian Government except those which would be transferred directly to Italian Government agencies would be sold for what the open market would bring. The methods which would be employed in this connection would be such as might be dictated by necessity of speed in disposal to avoid losses from deterioration and theft. Prices of such items would be reduced as additional lots are placed on the market.

A price policy of the type described above is required for deflationary effects to bring Italian market into equilibrium with foreign markets on the basis of rate of exchange as near as possible to present rate of 100 lire to dollar established by Allied authorities. Sale of surplus property on basis of prices corresponding to present rate of exchange would permit extraordinary profits to be realized by privileged groups of speculators.

Sale of surplus property at declining prices just under market prices in addition to permitting Treasury to pursue deflationary policy would provide the means by which a reserve may be constituted to meet eventual losses which may result from following: (*a*) Since prices will decline as material is fed into market, prices may decline very much below present level (*b*) End balance of surplus property may be for practical purposes unsalable (*c*) Losses from management and control of large amount of property whose custody and protection for well known reasons is far from adequate. (*End paraphrase*)

The above policy statement was prepared at request of Embassy and Tasca in view of significant contribution which [sale?] of US surplus property in Italy could make to Italian budget if proper price policy were adopted. Re my telegram 3006 October 8. In our view Italian Government is in general approaching problem correctly.

Economic adviser to Army–Navy Liquidation Commission Paris is visiting Rome for purpose of drafting comprehensive plan for

transfer en bloc to Italian Government of all surplus property available in Italy against receipt financing to be worked out simultaneously or subsequently. Proposal would be taken to Washington for approval. He estimates surplus property available now at only 200 to 250 thousand tons (200 to 250 million dollars) owing to large quantities being absorbed by UNRRA for Yugoslavia and Albania. See Caserta's 3837 October 9.[18]

Repeat to Treasury from Tasca.

KIRK

865.50/10–1545 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 15, 1945—7 p. m.
[Received October 16—2:44 p. m.]

3096. Prior to receipt of your telegram 1824 Oct 12, 6 p. m. Minister of Industry and Commerce, Gronchi, had already invited US and UK Embassies and AC (Allied Commission) to a meeting tomorrow to discuss earliest possible return of private export trading. Receipt your message therefore most timely.

Embassy wishes emphasize that so far as it is aware Italian Govt has taken initiative to resume private trading and it may be useful to point this out when public announcements are made later. Storoni, Undersecretary Commerce, was under impression that AC and Allied Govts wished continuation of ICE (Istituto Commercio Estero) as intermediary in export trade but at suggestion of Embassy Italian Govt requested clarification from AC and in letter dated Oct 9, to Prime Minister AC stated that July 31, directive terminating AC export activities leaves Italian Govt free to conduct export trade through private channels if it wishes. Storoni has been most anxious resume private trading without ICE at earliest possible moment.

Italian Govt will be informed along lines of your telegram 1824 and developments promptly reported.

KIRK

865.50/10–1845 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, October 18, 1945—6 p. m.
[Received October 20—2:35 a. m.]

3135. Urtel 1824, Oct 12 and mytel 3096, Oct 15. Representatives of US and UK Embassies, Allied Commission, FonOff, Finance and

[18] Not printed.

Treas Ministries and Cambital [18a] attended meeting Oct. 15 called by Storoni, Commerce Undersecretary, to discuss problems of resumption of private trading.

Memorandum presented by Storoni states that Italian Govt proposes to resume private trading as rapidly as possible renewing application of normal pre-war licensing and related legislation which still exists unchanged. Intergovernmental trading would still be possible through present ICE procedure but what [*that?*] form of trade is described as of entirely exceptional and emergency character and necessary principally for trade with countries with which resumption of private trading may be delayed.

Private trading envisaged by Storoni is described in memo as follows:

Exports: Govt determines exportable surpluses. Exporter concludes contract, requests export license from Undersecretariat for Foreign Commerce (to be formed) and when granted presents goods to customs. If payment will be in foreign exchange exporter exhibits to customs certificate of approval issued by an authorized bank against undertaking of exporter to cede foreign exchange to Italian Govt. If payment in clearing exporter presents to customs a declaration of amount of lire proceeds of sale.

Imports: Govt prepares a general import plan indicating goods, quantities and relative priorities in light of needs of domestic economy. Importer negotiates with supplier and when terms defined requests import license either direct from Undersecretariat or through Chamber of Commerce. License presented to customs which exercises control and issues import receipt. If payment is to be made in exchange customs receipt and invoice are presented to authorized bank. If by clearing customs approves declaration of amount owed in lire and importer makes payment to authorized bank.

Miscellaneous: Undersecretary may authorize imports of goods where no exchange transfer is involved private compensations and imports resulting from foreign credits or for manufacture on commission if he finds proposed operations are convenient and useful. Storoni stated that Govt is "very diffident" regarding private compensations.

Storoni emphasized that altho he personally would like to see virtually all imports handled through private channels he feels that Govt probably would want to continue to handle critical items through official channels and that it is impossible to state how much of imports could be left to private trade until UNRRA picture is clarified. He thought that if UNRRA were to handle most critical items (coal,

[18a] Ufficio Italiano dei Cambi e Passaggio, the Italian Office of Exchange and Passage.

wheat, petroleum, et cetera) much or all of the remainder depending on extent of UNRRA program might revert to private trade.

Under foregoing plans recourse to ICE would no longer be obligatory and ICE would resume normal pre-war functions which might include assistance to private exporters in overcoming transport difficulties.

Memo concludes by listing three problems which it is said must be overcome if private trading is to be resumed at early date:

1. Customs services must be fully reactivated on all frontiers and in all ports. Storoni emphasized this is essential, stated that customs is now scarcely functioning at all and that he will address special communication to AC on subject.
2. Italian foreign exchange office which will receive dollar proceeds of Italian exports to US as before the war should be permitted to dispose of dollars for purchases of imports without necessity of obtaining specific US Treasury approval each transaction. May Embassy assume that Treasury action mentioned in second sentence of paragraph 2 (C) (urtel 1824) will take care of this problem? (Actually memo stated that agreements regarding payments should be reached with US and UK to assure crediting of export proceeds in manner distinct from Govt credits and thus to permit import purchases specifically against such proceeds. Memo added parenthetically that it would be desirable to have foreign exchange proceeds utilizable for purchases on any market. To this British colleague immediately objected).
3. Limitations on Italy's foreign trade deriving from the extensive list of important items still included in category "A" [19] and from requirement that Allied agreement be obtained on exportable surpluses should be reduced and progressively eliminated. Storoni said he would communicate with AC on this point.

Embassy informed Storoni that US favors resumption private trading as soon as possible and that he will no doubt shortly receive from FonOff note on subject addressed by Embassy to Italian Govt.

It would be useful to Embassy to know what outlook is for relaxation of limitations mentioned under 3 above. In that connection I believe that it would be entirely consonant with our efforts to obtain return of private trading on widest possible basis if pressure were brought to bear to bring about immediate and thorough review of Italy's category "A" list (which for example still includes citrus fruits) and if clarification were sought promptly regarding the exact extent of Allied Commission's power in reviewing exportable surpluses.

Officials in Commerce Subcommission believe that they may disapprove the export of a product or commodity if the same or similar

[19] See *aide-mémoire* of February 24, 1945, from the Acting President of the Allied Commission to the Italian Government, p. 1244, for explanation of categories "A" and "B".

item is included in essential import program. Italian Govt argues that if it should have to export freight cars made in Italy in order to obtain Polish coal or textiles in order to obtain Swedish cellulose such exports should be permitted. As further example I understand that Eximbank will approve credits to Italy for purchase of urgently needed US cotton and that Italian Govt must guarantee repayment of dollars on short term. Since payments must be expected to result from proceeds of finished textile exports Italian Govt must be assured that it will be able to export textiles. It would seem to me that AC should screen exportable surpluses only in light of Allied military needs and of commodities in extreme short supply.

KIRK

865.50/10-2945

The Department of State to the British Embassy

MEMORANDUM

Reference is made to the *Aide-Mémoire* prepared by the British Embassy dated September 18, 1945, concerning the possible termination of the responsibilities of the Economic Section of the Allied Commission in Italy.

The United States Government considers that the responsibilities of the Allied Commission with respect to civilian supply problems should terminate at such time as UNRRA assumes responsibility for the importation into Italy of basic supplies. Pending such assumption of responsibility it is believed that the Allied Commission should continue to perform such functions with respect to the interim supply program as have heretofore been agreed under the procedures of the Combined Liberated Areas Committee.

The United States Government considers that the other economic functions now performed by the Allied Commission should either be terminated or assumed by the British and American Embassies in Rome. It would seem convenient for the transfer or termination of these Allied Commission economic functions to take place at the same time as the transfer of supply functions to UNRRA. The creation of formal coordinating machinery among the embassies, the military authorities and UNRRA does not, in the view of the United States Government, seem necessary. It is believed that the interested parties through informal liaison can coordinate their activities and exchange information of mutual interest. The United States Government is prepared to join in notifying UNRRA, SACMED, and the embassies of the proposed arrangements so that plans can be made for the

transfer or termination of functions and the transfer, release or recruitment of appropriate personnel.

WASHINGTON, November 2, 1945.

865.50/11-2045

The Italian Ministry for Foreign Affairs to the American Embassy in Italy [20]

NOTE VERBALE

No. 44/25396/164

1) The Royal Ministry of Foreign Affairs has the honor to acknowledge receipt of the *Note Verbale* dated October 11, 1945, No. 256 [21] in which the United States Embassy declared that it was the intention of the American Government to receive payment for the supplies (civilian supplies) furnished to the Italian civilian population beginning with July 10, 1943. The accounts relating to the abovementioned supplies will be presented by the Supreme Allied Command and on that occasion the Italian Government will be informed of the procedure to be followed for affecting the payment.

2) In taking note of the communication referred to above the Royal Government is glad to learn that the problem of civilian supplies will not be treated separately, but in connection with, the financial problems arising from the war conducted by the occupying Powers in cooperation with co-belligerent Italy, which (problems) the Royal Government set forth in its Memorandum of January 5, 1945.*

In fact, the American Government, in replying to that Memorandum in its recent *Note Verbale* of October 29, 1945,[22] the receipt of which is acknowledged by the Royal Government, and which will be the subject of the most careful examination on its part, expresses itself favorably with regard to the linking of the question of civilian supplies with the questions of AM lire and requisitions which were brought up in the Memorandum in question. The American Government states as follows:

"The matter of reimbursement for AM-lire issues and for requisitions by the United States armed forces in Italy is related intimately to the financial settlement which will ultimately be made with regard

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[20] Copy transmitted to the Department in despatch 2677, November 20, 1945, from Rome; received December 6.

[21] Not printed, but for almost identical text, see telegram 1692, September 27, 6 p. m., to Rome, p. 1288.

*Obviously January 9, 1945 is intended. [Footnote in the original.]

[22] Not printed, but for substance, see telegram 1826, October 12, 8 p. m., to Rome, p. 1292.

to claims arising out of the war and also to the obligations of the Italian Government to pay for civilian supplies furnished to Italy. It is therefore expected that these matters will be taken up in connection with the treaty of peace."

The Royal Government takes note of the foregoing declaration and makes only the two following observations: *a*) the criterion adopted with regard to AM lire and requisitions should reasonably be applied to all of the claims advanced by the Royal Government in the above-mentioned Memorandum; *b*) The settlement of the respective claims will be so complex and will give rise to such technical complications that it would be useful to envisage for such settlement negotiations separate from that for the Treaty of Peace.

3) Apart from these observations, the linking of the question of civilian supplies with the questions raised in the Memorandum referred to repeatedly above is bound to result in notable advantages, namely:

a) From the moral and political point of view the Italian people will have the comfort of realizing the solicitude of the Allies in seeking to alleviate the very difficult economic and financial conditions in which they find themselves, and from such tangible proof of benevolence they will be motivated to reinforce their gratitude to the Allies, and will derive courage for sustaining the severe sufferings which they must endure for some time to come;

b) From the financial point of view the settlement of debit items, the payment of which even if projected in time is bound to meet with almost insurmountable difficulties and to weigh heavily on the exhausted Italian economy, will be facilitated.

4) The Royal Government notes that (the proposed) linking does not exhaust all the questions of financial character which may have to be settled with the Allied governments, and that a few other reciprocal claims must probably be the subject of later negotiations.

The Royal Government considers, however, that the proposed linking is fully justified by the fact that the services provided to the Allies by co-belligerent Italy can well be considered as the counterpart of the services (civilian supplies) provided by the Allies for meeting the most urgent necessities of the Italian people.

Co-belligerency has given rise to a collaboration not only in the military but also in the economic field; and therefore it is perfectly justified that the reciprocal financial burdens derived therefrom be examined jointly, the one in relation with the other.

5) The Royal Government therefore declares that it is prepared to assent with the above-mentioned procedure to the request addressed to it in the *Note Verbale* to which this is a reply and expresses the hope that the comprehension of which the American Government

has already given so many proofs will make it possible to reach, together with the other interested powers, the hoped-for financial settlement.

ROME, November 6, 1945.

865.24/9-2145 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, November 9, 1945—8 p. m.

2064. Reurtel 2810, Sept. 21.[23] For your information financial arrangements contemplating acceptance of local currency for surpluses in Italy have been in process of clearance here by interested agencies but high level determination has just been made to effect that in surplus sales in foreign countries dollar payments on deferred basis (payment within 30 years at interest rate of 2⅜ percent) shall be requested in lieu of such local currency arrangements. Determination to accept lira equivalent of $15,000,000 is, of course, not affected. Before credit may be granted for more than 3 years for "raw materials, consumer goods, and small tools, hardware, and nonassembled articles which may be used in the manufacture of more than one type of product", it will be necessary to obtain exemption from Section 15(*a*)[24] of Surplus Property Act. Application will be made for such exemption. You will be kept informed of developments.

BYRNES

[For text of Agreement between the United States and Italy on Economic Relations effected by exchange of notes signed at Washington, December 6, 1945, see Department of State Executive Agreement Series No. 492, or 59 Stat. (pt. 2) 1731.]

740.00119 EW/12-745 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, December 21, 1945—8 p. m.

2422-2424.[25] Section I. Item referred to in urtel 3941, Dec. 7[26] is bad paraphrase of telegram of Angell.[27] Dept. proposed, in view of Italian inability to pay reparations, that this factor be taken into ac-

[23] Not printed; it reported danger that surplus property in Italy might not be available for essential reconstruction of Italian economy because of financial difficulties and proposed transfer of part of surplus property to UNRRA.

[24] 58 Stat. 772.

[25] Telegram sent in three sections, numbered 2422, 2423, and 2424, respectively.

[26] Not printed.

[27] James W. Angell, United States representative on Reparation Commission.

count in determining Greek and Yugo shares in German reparations. Dept motivated by desire to have these countries receive some reparations for damage caused by Italian Fascist aggression and to reduce pressure for reparations from Italy which would probably in final analysis be derived from economic assistance provided to Italy by this country. Neither this government nor any other Allied government to Dept's knowledge has recognized that Italy has any claim to share in reparation deliveries from Germany under Potsdam Protocol.[28]

As Embassy is aware, Dept believes that Italian Govt should subject to certain reservations be permitted to retain German property in Italy in satisfaction of Italian claims on Germany. (This topic discussed more fully in reply Embtel 3987, Dec. 10).[29] Such action would put Italy on approximately same basis as Latin American countries and other United Nations not participating in the present Paris Reparations conference.[30] This would mean she would be treated as favorably as any United Nation except those which have borne the main burden of the war against Germany and of resisting German aggression. In view of her role in war, Italy can hardly be included in the latter group.

Your inquiry has brought to light fact that no reply has apparently ever been made to note paraphrased in Embtel 1053, Apr. 26. (Dept. is unable to find record of text of this note having been forwarded by Embassy). Contemplated reply which is set forth in Section II this message was under consideration by Dept last summer when Brit addressed note to Dept summarized in Section III. Consideration of Italian request was apparently abandoned in view of CFM meeting[31] and belief Italian peace treaty would be negotiated at early date.

Meanwhile Paris conference on division of reparation shares was convened without invitation to Italy. Policy on restitution is still under consideration in ACC Berlin. While US is acting unilaterally in restoring looted Allied property in its zones of Germany and Austria, US has hesitated to instruct any restitution for ex-enemies (Italy and Hungary being only ones concerned) prior to satisfactory agreement on restitution policy for Allied property.

Any reply to Italian note at this time would still have to be along lines indicated in Section II. Dept is inquiring of Brit Embassy whether UK Government has answered Italian note or contemplates doing so. Meanwhile Dept would welcome Embassy's views as to desirability of making reply.

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[28] *Conference of Berlin (Potsdam)*, vol. II, p. 1478.

[29] Not printed.

[30] Conference held November 9–December 21, 1945; see vol. III, pp. 1374 ff., *passim*.

[31] For documentation relating to the Conference of Foreign Ministers, Moscow, December 16–26, 1945, see vol. II, pp. 560 ff.

Section II. Contemplated reply to Italian FonOff note (urtel 1053, April 26).

1. With respect to Italy's desire to be recognized as a reparation claimant, the United States Government is deeply conscious of the difficulties which Italy is experiencing as a result of the destruction of Italian industry and the dislocation of the Italian economy caused by Germany. This Govt must nevertheless point out that even though Germany will be required to pay reparation to the full extent of her capacity, she will be able to compensate for only a small part of the damage and loss caused by her to the United Nations. Consequently any indemnification by Germany to Italy would be at the expense, not of Germany, but of these other countries. In these circumstances the U.S. does not feel that it can support Italy's claims for general reparation vis-à-vis those of the United Nations.

2. With reference to the proposal for Italian Technical Commissions to identify looted Italian property, you should point out that the principles and techniques of restitution are yet to be worked out, and that pending agreement on these questions it is obviously impossible to make commitments of the type suggested by the Italian Govt. This Govt would be inclined to view sympthetically claims for the return of identifiable art objects and cultural treasures looted from Italy. The restitution to Italy of other types of property and especially of productive equipment is much more closely related to general reparation. On this question the U.S. Govt finds it necessary for the present to reserve its position.

Section III. Substance of Brit note re Italian claim to reparation from Germany:

1. On April 21 [*22?*] Italian FonOff addressed identical notes [32] re Italy's right to reparations from Germany to UK and US Embs at Rome. U.K. Govt considering reply to be made and would welcome common policy with U.S. in this matter.

2. U.K. believes detailed reply would have to be as follows: (*a*) Question whether Italy entitled to claim German reparations is matter in which all claimants against Germany interested since Germany capacity to meet all claims inadequate. U.K. can give no assurance re priority of Italian claims vis-à-vis claims of countries which bore full burden of German war. (*b*) U.K. generally favors restoration to original owners of identifiable property which existed before the war, though special arrangements may be needed re particular categories of goods. (*c*) If original goods cannot be found, question of indemnification becomes one of reparation. (*d*) No assurance can now be given that Italian technicians may proceed to Germany to identify Italian

[32] For substance of the note, see telegram 1053, April 26, 6 p. m., from Rome, p. 1254.

property. (*e*) U.K. not prepared to support admission of Italian representatives to reparation conference. This must be matter settled by powers represented on reparations commission.

3. Since this would be most unsympathetic answer, U.K. Govt believes it better merely to inform Italian Govt that Italian requests have been noted, but no answer can be given now since questions raised affect all United Nations.

4. U.K. Govt plans to reply in this sense subject to any observations by U.S. Govt.

ACHESON

EFFORTS OF THE UNITED STATES TO OBTAIN FAIR TREATMENT FOR AMERICAN PETROLEUM INTERESTS IN ITALY

800.6363/12-2244 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, January 19, 1945—2 p. m.

108. While it is appreciated that the recent Italian cabinet changes postponed action on the legalization of CIP,[33] the Department is anxious that enactment of the draft decree forwarded with your despatch no. 611 of December 5 [34] should not be unduly delayed. The Department would like you, at the earliest appropriate opportunity, to take up informally with Allied Commission the desirability of pressing the Italian Government to take action soon.

There may be some possibility that the legalization of CIP, following the urging of the Allied Commission and the American and British Governments, might later be construed as giving some legality to, or the appearance of approval by the American and British Governments of, the measures taken before the war with respect to American and British petroleum investments and operations in Italy.

The Department, therefore, would like to have you present a note to the Italian Government in order that the position of the American Government may be placed clearly upon the record. For this note the Department has adapted the text suggested in your 1021 of December 22.[35] It is believed that the British Government will send a similar instruction and note to the British Ambassador. The contents of the note should be substantially as follows:

"The injuries done in petroleum operations in Italy to nationals of the United States and the United Kingdom constitute a general problem which will ultimately have to be dealt with. It will be

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[33] Comitato Italiano di Petroli.

[34] Not printed; the draft decree pertained to legalization of C.I.P.

[35] Not printed.

recognized by your government that through the agencies of AGIP [36] and ANIC,[37] petroleum enterprises controlled by Allied nationals were subjected to particularly insidious treatment. As the ultimate settlement of this problem may require a considerable period, it is the desire of the United States Government that in the meantime the conduct of petroleum affairs in Italy should be such that the interests of American nationals will not be further prejudiced.

Your Government must recognize that American petroleum interests in Italy have suffered grave damages, and that at the proper time some satisfactory recompense must be made. Meanwhile, no actions which might tend to complicate further the position of American nationals in the petroleum industry in Italy should be taken or be permitted by the Italian Government. In particular the petroleum properties and rights formerly belonging to American nationals which were confiscated by the Italian Government should not be disposed of to private concerns or individuals.

The points set forth above have little to do with petroleum operations currently conducted in Italy but in anticipation of the proper time for their consideration it is believed appropriate to raise them now in order to facilitate the return at the earliest possible moment of the properties to the companies from which they were confiscated, including the rights and other intangible assets of the companies and the competitive opportunities which they enjoyed. This statement is made without prejudice to the claims of American nationals to just compensation for damage and injury suffered, whether sustained before or after the promulgation of the decree." [38]

Please inform Department by cable when action has been taken, sending final text of note by despatch.

STETTINIUS

800.6363/1-2645 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, January 26, 1945—4 p. m.

151. If the note contained in the Department's 108 of 2 p. m. January 19 has not yet been presented to the Italian Government, the Department requests that you withhold action until you receive further instructions. It appears that text approved by Foreign Office includes a paragraph purposely omitted from the text sent to you. Consideration is now being given whether substance of this paragraph can be included in your text.

Also please cable in what manner you plan to submit the note. Do you propose to present it directly to the Italian Government with the

[36] Azienda Generale Italiana Petroli.

[37] Azienda Nazionale Idrogenazione Combustibile.

[38] A marginal note on the file copy states that this message had been approved by Mr. A. G. Antoni, Vice President of the Allied Commission, then present in Washington, and by Mr. W. D. Crampton, Petroleum Administrator for War.

British Ambassador presenting a similar note, or will a single note combining the American and British texts be drafted for presentation by the Allied Commission?

GREW

800.6363/2–545 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, February 10, 1945—1 a. m.

263. The Department approves the procedure recommended in your 315 of 3 p. m. February 5,[39] that the note be submitted direct to the Italian Government with information copy to the AC. We have agreed with the British representatives here the text quoted below, which they have referred to London with the recommendation that it be accepted and that the British Embassy Rome be instructed to take action parallel with yours. You are requested to coordinate your action with that of the British Embassy.

The change foreshadowed in the Department's 151 of 4 p. m. January 26 concerned the following paragraph in the original statement contained in your 1021 of 4 p. m. December 22.[39]

"In addition it should be a matter of record that the cession of the direct holdings in the petroleum industry of the Italian Government may very probably be an integer among other claims for reparation."

This paragraph was omitted from the revised text sent to you in the Department's 108 of 2 p. m. January 19. Subsequently we learned that it was still included in the text as approved by the Foreign Office.

The Department considers that in a matter involving a question of policy such as is dealt with in this paragraph it is most desirable that no grounds be given to the Italian Government for believing that the American and British viewpoints might not be similar. We consider it desirable that the British and American notes should be as similar as possible. Accordingly the Department has prepared a substitute for the above paragraph, with which it is hoped that London will agree. The new paragraph is the fifth in the following text.

The note is quoted below in full. A few modifications have been made in the text as sent in our 108 in order to take account of verbal changes suggested by the British which you sent in your 99 of 6 p. m. January 12.[39]

"In connection with the decree giving legal status to CIP my Government desires to place on the record certain broad aims with respect to the petroleum policy of the Italian Government.

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[39] Not printed.

It will be recognized by the Italian Government that the injuries done in petroleum operations in Italy to nationals of the United States and the United Kingdom constitute a general problem which will ultimately have to be dealt with. Before the war preferential treatment was received by AGIP and ANIC as compared with that given the petroleum enterprises controlled by Allied nationals, and during the war serious injury has been inflicted on these enterprises. As the settlement of this problem may require a considerable period, it is the desire of the United States Government that in the meantime the conduct of petroleum affairs in Italy should be such that the interests of American nationals will not be further prejudiced.

Your Government must also recognize that American petroleum interests in Italy have suffered grave damages, and that at the proper time some satisfactory recompense must be made. Meanwhile, no actions which might tend to complicate further the position of American nationals in the petroleum industry in Italy should be taken or be permitted by the Italian Government.

In particular the petroleum properties and rights formerly belonging to American nationals, or to enterprises in which American nationals were interested, which were confiscated by the Italian Government should not be disposed of to private concerns or individuals. The policies and actions of the Italian Government should be such as to facilitate the return at the earliest possible moment of the properties to the companies from which they were confiscated, including the rights and other intangible assets of the companies and the competitive opportunities which they enjoyed.

In addition it should be a matter of record that in the ultimate settlement the Italian Government may be required to cede or liquidate various state-owned or controlled properties and assets in order to provide compensation to Allied nationals for damages suffered growing out of the war declared by Italy against the United States. As the petroleum properties and assets which belonged to the Italian Government prior to the confiscation of the American properties may be included among the holdings that will be required for this purpose, no action should be taken by the Italian Government pending the settlement which might result in dissipating these assets or in rendering more difficult their possible mobilization and transfer. This statement is made without prejudice to the claims of American nationals to just compensation for damage and injury suffered, whether sustained before or after the promulgation of the decree legalizing the CIP.

The points set forth above have little to do with petroleum operations currently conducted in Italy but in anticipation of the proper time for their consideration it is believed appropriate to place them upon the record now so as to avoid future misunderstandings."

GREW

865.6363/3-345 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, March 3, 1945—10 a. m.
[Received March 3—9:30 a. m.]

590. See my 459, February 17, 7 p. m.[43] While to date decree for legalizing CIP has not been published in *Official Gazette* and measure has therefore not yet become law, Petroleum Adviser West and AC officials participating in meeting reported in my telegram under reference point out that the delay does not exceed the period of 2 weeks or more which normally attends official publication of measures approved by Council of Ministers. They assume that publication is only a matter of days.

In the meantime (see Department's 421, February 28, 9 p. m.) [43] I have deferred presenting the note transmitted in Department's 263, February 10, 1 a. m., since text of that note presupposes the prior enactment of the CIP decree, and since it was feared that prior presentation of note might conceivably have an adverse effect on the fate of the decree. British Embassy has deferred action for the same reasons.

I should appreciate being so instructed in case Department wishes note to be presented without waiting for publication of decree in question.

KIRK

865.6363/3-345 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, March 9, 1945—5 p. m.

474. Reurtel 590, March 3, 10 a. m. Department concurs that note be presented after publication of decree.

GREW

865.6363/2-1545 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, March 22, 1945—1 p. m.

552. The Department refers to the statement made in your 425 of February 15, 3 p. m.,[43] attributed to PetroleumAdviser West that the Italian Government has not abandoned notions of a strong government-controlled oil policy. It would be of considerable concern to

[43] Not printed.

the Department if it were felt that the Italian Government were contemplating the pursuit after the war of policies with respect to the oil business similar to those which it followed during the decade preceding the war.

In the note contained in the Department's 263 of February 10, 1 a. m. it was made clear that the Italian Government would be expected at the appropriate time to restore the petroleum properties that were taken from American nationals and Italian concerns owned by American nationals. It is obvious that the restitution of these properties will have little significance and will be of only limited value unless the companies are permitted to compete under fair conditions in the Italian market.

The Department believes that it would be useful if in the near future you would discuss with the Prime Minister[44] and such other ministers as you see fit, the policies and actions outlined below. However, before you take this initiative, we would appreciate receiving your views regarding the contents of this telegram and the most appropriate time to raise them with the Italian Government. The points to be made are the following:

1—In producing, refining and distributing operations in Italian territory nationals should be granted treatment as favorable in all respects as that granted to the nationals of any other country.

2—If imports into Italian territory of either crude petroleum or refined products are licensed or restricted by quotas, or are otherwise limited, American nationals, and local companies owned or controlled by American nationals, should be granted a share of the total permitted to be imported proportionate to the share which they enjoyed in some representative base period.

3—The Italian Government's right to enter directly into the oil business of course is recognized, but you should point out the disadvantages of that course particularly in the situation that will prevail in Italy after the war. The private oil industry, in production, refining and distribution, can offer to consumers benefits from extensive operations and long experience which it would appear doubtful that Italian enterprises could match without substantial protection. The participation of the Italian Government in the oil business would therefore create a competitive position which would offer a continuous temptation to the Government to resort to the arbitrary practices which characterized the operation of the Government's petroleum enterprises under Fascism. A repetition of such a situation would be disadvantageous to Italian consumers and harmful to Italian-American commercial relations.

4—If the Italian Government should retain an interest in AGIP and ANIC after the war, these bodies should not be permitted to resort to the arbitrary practices in which they formerly indulged.

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[44] Ivanoe Bonomi.

Concerns in which the Italian Government is interested should not be given preferred treatment in ordinary commercial transactions over enterprises owned or controlled by American nationals.

In general, you should point out that it would be to the long-term advantage of the Italian people as well as of the Italian Government for Italy to adopt as objectives the policies set forth above.

GREW

865.6363/4–1145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, April 11, 1945—10 a. m.
[Received April 11—9:03 a. m.]

929. See my 459, February 17, 7 p. m.[46] AC officials who have been persistently urging Italian authorities to expedite publication of decree for legalizing status of CIP express considerable confidence now that measure may be published within a very few days. Assuming that this materializes as expected the time will then have come for presenting the statement transmitted in Department's 263, February 10, 1 a. m. (See Department's 474, March 9, 5 p. m.) [46]

As for the Department's suggestion in its 552 of March 22, 1 p. m., that I present the additional views therein set forth in discussions with the Italian authorities, while I consider that the points outlined by the Department should be brought to the Italian Government's attention, I suggest that for purposes of record this action be taken by the presentation of a memorandum which can be emphasized in oral discussions. Also I recommend that such action be taken at an early appropriate moment after the statement transmitted in Department's 263 has been submitted to the Italian Government.

Please inform me whether this procedure meets with Department's approval.

KIRK

865.6363/4–2045 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, April 20, 1945—7 p. m.

675. The procedures recommended in your 929, April 11, 10 a. m. are approved.

STETTINIUS

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[46] Not printed.

865.6363/4–2545 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, April 25, 1945—5 p. m.
[Received April 25—3:15 p. m.]

1049. See my 929, April 11, 10 a. m., and previous. Italian *Official Gazette* of April 21 received today publishes the decree establishing the legal constitution of CIP. In its main features decree is along the lines of the draft transmitted in enclosure to my despatch 611 of December 5, 1944.[47] To complete the legislation on this subject there only remains to be submitted by the Italian authorities the letter supplementing the decree a projected draft of which formed part of the above-mentioned enclosure to my despatch 611. The AC official who has been keeping in close touch with Italian authorities in connection with the course of the decree reports having been assured today that the appropriate ministry will proceed promptly to the issuance of the letter in question.

In view of the foregoing Embassy has consulted with British Embassy and both are ready to submit to Italian Government the statement transmitted in Department's 263, February 10, 1 p. m. [*a. m.*] following the expected issuance of the supplementary letter referred to in preceding paragraph. Text of the CIP decree as officially published will be forwarded by next pouch.

KIRK

865.6363/6–2445 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, June 24, 1945—1 p. m.
[Received June 24—11:20 a. m.]

1729. With reference to my *note verbale* of May 7 submitting to Ital Govt the statement contained in Dept's 263, Feb. 10, 1 a. m. (see my 1202, May 8, 10 a. m.) [47] I am in receipt of a *note verbale* from F. O. dated June 18, the essential points of which are contained in the following summary:

It does not appear that the policy which the previous Ital Govt adopted in the period before hostilities actually created an illegitimate discrimination against foreign oil companies or that the principle of freedom of commerce was violated. It cannot be held for example that there could be advanced a complaint against the system whereby the supplying of the requirements of the state is reserved to the state petroleum companies. Nor can it be considered that the treatment

[47] Not printed.

raising [*arising?*] from Itals pre-war policy of quotas was preferential. In both cases the measures were of a general character and such as had been taken by various other countries in the exercise of their full independence as well as by Italy.

As regards the quota policy this was rendered indispensable because of the abnormal situation of international trade and production. With regard to these measures it is to be noted that no complaints were raised by the foreign enterprises at the time of their application.

Ital. Govt. does recognize, notwithstanding, the foregoing that measures were taken after the war which may appear capable of having caused damage to the oil companies controlled by Brit. and Amer. Such damage if it has actually existed will in any case be found to have been much less grave than might have been supposed by the interested companies. Moreover, it will be found that even the transfer to any of the companies plants has, by keeping those plants in use, prevented the greater damages which would have resulted if they had been left inactive.

The Ital. Govt. undertakes in any case, and independently of the question of eventual damages to restore to the rightful parties all of their assets and is prepared to proceed to a settlement of accounts with the interested enterprises in such manner as to reestablish the legal and *de facto* situation with respect to them existing in Italy before war was declared.

In addition, the Govt declares that it does not have the intention of modifying the existing situation as regards the oil enterprises controlled by the state. Therefore, the Emb. may be relieved of its preoccupation over the possibility of modifications in this regard to the further detriment of Amer. interests.

When decree No. 36 of Feb. 1 of this year regarding the desequestration of enemy assets enters into effect it will render possible the settlement of the question which interests the Allied petroleum companies by an integral restitution of their installations.

Demands could not be taken into consideration by the Ital Govt that indemnification be made for damages through the cession to the companies mentioned above of petroleum properties which the state controls. The damages as already indicated, will be much smaller than supposed by the interested parties but whether they are large or small, indemnification for them will be effected in money. Consent would in no case be given by the Ital Govt to a form of indemnification which would deprive the economy of Italy of its distributing apparatus and industrial plants and would prevent the collaboration among Allied and Ital oil companies through which alone can there be assured within certain limits a competitive regime which corresponds to the desire of the Allied Govts and to the interests of Italian economy.

The critical and disastrous situation of Ital economy is known to the Allied Govts who will agree that the matter of petroleum policy has too deep repercussions on the economic life of a nation for it not to ensure the best conditions or [*for*] the purchase, elaboration [*transformation*],[49] sale and distribution of petroleum products avoiding meas-

[49] Corrections made from complete text of *note verbale* transmitted to the Department in despatch 1792, June 25, 1945, from Rome; received July 3 (865.6363/6-2545).

ures which it would be difficult for any govt responsible to public opinion to adopt.

Confidence is held by the Ital Govt in the high sense and justice which the Allied Govts have shown hitherto and it is felt that they will desire to prevent a solution with regard to the question of petroleum which is not just and consistent with the interests of a co-belligerent which has made such large sacrifices for the victory of the Allies. The Ital Govt trusts that when restitution of the plants which belong to the British and Amer enterprises is provided for it will be possible to arrive at a loyal and complete understanding between those enterprises and the Italian concerns which will lead to collaboration for supplying oil products to the Ital market under sound and reasonable competitive conditions. *End summary.*

Brit Emb reports that it also received a note similar to the one summarized above and that it is recommending to London that it be authorized to acknowledge receipt thereof in a note which would not enter into a discussion of the points advanced by the Ital but would state that the Brit. Govt reserves its position as set forth in its Emb's. previous note on the subject. I feel that we should reply to Ital note in similar vein adding reference to our observations contained in *aide-mémoire* which, in pursuance of Dept's 675, Apr. 20 7 p. m., I submitted to Min of Foreign Affairs bringing to Ital Govts attention the additional points contained in Dept's 552, March 22, 1 p. m. I would appreciate receiving Dept's instructions in this connection.

American civilian oil advisers West and Frothingham have been informed of the various points of the Ital note and have indicated their intention to submit to Emb their considered comments.[50] These will be duly communicated to Dept for its consideration in examining the note in question. Text and translation of letter are being forwarded by pouch.

KIRK

865.6363/8–1745 : Telegram

The Ambassador in the United Kingdom (Winant) to the Secretary of State

LONDON, August 17, 1945.
[Received August 17—5 : 55 p. m.]

8329. Embtel 6833, July 6.[51] Ministry Fuel Power consider it most desirable that communication on oil supply arrangement be presented to Italian Government before military turn over oil control in Italy. Ministry states it is pressed by both military and British Embassy Rome and believes that if there is no major dis-

[50] Comments transmitted to Department in despatch 1835, June 30, 1945, from Rome, not printed.
[51] Not printed.

agreement between our two Governments on texts of communications British Government may find it preferable to present its note promptly to Italian Government leaving us to present our communication when we desire rather than wait longer for full agreement between us on text. Is foregoing satisfactory to Department? Reference communication May 7 to Italian Government concerning discrimination favoring AGIP and Italian *note verbale* June 26 [52] denying such discrimination and stating that no previous complaint regarding latter had been made. Ministry Fuel Power feel it desirable for record that Italian Government's attention be called also at early date by British Government to numerous British communications on this subject before the war.

WINANT

865.6363/8–2045 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, August 20, 1945—6 p. m.

1395. Dept's circular airgram Mar 3 [52] on Establishment of an Arrangement for Supplying Essential Petroleum Requirements for Liberated European Countries. Dept now desires you, in accordance with those instructions and after consultation with Brit Emb, to invite Italian Govt to participate in the Petroleum Supply Arrangement. It is hoped no delay will be involved either in presentation of the Arrangement to Italian Govt or in their reaching a decision and taking necessary steps.

The time elapsed since Mar 3 necessitates making three changes in airgram which you are requested to take into account in presenting its substance to the Italian Govt.

1. References contained in paragraph 6 to Anglo-American Oil Allocating Board should not be included. Thought to be conveyed is that US and Brit Govts will determine currently amount of petroleum that will be made available to meet essential Italian requirements, due regard being had to demands of the war and to essential civilian needs of other countries. It is felt unnecessary to describe machinery by which decisions are reached by American and British Govts.

2. As the Comitato Italiano Petroli has now been legalized by decree, this committee should be mentioned specifically wherever throughout the airgram, and particularly in paragraph 8, reference is made in general terms to local petroleum industry or national pool committee.

3. Supply committees referred to in paragraph 7 which it is stated would be established in United States and Great Britain have now been established.

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[52] Not printed.

In connection your discussion of petroleum supply arrangement you are requested to state that US Govt looks to Italian Govt for satisfactory assurances on following three matters: *a*) that properties of petroleum companies in which American nationals are interested will be promptly returned to their owners, as provided for under the desequestration decree; *b*) that American interests in CIP will be given a fair share of the total business so that when the operation of a pool is no longer necessary and competition is restored, American-owned companies may enter that period in approximately the same position relative to Italian and other foreign-owned concerns which they held at outset of period of severe discrimination under Fascist regime; and *c*) that AGIP, whatever its future status may be, will not enjoy preferential treatment such as was given to it, to detriment of American interests, under Fascist Govt.

The purpose of point *b*) above is to provide that when pool controls are removed American interests as a whole should be in possession of a fair proportion of the total Italian business judged in relation to some previous representative period. For your information and use in discussions with Italian Govt, we believe that 1933, as it precedes the period of extreme discrimination under Fascism, represents a fair base year for calculating distribution of business between Italian, American and other foreign interests. After the pool controls are removed it is this Govt's hope and expectation that Italian Govt will allow fullest possible measure of competition to exist in oil industry and will permit other American companies, if any so wish, to enter Italian market.

BYRNES

865.6363/8–2945 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, August 29, 1945—6 p. m.
[Received August 29—5 : 33 p. m.]

2499. British Embassy states that it has not yet received instructions for inviting Italian Govt to participate in petroleum supply arrangement. This Embassy is ready to act in pursuance of your telegram 1395, Aug. 20, 6 p. m. Civilian Petroleum Adviser Frothingham feels most strongly that we should present to Italian Government memorandum envisaged in your telegram under reference without further delay since it is most essential Italian authorities know of proposed procedure at once and so Comitato Italiano Petroli can start immediately necessary discussions with Government for implementation of program. Otherwise he points out there is grave risk that arrangements cannot be completed by the date (October 1) proposed for initiation of program.

Please instruct urgently whether we shall present memorandum after discussing changes proposed by Department's 1395, August 20, with British Embassy but without awaiting for them to receive official instructions from London.

KIRK

865.6363/8–1745 : Telegram

The Secretary of State to the Ambassador in the United Kingdom (Winant)

WASHINGTON, August 29, 1945—8 p. m.

7418. Urtel 8329, Aug. 17. Dept after discussions with British Petroleum Representative and Brit Emb Washington instructed AmEmb Rome in consultation with Brit Emb Rome to present oil supply arrangement to Italian Government. US communication parallels British draft given Barry by Bridgeman June 29. Only significant differences are (1) Dept's communication states that "US Govt looks to Italian Govt for satisfactory assurances" on certain points where as Brit note in para. 8 states that "supplies of oil to Italy will be conditional" on certain things; and (2) while Dept's communication states points (*a*), (*b*), and (*d*) of para. 8 of Brit note in substantially similar language it omits Brit point (*c*) on ground that this subject can more appropriately be dealt with in peace treaty.

BYRNES

865.6363/8–2045 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, September 14, 1945—8 p. m.

1592. For your information it is expected that within the near future petroleum supplies may be generally freed from restrictions and allocation. It is therefore necessary to modify Supply Arrangement communicated to you by our A–99, Mar 3,[53] and 1395, Aug 20.

Insofar as Italy is concerned petroleum imports will continue for some time to be governed by special arrangements. Oct, Nov and Dec arrivals from dollar sources will be procured and furnished through AFHQ [54] Petroleum Section in accordance with FX 40688 of Sep 3 from Caserta to Agwar.[55] We expect that AFHQ will procure POL [56] from sterling sources under similar arrangements. After close of year it is anticipated that supplies should be procured through in-

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[53] Not printed.
[54] Allied Force Headquarters.
[55] Adjutant General, War Department.
[56] Petroleum Oil and Lubricants.

dustry channels and payment be made by UNRRA [57] providing such supply is covered by UNRRA appropriation.

Within Italy position will be as follows: Programming, slating and control of distribution can be handled through AFHQ Petroleum Section until civilian machinery, which will center in CIP, is ready to assume full responsibility which must be before end of year. CIP should assume responsibility for slating by Oct 1 on which date it should submit slates for Dec and Jan. Slates should be submitted through Italian Govt to Amer and Brit Embs and should be transmitted in total to Washington and London where they will be divided between dollar and sterling sources. As regards responsibility for receiving and accounting for imported supplies, CIP should take over these functions from AFHQ Petroleum Section as soon as possible.

You are requested to communicate foregoing to Italian Govt.[58]

Important you make clear to Italian Govt that US Govt expects to receive satisfactory assurances from Italian Govt on three points mentioned Deptel 1395, Aug 20. In connection with point (*b*) the objective is to obtain assurances that Amer companies as a whole, for so long as Italian market is controlled, will receive fair share thereof based on previous experience. While 1933 is favored by Brit as base period, and is good year for Amer interests as a whole, selection of any single year might cause embarrassment as between individual companies. Therefore Dept suggests that you take position with Italian Govt *a*) that contract rights existing at outbreak of war be restored, and *b*) that Italian Govt should agree in principle that Amer interests be given fair share of market. If such agreement in principle can be obtained, companies can negotiate for themselves what their respective positions are to be.

You should point out this Govt. feels that Ital Govt, considering important contributions to welfare of Italian people being made by US, should give promptly assurances sought.

ACHESON

865.6363/9–1945 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 19, 1945—7 p. m.
[Received September 19—4:55 p. m.]

2787. British Embassy has supplied me with copy of a *note verbale* which it is submitting to Italian Govt today with respect to arrangement for supplying Italian essential petroleum requirements. Note

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[57] United Nations Relief and Rehabilitation Administration.
[58] Message was sent as *note verbale* No. 248, September 28, 1945, not printed.

in question appears to constitute a review of the same points as were contained in Depts airgram A–99 of March 3 [59] with certain adaptations such as were communicated to this Embassy in numbered paragraphs 1, 2 and 3 of urtel 1395, August 20. Note contains also paragraph stating that British Govt looks to Italian Govt for satisfactory assurance on the three points set forth in section 2 of urtel 1395.

As regards the communication on the same subject which this Embassy is instructed to make to Italian Govt in urtel 1592, Sept 14, it is my interpretation that our communication should not contain a review of Department's circular airgram of March 3 amended by the three numbered paragraphs of urtel 1395 but should confine itself to the information contained in second and third paragraphs of urtel 1592 and the instructions contained in last two paragraphs thereof. Am withholding communication to Italian Govt pending your instruction on this point hence please reply urgently.

KIRK

865.6363/9–2745 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, September 27, 1945—3 p. m.
[Received 7:45 p. m.]

2868. Reply has been received from Italian Government to Embassy's *aide-mémoire* submitted to Italian Government as reported in penultimate paragraph my telegram 1729, June 24, which brought to attention of that Government the additional points regarding Italy's petroleum policy contained in Department's 552, March 22. Summary of note follows:

1. To the granting of most-favored-nation treatment to American citizens and entities engaged in production, refining and distribution of petroleum products in Italian territory, note expresses Italian Government's agreement; it adds that existing petroleum legislation does not envisage any distinction between Italian citizens and entities and foreign ones and that latter are therefore juridically treated in the same manner as nationals.

2. Concerning treatment to be accorded importation of petroleum products by American citizens and entities note "confirms" that Italian Government's guiding policy is to recognize in case of restriction by quotas (*in case di contingentimento*) the right of importation of quotas in proportion to imports made in a determined base period. This system, the note comments, was followed in the past.

3. Note states that Italy's petroleum policy will aim to provide the greatest benefit for the collectivity. While the Italian petroleum entities have not the traditions of the foreign companies which have been able to operate on a broad scale, they have nevertheless adequate equipment and organization and have given proof of their efficiency.

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[59] Not printed.

Moreover a co-interest in those entities on the part of the state does not mean the adoption of measures in their favor as against other private firms.

4. Italian Government is not aware of any practices in which AGIP (Abr. unknown) and ANIC (Abr. unknown) [59a] have engaged prejudicial to competing foreign companies. Should however evidences of such practices be brought to knowledge of Italian Government latter will not fail to take due consideration of them. On the subject of preferential treatment alleged to have been enjoyed by entities in which Italian Government is interested, note confines itself to reference to what was set forth on the subject in its previous *note verbale* of June 18, 1945 (for text of latter see Embassy's despatch 1792, June 25).[60] *End summary.*

With regard to foregoing, Petroleum Adviser Frothingham, who is now en route to US, commented especially on the vague reply which note contains with respect to prejudicial treatment which has previously been accorded to American companies but the existence of which note does not admit. Such treatment, he said, can be amply documented by the companies concerned. It is understood that he will discuss this and other petroleum matters in Washington. Embassy will await Department's instructions regarding making of further communications to Italian Government on subject.

Text of note summarized above follows by despatch.[61]

KIRK

865.6363/11-545

The Italian Ministry for Foreign Affairs to the American Embassy in Italy [62]

NOTE VERBALE

[Translation]

The Ministry of Foreign Affairs presents its compliments to the Embassy of the United States of America and, with reference to the *note verbale* of the American Embassy No. 248 of September 28 ult.[63] and the *note verbale* of the British Embassy No. 206 of September 18 ult., submitting proposals to the Italian Government for the future regulation of petroleum supplies for Italy, has the honor to call attention to the following:

The Italian Government is aware that during the present period it is still necessary to maintain a single routine covering supplies of

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[59a] See p. 1305, footnotes 36 and 37, respectively.

[60] Despatch 1792 not printed, but for summary of *note verbale*, see telegram 1729, June 24, p. 1311.

[61] Despatch 2368, September 27, 1945, and enclosed note not printed.

[62] Copy transmitted to the Department in despatch 2592, November 5, 1945, from Rome; received November 19.

[63] See footnote 58, p. 1317.

petroleum products, however it considers that such routine should cover a relatively short period of time, as there are good grounds to suppose that, as far as available quantities of petroleum products and transportation are concerned, we are tending towards a more normal state of affairs. For such transitory period, which we hope will not be protracted to any great length, on the Italian side the routine for the supplying of petroleum products as proposed by the British and American Governments is accepted.

With particular regard to the different types of petroleum products to be assigned, the Ministry of Foreign Affairs wishes to draw the attention of the British and American Governments to the necessity of Italy being able to obtain suitable quantities of crude oil, for the purpose of maintaining refineries in operating condition and to avoid deterioration of the plants already existing in the country, and which are at present inactive, as well as to give employment to considerable masses of workmen thereby contributing to the alleviation of increasing unemployment in this sector.

With reference to the suggested method of payment, it is considered superfluous to mention that, as is well known to the Allied Authorities, the present Italian resources do not allow us to meet payments in cash, and we therefore trust that supplies of petroleum products may be financed by UNRRA, or through some other financing system.

When considering the question of the distribution in Italy of the quantities of petroleum products assigned, the Ministry for Foreign Affairs considers it advisable that steps be taken immediately tending towards a normal state of operation and in this connection feels it advisable to re-examine the structure and functioning of the C.I.P., which structure and functioning, if justified in the past by necessities of war, do no longer appear consistent with the new situation brought about by the cessation of hostilities and by the progressive normalisation of the markets. From the point of view of the new routine, this body could be limited to undertake the function of supervising, on the basis of an equitable formula to be established by the Italian Government in agreement with the interested parties, the division of quantities assigned between the various companies operating in Italian territory. The subsequent steps connected with placing products into consumption directly as regards products which may be sold without any further processing and through refining and processing in case of others should be taken care of by the individual Italian and foreign companies as soon as the latter have regained possession of their plants.

In this connection it is pointed out that, as already known, effective the first February last a Lieut. Decree [64] was issued covering the return of said plants to their lawful owners, and the publication of the relative executive regulations can take place at any moment, as soon as we are advised that the American and British Governments are in agreement regarding the regulations themselves, which agreement has been solicited a number of times. The Italian Government, as already advised with *Note Verbale* No. 41/10142 of 18 June last,[65] confirms its ardent desire to see American and British companies promptly regaining possession of their properties and trusts that the Embassy of the United States of America on its part will kindly help in order that the return (of the properties) may take place without delay.

With regard, furthermore, to the assurances asked for in connection with points mentioned in paragraph 2, *b*) and *c*) of the *Note Verbale* to which we are herein replying, the Ministry for Foreign Affairs, referring also to *Note Verbale* No. 41/10142 of 18 June last and Memorandum No. 41/19785 of 18 September last [66] on this subject, wishes to confirm that it is not the intention of the Italian Government to adopt measures of a preferential nature in favor of AGIP and other Italian companies vis-à-vis foreign companies.

On the Italian side it is agreed furthermore that, as regards the routine foreseen for the petroleum market, a just quota of the total market be assigned to American and British interests, so that when the "pool" controls will have been removed, the various petroleum companies may again operate in Italy on bases not less favorable than those on which they were respectively situated before the beginning of hostilities.

The Italian Government on its part is also favorable to the suggestion that, as soon as the present restrictions on petroleum products have been removed, the supply of petroleum products to the Italian market, covering purchases from source as well as refining and resale within the country, may take place under a regime of healthy and real competition and cooperation between foreign interests and Italian companies to the maximum good of all concerned.

The Minister for Foreign Affairs trusts that the American and British Governments will agree with the above observations in connection with the proposal covering the supply and distribution of petroleum products submitted to the Italian Government, and thanks

[64] Decree issued in the name of the Lieutenant of the Realm.
[65] Not printed, but for summary, see telegram 1729, June 24, from Rome, p. 1311.
[66] Not printed, but for summary, see telegram 2868, September 27, from Rome, p. 1318.

734-362—68——84

the Embassy of the United States for any communications which it may wish to make on the subject.

OCTOBER 26, 1945.

865.6363/12-645 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, December 6, 1945—5 p. m.
[Received 5 : 16 p. m.]

3919. Ref mytel 3918, Dec 6.[67] With specific reference to desequestration of American oil interests and in connection with present delay in enacting pertinent legislation thereto, this Embassy feels it advisable to point out to Dept certain implications concerning petroleum supplies which could result in detriment to general interest outlined below if postponement of desequestration legislation is prolonged:

(1) Present petroleum supply program for Italy centers on Comitato Italiano Petroli (CIP) acting for Italian Govt. CIP was organized and up to December 1, 1945 generally supervised by Allied Armies through petroleum section AFHQ whose functions in Italy are now terminated. Present Italian decree provides for CIP to function only until May 1946 and there are strong indications that Italian Govt will not continue CIP existence beyond this date. (See paragraph 5 Italian *note verbale* Oct 26, enclosure to my despatch 2592, Nov 5.[68]) Consequently it is essential and economically necessary that petroleum supplies be provided through normal commercial channels at earliest practicable moment before May 1, 1946 in order that adequate time be provided American oil companies to reestablish their operations (reference paragraph 5 your telegram 1592, Sept 14).

(2) Commercial oil supply operations are already in effect in other Mediterranean areas. These can be coordinated better with respect to tanker movements, sources of supply, general world petroleum supply features if Italy is included under similar arrangements.

(3) Representatives of Army–Navy Petroleum Board have indicated advisability of contracting with American oil firms for supplying of petroleum requirements of remaining American forces in Italy thus terminating as soon as possible redeployment of troops now encharged with this petroleum supply responsibility.

(4) Representatives of American Commercial Aviation now being established in Italy have indicated necessity of concluding supply and service arrangements preferably with American oil firms as soon as possible.

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[67] Not printed.
[68] Despatch 2592 not printed; for enclosure, see *supra*.

None of these commercial channel functions can be performed by American oil interests until desequestration of their properties is effected.

KIRK

EFFORTS OF THE UNITED STATES TO OBTAIN LANDING RIGHTS IN ITALY FOR AMERICAN AIRLINES

865.7962/2–2045 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk) [68a]

WASHINGTON, February 20, 1945—6 p. m.

354. Department's airgram A–41 of April 22, 1944 [69] to Murphy, Algiers, for attention of Allied Control Commission, suggested that general landing rights in Italy for United States airlines be obtained at an opportune time.

What we have in mind is an arrangement whereby the Italian Government agrees to grant to the United States Government landing rights and transit rights in Italy, under which we could designate one or more American airlines to operate into and through Italy under the routes proposed by our CAB.[70] Such permission should include the right of transit and non-traffic stop, as well as the right to pick up and discharge traffic at specified points in Italy. No limitation should be imposed on the frequency of international schedules or on the volume of traffic which American planes could carry into or out of Italy. We of course would have no objection if similar rights were granted to airlines of other United Nations, always provided our airlines receive most-favored-nation treatment.

This Government is negotiating reciprocal air transport agreements with a number of countries, but in the case of Italy it is not possible, at least for the present, to grant reciprocity for Italian airlines to fly to the United States.

It is anticipated that our Civil Aeronautics Board will shortly designate one or more American airlines to operate through Italy with a commercial stop at Rome. Please discuss the above matter with the Italian authorities or with the Allied Commission, and indicate by telegraph how such rights may be acquired at this time.

GREW

[68a] Alexander C. Kirk was also United States Political Adviser to the Supreme Allied Commander, Mediterranean Theater. In this capacity, his office was located at Caserta.

[69] Not printed.

[70] Civil Aeronautics Board.

865.7962/4–1845 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, April 18, 1945—1 a. m.
[Received April 19—9 : 12 a. m.]

987. See my 730 March 16, 6 p. m.[71] In reply to Embassy's memorandum of March 1 inquiring how landing rights referred to in Department's 354, February 20, 9 [*6*] p. m. can be acquired at this time, I have now received a memorandum from Italian Foreign Office which in paraphrase is as follows:

Begin paraphrase. Embassy's memorandum has been given the most careful consideration. Taking into consideration that among all the means of communications which can contribute to economic recovery that of aviation is the one presenting the greatest immediacy and economy, Italy has great interest in the resumption of aeronautical activities in this territory. Studies have already been made by the Ministry of Aeronautics for the designation of three important air bases suitable for the entry of interantional airlines, and it will be glad to grant on such bases landing rights to foreign air services, and particularly to those of the United States on conditions which will be established in the aeronautical convention to be negotiated between the two nations.

KIRK

865.7962/5–1945 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, May 19, 1945—6 p. m.
[Received May 19—4 : 30 p. m.]

1353. I should be glad to be informed of the status of the present consideration of the proposal of the Italian Govt to negotiate an air convention with the US as mentioned in my 987, April 18, 1 p. m.

The Civil Aeronautics Board route map includes a stop at Rome and it is my opinion that everything that is possible should be attempted at this time vis-à-vis the Italian Govt with a view to obtaining all the facilities that may be required in order to implement the plan for United States international civil air transport services, as far as Italy is concerned. From what I can ascertain the present airport at Rome which is now under the jurisdiction of the Air Transport Command and which has been rehabilitated for temporary use with American money and manpower from a state of complete destruction is entirely inadequate not only for present all-weather operations but also from the point of view of long-range planning and consequently other facilities must be provided. I am sufficiently cognizant of the

[71] Not printed.

present state of Italian efforts in this field to form the opinion that it is only through American enterprise that any facilities can be developed which will meet eventual needs.

It is my opinion that the ATC will be required to operate into Rome for an extended period to meet military and redeployment requirements. Owing to its accomplishments to date, the ATC is the indicated factor in providing these facilities at some new location. Conditions here are such that I consider it timely to endeavor to obtain long-term operating rights for American civil carriers to use such an airport and I urge that the Dept take the initiative in coordinating policy in Washington on this matter and that the Embassy be kept informed of developments in order that it may be in a position to lend such advice and assistance as may be considered appropriate.

KIRK

865.7962/5–1945 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, May 22, 1945—11 a. m.

861. Your 1353, May 19. As previously indicated this Govt is anxious to obtain landing rights in Italy for its civil air services at earliest opportunity. However, the Italian suggestion of an air convention implies that Italy desires to reestablish air services of its own, and might even request reciprocal landing rights in US. This raises previous question whether Italy shall be allowed any aviation activity of its own, and Dept is now endeavoring to obtain clarification of this policy. British also have requested our views on latter subject in connection with proposed Italian peace treaty terms.

Do you think it possible to negotiate aviation agreement with Italy now, giving us landing rights without committing ourselves on reestablishment of air services by Italy? Please telegraph comments, as general subject now receiving active consideration.

GREW

865.7962/6–345 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, June 3, 1945—noon.
[Received June 3—8:01 a. m.]

1500. RefDept's 861, May 22, 11 a. m. Even with informal and oral soundings it has been impossible to obtain a satisfactory indication as to whether it would be possible to negotiate aviation agreement with Italy now giving us landing rights without committing ourselves

on reestablishment of air services by Italy although the opinion was proffered by a Foreign Office official that it would be highly difficult for the Ital Govt to make a unilateral concession because aside from the important question of treatment of Ital aviation, by doing so the Govt would lay itself open to demands from contiguous countries for similar privileges.

In connection with further soundings which will be made I should appreciate being informed whether it would be feasible to propose to the Ital Govt some kind of interim agreement which would be subject to revision at such time as Ital civil aviation had reached the stage of transoceanic flights.

KIRK

865.7962/6-345 : Telegram

The Acting Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, June 7, 1945—4 p. m.

956. Reurtel 1500 June 3. Question of resumption of commercial air services by Italy still under consideration. If matter still undecided when our air services are ready to operate into Italy we would hope to get unilateral landing rights on an interim basis at least, but in meantime Dept believes it inadvisable to suggest interim agreement to Ital Govt due to implications of reciprocity. Airport matter (your 1353 May 19) being explored by War Dept.

GREW

811.79600/7-545 : Telegram

The Secretary of State to the Ambassador in Italy (Kirk)

WASHINGTON, July 5, 1945—7 p. m.

1113. Info in Depcirtel July 5 [72] may be conveyed to FonOff. At same time you should request Ital Govt to grant US Govt temporary rights for US civil air services (without specific mention TWA [73]) to transit and make nontraffic stops in Ital territory as well as right to pick up and set down international traffic in passengers, cargo and mail at Rome. You may also inform Ital Govt that we believe matter of permanent or more definite rights for US airlines and the question

[72] Not printed: it reported that the Civil Aeronautics Board, with President Truman's approval, had announced on July 5, 1945, the issuance of certificates to three United States airlines to operate commercial services over three specified routes. One of the routes included Rome as one of its stops and a second route provided for a connecting link from Madrid to Rome.

[73] Transcontinental & Western Air, Inc., the airline authorized by CAB to operate commercial service to Rome.

of reciprocal rights for Ital Govt cannot be discussed until negotiation of peace treaty.

Substance of foregoing should also be conveyed to your Brit, French and USSR colleagues for info their Govts, adding that we assume their Govts may wish to make similar interim arrangements with Italy covering operation their respective civil air services, in which event we of course have no objection.

For your info Dept most anxious obtain above rights from Italy soonest possible, particularly in view of activities other countries in reestablishing their own intl air routes.

BYRNES

865.7962/7–1345

The Acting Secretary of State to the Secretary of War (Stimson)

WASHINGTON, July 19, 1945.

MY DEAR MR. SECRETARY: Reference is made to top secret telegram no. 2947 of July 13, 5 p. m.[74] from the Office of the United States Political Adviser to Allied Force Headquarters at Caserta, paraphrased copies of which have been made available to the War Department, which concerns the proposed construction of an airport at Rome. It is understood that the contents of this message are already under consideration by officers of the Air Transport Command.

It will be noted from the telegram that Ciampino airport near Rome, although the best existing airport in the Rome area, is not considered to be satisfactory for technical reasons and that surveys made by engineers of the Air Transport Command and the Mediterranean Theater of Operations have disclosed a more satisfactory site for an airport which could be requisitioned, if immediate action is taken. It is further reported that the operational requirements of United States Army Forces would justify the installation of a runway, a taxi strip and hard standing as well as radio equipment.

The Department is of the opinion that every effort should be made to establish an airport in the Rome area suitable for the operation of American equipment and built in accordance with American standards. In addition to the operations of air transport services as contemplated in JCS[75] paper 1151/3 and SWNCC[76] paper 31/3, you are aware that the Civil Aeronautics Board has recently issued a certificate to Transcontinental and Western Air, Inc., for the operation of commercial air transport services from the United States into Rome.

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[74] Not printed.
[75] Joint Chiefs of Staff.
[76] State–War–Navy Coordinating Committee.

It is obviously, therefore, in the national interest as well as desirable for military purposes that advantage be taken of the present opportunity to establish satisfactory airport facilities in Rome. It is believed that the negotiations of a peace treaty with the Italian Government will adequately safeguard the rights of the United States with respect to any airfield that may be constructed. The Department would greatly appreciate urgent favorable action being taken by the War Department on this matter and desires to be advised with respect thereto.

Sincerely yours, JOSEPH C. GREW

811.79600/7-2145 : Telegram

The Ambassador in Italy (Kirk) to the Secretary of State

ROME, July 21, 1945—noon.
[Received 11:43 p. m.]

2051. To *note verbale* submitted by Embassy to Foreign Office in pursuance of your telegram 1113, July 5, 7 p. m. (see my telegram 1993, July 16, 3 p. m.[77]), I have now received a *note verbale* from Foreign Office substance of which paraphrased reads as follows:

Ministry acknowledges receipt of *note verbale* from the US Embassy in which the latter besides courteously supplying information regarding foreseen developments of the commercial airlines approved by CAB (Civil Aeronautics Board) requests from the Italian Government temporary concession of rights of transit and of non-commercial stop in Italian territory and of rights to take [on] and set down cargo, passengers and post at Rome.

Ministry informs Embassy in this connection that Italian Government is glad to accede to such request for temporary rights on Italian territory metropolitan or non-metropolitan; this (to be) until it will be possible for it to negotiate the matter of a formal convention.

Italian Government, also with the intention of assisting the traffic established by CAB, desires in the meantime to have the possibility that also the internal Italian air services may converge in the bases chosen beforehand so that they may be able to direct their own traffic to the international lines and be fed by the latter for the shunting of traffic to other Italian destinations. *End paraphrase.*

In oral discussions of the foregoing the Foreign Office, in answer to a question regarding the last paragraph of Italian note, stated that the desire set forth in that paragraph was not intended to be a condition to the concession granted in the earlier portion of note. I wish to add that Italian authorities have manifested a cooperative desire to do what is wished by Department in matter of landing rights and while it would appear that Italian note is adequate statement for

[77] Not printed.

Department's purposes, it seems probable that in case any change of wording should be desired this can be obtained from Foreign Office. Copies of Italian note and Embassy's note to which it replies are being forwarded by pouch.[78]

Sent Department, repeated Caserta 410.

KIRK

865.7962/7-3045

The Acting Secretary of War (Patterson) to the Secretary of State

WASHINGTON, July 30, 1945.

MY DEAR MR. SECRETARY: Reference is made to your letter of 19 July 1945 in connection with the Department of State's Top Secret Telegram No. 2947 of 13 July [79] concerning the proposed construction of an airport at Rome.

During the period from February through June of this year, the Air Transport Command averaged 53.7 landings per day at the Ciampino airport near Rome, with a peak load of 111 landings on one day in May. It is estimated, however, that Air Transport Command traffic at Rome, after redeployment and during the period in which U. S. occupation forces will be stationed in Europe, will decrease to approximately 20 landings per day, exclusive of any incidental or transient U. S. military traffic not a part of Air Transport Command operations. With full regard for the acknowledged inadequacy of the Ciampino airport for extensive operations and the desirability of a more suitable airport, it is therefore believed that the anticipated decrease in U. S. military air traffic at Rome makes the expenditure of War Department funds or resources for construction of a new airport at Rome impossible of justification on the grounds of military necessity. It is the policy of the War Department, in the interest of national defense, to take reasonable steps to insure the welfare of U. S. civil aviation. Nevertheless, it is considered that the employment of military funds or resources for building an airport at Rome would require specific approval of the President as being in the national interest. Accordingly, it is suggested that this matter might appropriately be referred to the Air Coordinating Committee.

Sincerely yours, ROBERT P. PATTERSON

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[78] Despatch 1960, July 24, 1945, and enclosures not printed.

[79] Not printed.

865.7962/8-345 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 3, 1945—3 p. m.
[Received August 3—1:10 p. m.]

3169. Reference your 679, July 18, 8 p. m.[80] Up to present time no telegram has been received by General McNarney from Agwar [81] with regard to Rome airport. In the meantime we have learned from our British colleague that instructions have been received from British Foreign Office to inform SAC (Supreme Allied Command) that if Italy is to be opened generally to civil air services (reference your 1112 to Rome)[80] British Govt considers that it will presumably be possible for Italian Govt to release an air field altogether separate from military control for international civil use.

KIRK

865.7962/8-345 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, August 10, 1945—6 p. m.

736. Reurtel 3169 August 3. War Dept has advised Dept that expenditure of War Dept funds or resources for construction airport impossible to justify on grounds of military necessity. Matter being referred to Air Coordinating Committee with a view to obtaining approval for project. Please inform Dept whether there exists in Rome area airfield separate from military control which is practicable now for international civil use with four-engine equipment.

BYRNES

865.7962/8-1445 : Telegram

Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, to the Secretary of State

CASERTA, August 14, 1945—4 p. m.
[Received 4:25 p. m.]

3283. ReDeptel 736, Aug 10. Competent ATC and American military air authorities at AFHQ and Rome in agreement there is no practical airfield in Rome area now for international civilian use for four-engine equipment other than that proposed in our 2947, July 13,

[80] Not printed.
[81] Adjutant General, War Department.

5 pm.[82] We cannot overstress importance of giving this matter urgent attention to end that it may be brought to successful conclusion and in this connection Major General Carter Magruder, head of G-4[83] AFHQ who is now in War Dept and is returning here next week, is fully familiar with this project and Dept may wish to consult with him.

KIRK

865.7962/10-545 : Telegram

The Secretary of State to Mr. Alexander C. Kirk, Political Adviser to the Supreme Allied Commander, Mediterranean Theater, at Caserta

WASHINGTON, October 16, 1945—7 p. m.

899. Urtel 3799, Oct 5.[82] Civil Aviation Section War Dept was unable to act on Rome airport and matter was referred to Air Coordinating Board. No decision has been reached by latter.

BYRNES

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[82] Not printed.
[83] Supply Section of General Staff of Allied Force Headquarters.

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[1] In indexing persons the intention has been to include all references to persons of significance for and understanding of the record, with the following exceptions: (1) The name of the Secretary of State or the Acting Secretary of State appearing as the signer of outgoing instructions unless there is a clear indication of the Secretary's or Acting Secretary's personal interest; (2) the name of an American officer in charge of a mission appearing as the signer of reports to the Department of State, except for personal items; (3) the names of persons to whom documents are addressed.

Persons are not identified by office in the index, but usually where a person is first mentioned in any section a footnote identification is given unless that person is identified in the text.

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