UNION OF SOVIET SOCIALIST REPUBLICS

REPORTS ON DEVELOPMENTS OF SIGNIFICANCE WITHIN THE SOVIET UNION OF CONCERN TO RELATIONS WITH THE UNITED STATES AND OTHER COUNTRIES

861.00/1-346: Telegram

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

RESTRICTED

Moscow, January 3, 1946—7 p.m.
[Received January 4—11:38 a.m.]

27. ReEmbs 25, January 3.² Although no warning of any sort had been given in press or other official publicity organ that this was to happen nomination of candidates for coming elections to Supreme Soviet began all over country yesterday evening. Again, as in 1937, nominations are being made by acclamation in ceremonial open meetings of various groups and organizations. These meetings, some of which number over 10,000 people, are being conducted in spirit of most elaborate adulation of Stalin³ and other members of Politburo⁴ and in atmosphere in which any individual objection to proposal of name of prominent candidate would be unthinkable. Although numerous press reports of individual meetings give no indication of this fact, today’s Pravda editorial makes it clear that nominations are regarded as being made by the “bloc of Communists and non-party people”. This is precisely same flimsy formula employed in 1937 and merely means that nominations are made by the party alone. Non-party masses have no form of organization which is not controlled by the party and no influence on party decisions.

Occasion of these meetings has been apparently exploited by party as opportunity for another tremendous demonstration of loyalty to Stalin and entire press is today replete with flowery resolutions designating him as nominee number one. Every one of other known members of Politburo was nominated in some district, and reports of respective meetings were prominently featured in press. (List of

¹For previous documentation on developments of significance concerning Soviet relations with other countries and especially with the United States, see Foreign Relations, 1945, vol. v, pp. 509, ff.
²Not printed.
³Iosif Vissarionovich Stalin, Generalissimo, Chairman of the Council of People’s Commissars (after March 15, Chairman of the Council of Ministers) of the Soviet Union; Secretary General of the Communist Party.
⁴Political Bureau of the Central Committee of the All-Union Communist Party (Bolsheviks).
Politburo members as revealed by these press reports is same as in past, and indicates that the body now has, since Shcherbakov's death, only the 13 known members and alternates. Names of Bulganin, Shkiryatov and others appear, but not as members of Politburo.)

Since real secret of Soviet electoral system lies in methods of nomination, I am inviting Dept's. attention especially to these first reports of nomination meetings which indicate that again, as in 1937, there can be no question of the nomination—or, consequently, of the election—of any candidate who is not the considered choice of the Communist Party. Once nominations have been carried out on this basis the party can safely permit the elections, which Soviet press describes daily as “the most democratic in the world”, to run their course in an atmosphere of scrupulous correctness and observance of good form. The party cannot lose.

KENNAN

861.404/1-1246

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

RESTRICTED

Moscow, January 12, 1946.

No. 2361 [Received February 1.]

Sir: I have the honor to refer to the Department's telegram 2101, October 5, 1945 concerning the departure of Father George Antonio Laberge for Moscow and to report the present status of the ministration to the spiritual needs of the American Catholics in Moscow, as envisaged by the exchange of documents between President Roosevelt and Mr. Litvinov in 1933.*

As Department is aware, Father Braun, who came to Moscow in 1934 with the original Embassy group, and who had been in Moscow since that time without interruption, left Moscow on the Secretary of State's plane on December 27, 1945, having turned over his office to his successor, Father Laberge.

* Alexander Sergeyevich Shcherbakov, Colonel General, Chief of the Political Administration of the Red Army; alternate member of the Politburo; died on May 10, 1945.

* Nikolay Alexandrovich Bulganin, Army General, Assistant People's Commissar for Defense (after March 15, Deputy Minister of Armed Forces) of the Soviet Union.

* Matvey Fedorovich Shkiryatov, Deputy Chairman of the Control Commission of the Communist Party.


* This exchange between President Roosevelt and People's Commissar for Foreign Affairs of the Soviet Union, Maxim Maximovich Litvinov, took place in Washington on November 16, 1933; see Foreign Relations, The Soviet Union, 1933-1939, pp. 29-33. For previous documentation on United States interest in religious conditions in the Soviet Union and the replacement of Father Leopold Braun as the American priest in Moscow, see Foreign Relations, 1945, vol. v, pp. 1111 ff.
As the Department is also aware, Father Braun, and now Father Laberge, have always held services in Moscow, for want of any other suitable premises, in the Catholic Church generally known as the French Church.\textsuperscript{10} For this reason, they have been closely connected with the French Embassy and have been in some degree dependent on the latter for the possibility of exercising their religious office.

It has lately become apparent that the French Embassy is anxious to have the French Church staffed by a French priest. Doubtless with this in mind the French brought to Moscow an elderly Jesuit priest, Father Bourgeois, who was found to be in Estonia when the Red Army advanced into that country.\textsuperscript{11} Since he is the spiritual subordinate to Father Laberge he can not be placed in charge of the Church unless the latter leaves it.

In these circumstances, Father Laberge has the strong feeling that the French Embassy would be pleased if he would leave the French Church. Just recently the French Embassy has laid claim to the apartment in which Father Laberge was living (where Father Braun formerly lived) and asked Father Laberge to leave it in order that it might be made available for Father Bourgeois. The French Ambassador\textsuperscript{12} took so strong a personal interest in this matter and made so much of a prestige issue of it that it was impossible for this Embassy to do much to assist Father Laberge in this particular problem without jeopardizing its relations with the French Embassy; but I took the occasion to stress to the French Ambassador the sense of responsibility which the Embassy felt for Father Laberge's future welfare here and for seeing that everything possible is done to provide him with the facilities necessary for the carrying out of his spiritual ministration.

All in all, however, Father Laberge feels that he can no longer regard the use of the French Church as a permanent solution for members of the American community here and he is therefore contemplating requesting the Soviet authorities to make available to him another suitable building which could be used for this purpose. The Department will recall that President Roosevelt's letter to Mr. Litvinov specifically envisaged such a contingency and provided that members of the American community should be given the opportunity and the possibility to lease a building for purposes of religious worship.

Father Laberge has consulted me about the attitude of the Embassy toward such a project. I have told him that the Embassy could take no initiative in the matter but that I would be glad to support, if

\textsuperscript{10} Church of Saint-Louis-des-Français.

\textsuperscript{11} See telegram 3440, October 3, 1945, from Moscow, Foreign Relations, 1945, vol. v, p. 1130.

\textsuperscript{12} Gen. Georges Catroux.
necessary, any request he may make of the Soviet authorities which comes within the scope of the late President’s letter.

Father Laberge has not yet been received by the Soviet official responsible for the affairs of the Roman Catholic Church in Russia,\(^\text{30}\) but hopes to have an interview with him in the near future and eventually to advance his request through that channel.

If he is successful in obtaining a church of his own, I personally think it quite possible that the Russians may clamp down on the French Church and compel it to close. But I have warned the French of this possibility, and if it materializes, they have no one but themselves to blame.

Respectfully yours,

GEORGE F. KENNAN

S11.20200 (D)/1-2046: Telegram

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

CONFIDENTIAL

Moscow, January 20, 1946—noon. [Received 4:03 p.m.]

187. . . .

In evaluating need for information program directed to USSR, we begin with basic consideration that US relations with USSR are probably more important and portentous than with any other countries. There can be little question that on our side there is every effort on part of Government and public to understand USSR and maintain friendly relations with it. Available evidence suggests that same is not true of USSR. While we have no doubt that Soviet people earnestly desire to understand USA and maintain good relations with USA, policy of small group of men who rule USSR, as revealed in Soviet Govt and Communist Party propaganda, suggests that this small group of men have consistently sought to present to Soviet people a distorted and unfavorable picture of USA.

To exclusion of material favorable to USA, controlled Soviet press and radio feature strikes, unemployment and other industrial strife, racial discrimination and crime. As typical example, Soviet youth is told that 2 million American girls and women have since war been discharged from industry; that they cannot be registered as unemployed as they are considered dependents of their parents or husbands; that in some places married women are prohibited from teaching profession; that educated girls seek any kind of work, they become

\(^{30}\) Ivan Vasilyevich Polyansky, Chairman of the State Commission for the Affairs of Religious Cults, attached to the Council of People’s Commissars of the Soviet Union.
housemaids and act as live mannequins in store windows; and that need and unemployment are driving American girls into prostitution *(Komsomol Pravda, December 27)*. American press is depicted in terms of Upton Sinclair's "Brass Check" *(Embassy's despatch 2188, October 11, 1945)*. Kent Cooper 15 and other "newspaper kings" were denounced in December 1 and December 15 *New Times* for views they hold regarding freedom of press. In connection with forthcoming elections, Soviet press and radio is engaged in aggressive campaign attempting to demonstrate to Soviet people that Soviet "democracy" is superior to any other. This is done by repeating line outlined above and by exposing "evils" in political structures of other states, including USA. Example of such malicious propaganda is statement in *Trud* of January 15 that chief function of Senate is to insure governing classes against passing of laws contrary to their interests, if such laws should chance to pass House.

It is obviously in our national interest to attempt to correct this grotesque and slightly sinister conception of USA presented to Soviet people by their rulers. We know of nothing in Soviet history, theory or current practice which leads us to believe that it would be possible to reason Kremlin into presenting its people truth about USA. Only practicable alternative at this stage is vigorous and intelligent American information program designed to bring somewhat into balance picture of USA available to Soviet public.

Thus far we have concentrated on distribution of printed material to Soviet agencies and publication of illustrated magazine *America*. Soviet agencies have chosen to use an infinitesimal portion of news and background copy provided them. Illustrated magazine *America*, with influence far exceeding its limited 10,000 circulation, has been a great success. *America*, however, is primarily a cultural project. While there is no doubt that those Russians, who see it, are tremendously impressed by it as a symbol of progressive American techniques and culture, it does not and cannot act as a medium for presenting American point of view on immediate national and international events. It cannot do so because it is subject to Soviet censorship. This means delay and inhibition. Some other channel must, therefore, be used for presenting Soviet people with American version of current events in our country and abroad.

Reliance on printed word, whether through news handouts, introduction of a special Russian language newspaper such as British have or of a Russian language news magazine, is likely to prove fundamentally unsatisfactory. Such a project could operate only on sufferance of Soviet authorities and under their constant censorship and

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14 Not printed.

15 Executive Director of the Associated Press since 1943.
other restrictions. Radio is only medium through which USA can speak freely and directly to Soviet people.

Soviet authorities will not welcome American broadcasts in Russian language beamed to USSR. But there is nothing much they can do about such broadcasts. Soviet transmitters broadcast in English language and have done so for years. Their treatment of material regarding USA cannot be said to be unbiased. Soviet authorities are, therefore, not in position logically to protest objective American broadcasts in Russian language. Furthermore, they will think twice before stepping up criticism of USA as retaliation to our broadcasts. They well know that their people are more vulnerable to truth than ours are to slander. USSR could not win out on a radio war with USA. While USSR might attempt to jam American broadcasts it would probably be reluctant to do so because such action—or more extreme measure of calling in all short wave sets—would be an admission to its own people that it feared outside ideas and intensify public curiosity over American broadcasts.

We are satisfied that Soviet people would be an eager and receptive audience for American broadcasts in Russian. Because they have a great curiosity about outside world in general and USA in particular, they would listen avidly to fresh ideas emanating from an American broadcast in Russian language, even were Soviet authorities to frown on such reception.

Without going into detailed recommendations regarding nature of news broadcasts to USSR, we would say only one thing—USA should not criticize Soviet system, Government or personalities. Such technique would, on nationalistic and patriotic grounds, arouse resentment of Soviet listeners and would prejudice our relations with the Soviet Government.

Soviet listeners are not likely to make any great distinction regarding relative impartiality of news from private agencies as against US Govt news and private company broadcasts as against Government broadcasts. In view of Soviet criticism of American news agencies, Soviet public might even consider Government news by Government broadcasts as more impartial.

Financing of such broadcasts is of course a real consideration. If broadcasts to USSR are to be effective they must be expertly prepared and presented and must be transmitted regularly every day over several hours. They cannot be effective if undertaken incidentally and spasmodically.

Embassy's 4247, December 21 and 3924, November 21 for general recommendations concerning programs.

HARRIMAN

*Foreign Relations, 1945, vol. v, pp. 930 and 919, respectively.*
Memorandum of Conversation, by the First Secretary of Embassy in the Soviet Union (Page)

SECRET

Moscow, January 20, 1946.

Present: V. M. Molotov, People's Commissar for Foreign Affairs
Mr. Pavlov, Soviet Interpreter
W. A. Harriman, American Ambassador
Edward Page, Jr., First Secretary of Embassy

Subject: General Discussion Prior to the Ambassador's Departure

The Ambassador stated that the President had requested him to proceed to the United States via the Far East, where he would see General Marshall and General MacArthur. He would in all probability also go to Korea and then continue on to the United States where he would report on his trip and on other matters of mutual interest. He wished to inform Mr. Molotov in confidence that he would submit his resignation upon his arrival in the United States and that he understood that his resignation would be accepted.

Mr. Molotov appeared somewhat chagrined at this news and inquired as to the reasons. He added that he deeply regretted the thinning of the Moscow diplomatic ranks by the Ambassador's resignation.

The Ambassador explained that he had accepted the Ambassadorship as a wartime job. He had not had a vacation for five years and also he had been away from his country for about the same period. He wanted to get to know the United States again. He did not know what he would do in the future but that he might well obtain a government job. He did not feel he could entirely divorce himself from Soviet-American relations—he had them too much at heart.

Mr. Molotov stated that the Ambassador had had great experience in diplomacy and especially in that dealing with both the Soviet and the British. He therefore should not stand aloof from politics.

The Ambassador explained that he did not believe that he would do so. President Roosevelt had sent him to England before our entry into the war and that had thrown him intimately into the British war problems. He had worked closely with Churchill and Eden as well as Attlee and Bevin. Then the President had sent him to Moscow in 1941 with Lord Beaverbrook and later in 1942 with Prime Minister

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27 General of the Army George C. Marshall, Special Representative of the President in China, with personal rank of Ambassador.
29 For documentation regarding the Harriman-Beaverbrook Mission, see Foreign Relations, 1941, vol. 1, pp. 825-851, passim.
Churchill. Because of his past experience in Soviet-American relations it was quite likely that the President would call on him again in the future for work in this field. However, there was nothing definite at the present time. In any event he wished to go home and get to know America since American foreign policy must be based on public opinion.

Mr. Molotov stated that he wished the Ambassador all success in the future. He continued that the Ambassador had done a great deal in the cause of Soviet-American relations.

The Ambassador informed Mr. Molotov that Harry Hopkins was seriously ill and that it was unlikely that he would be able to play a part in American politics in the future.

Mr. Molotov remarked that Mr. Hopkins was a tenacious man and had great internal strength. The Soviet Government always thought well of him.

The Ambassador stated that he was anxious to have the privilege of saying goodbye to Generalissimus Stalin.

Mr. Molotov stated that the Generalissimus had asked him to explain to the Ambassador that he would be unable to see him since he was very busy in connection with the election campaign.

The Ambassador requested Mr. Molotov to convey his respects to the Generalissimus. He explained that he was leaving on Wednesday morning and if it were possible would like to have a few minutes with the Generalissimus.

Mr. Molotov stated that he would inform the Generalissimus accordingly.

The Ambassador inquired as to how things were working out in the Far East.

Mr. Molotov replied that it appeared that common ground had been found with respect to the Far Eastern matters and that now it was only necessary to work out the details.

The Ambassador inquired whether anything had transpired in the talks with Chiang’s son.

Mr. Molotov stated that the talks were merely an exchange of information. Generalissimus Stalin had said that he had no detailed information as to the situation in China, other than that which he had read in the press and had received from the Soviet Embassy.

For reports concerning the Churchill-Stalin conversations in Moscow in August 1942, with Mr. Harriman in attendance, see Foreign Relations, 1942, vol. III, pp. 618-627, passim.

January 23. Ambassador Harriman actually left on the following morning.

Chiang Ching-kuo, Special Commissioner of Foreign Affairs for Manchuria, son of Generalissimo Chiang Kai-shek, President of the Republic of China.
Chiang had informed the Generalissimus as to what was happening there. With respect to General Marshall's mission, the Soviet and Chinese Governments regarded it with favor. Mr. Molotov continued that the Soviet Government was abiding by its agreements with China. Its main purpose was to enable China to avoid civil war and to get China to set out on the road towards democracy and unification. He explained that the Chinese troops were coming into Manchuria quite slowly. He inquired whether the United States Government was satisfied with General Marshall's reports. He added that it appeared that matters were going along satisfactorily.

The Ambassador replied that he had not received a great deal of information and that as far as he knew his Government was satisfied with General Marshall's reports. He inquired as to when Soviet troops would be withdrawn from Manchuria.

Mr. Molotov replied that they would be withdrawn in conformity with the Communiqué. The Soviet Government would adhere to the date set forth in that Communiqué.

The Ambassador inquired as to the situation in Japan.

Mr. Molotov replied that the Soviet representatives were leaving tomorrow for Tokyo. With respect to the Far Eastern Commission he understood that it was shortly proceeding to Washington. Ambassador Gromyko and Minister Novikov would be the Soviet representatives on it. He also explained that he was sending Mr. Golunski to Japan as the Soviet prosecutor.

The Ambassador asked whether Mr. Vyshinski had reported on the Rumanian talks.

Mr. Molotov said that he had done so only by telephone. He explained that Mr. Vyshinski had been ill with a stomach ailment upon his return from Sofia—he had probably been eating too much Bulgarian pepper—and had only reported that evening to him. He explained that Mr. Vyshinski was leaving in the morning for London.

The Ambassador said that speaking perfectly frankly he was not pleased with the way the Control Commission was working out in Bucharest. However, he would recommend to MacArthur that he

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Text of the communiqué of the Conference of Foreign Ministers, held in Moscow on December 16–26, 1945, is printed in telegram 4284, December 27, 1945, from Moscow, Foreign Relations, 1945, vol. II, p. 815.

23 Andrey Andreyevich Gromyko, Ambassador of the Soviet Union to the United States.

24 Nikolay Vasilyevich Novikov, Minister Counselor of Embassy, who succeeded Gromyko as Ambassador of the Soviet Union to the United States on June 3, 1946.

25 Andrey Yanuaryevich Vyshinsky, Assistant People's Commissar (after March 15, Deputy Minister) for Foreign Affairs of the Soviet Union, Ambassador Harriman, and Sir Archibald Clark Kerr, Ambassador of the United Kingdom to the Soviet Union, constituted the Tripartite Commission for Rumania which had met at the beginning of January in Bucharest to discuss with Rumanian leaders the broadening of the government. For documentation, see pp. 535 ff.
treat the Soviet representatives in Japan better than the Soviets treated us in Rumania. During the entire armistice period the American representative had only been consulted on one occasion.

Mr. Molotov asked whether the Ambassador knew how often the Soviet representatives had been consulted in Italy.

The Ambassador pointed out that there was an Allied Council in Italy. He remarked that it was not good business to treat the American representatives in Bucharest the way they had been treated.

Mr. Molotov stated that the Soviet Government used the Italian example as a standard to go by in Europe. The Soviet representatives in Italy had never been consulted. However, he expressed the hope that the work of the Control Commission in Bucharest would improve.

The Ambassador remarked that the Soviet Government had asked for the Rumanian formula in Japan.

Mr. Molotov replied that in Rumania there were difficulties because of the divergencies in Russian and American policy. The Americans had opposed the Rumanian Government; the Soviets had supported it. It therefore had been difficult for the two nations to adjust their policies. However the situation was different now since both Governments supported the present Rumanian Government.

The Ambassador remarked that there were many petty annoyances which the American representatives were continually encountering in Rumania. As example he gave the difficulties they had with the entrance of planes, mail, the delays in issuing visas, etc. He expressed the hope that this condition would improve.

Mr. Molotov also said that he hoped there would be an improvement. The Ambassador said that the Korean experience should be most interesting since it would be on a bilateral basis.

Mr. Molotov remarked that Korea would be a new sphere of American-Soviet cooperation. He believed that matters would proceed smoothly. Conferences had already started there.

The Ambassador continued that he did not wish to go over many of the details which entered into Soviet-American relations. He would leave that to the new Ambassador. However he would have liked to have left the new Ambassador with better housing conditions and not to have given him the annoying question of the Soviet wives. He asked Mr. Molotov whether he could not help in clearing up these matters.

Mr. Molotov replied that the Soviet Government was bound to assist the American Embassy in finding proper housing accommodations. It was obliged to do this. With respect to the wives he pointed out that he had helped in some instances. He remarked that one
Soviet wife had returned from London and had said she had had unfavorable experiences there.

The Ambassador said that if the Soviet Government would permit the wives married to American citizens to leave, the American Government would never put obstacles in their way if they wished to return.

Mr. Molotov stated that he would see what he could do to expedite action on these cases.

861.014/1-2746: Telegram

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

Moscow, January 27, 1946.
[Received January 27—8:45 a.m.]

247. Tass communiqué concerning Kurils and southern Sakhalin which was put out by Soviet radio last night is published in press for today January 27. Text is as follows:

“On January 22 the Acting Secretary of State of the USA Mr. Acheson stated at a press conference that a secret Yalta agreement of the three Allied Powers had envisaged the granting to the Soviet Union of rights of occupation of the Kuril Islands but that as far as he understood that agreement had not envisaged the final handing over the Kuril Islands to the Soviet Union. Mr. Acheson further stated that, ‘this was his opinion although perhaps he was mistaken’. Tass is authorized to explain that in the question of the Kuril Islands Mr. Acheson was indeed ‘mistaken’. In the Yalta Agreement of the three powers which was signed on February 11, 1945 by I. V. Stalin on behalf of the Soviet Union, by Mr. Churchill on behalf of Great Britain and by Mr. Roosevelt on behalf of the USA but [not] published at that time for understandable reasons it was clearly stipulated that after the victory over Japan the Kuril Islands would be turned over to the Soviet Union and also that the southern part of the island of Sakhalin and all the islands adjacent thereto should be returned to the Soviet Union.”

KENNAN

611.4131/1-2946: Telegram

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

SECRET

Moscow, January 29, 1946—6 p.m.
[Received January 29—2:17 p.m.]

267. In efforts to analyze basic thinking which lies behind present Soviet approach to over-all questions of international affairs, I think

\[\text{For comment on this agreement by Secretary of State Byrnes at his news conference on January 29, 1946, see Department of State Bulletin, February 10, 1946, pp. 189–190. Comments made by President Truman at his news conference on January 31 are summarized ibid., p. 190, and are reproduced in full in Public Papers of the Presidents: Harry S. Truman, 1946 (Washington, Government Printing Office, 1962), pp. 102–105, passim.}\]
Dept would do well to bear in mind Soviet views on future of great-power relationships as reflected in recent comments on Anglo-American economic agreement. These comments reveal two aspects of Soviet outlook which this Mission considers to be of basic importance.

First is complete Soviet confidence that US is faced with employment problem which it is basically incapable of solving and that it will attempt, albeit unsuccessfully, to solve this problem by exporting on credit, i.e. at immediate expense of US Govt, on large scale.

Second is conviction that economic struggle between US and Great Britain is bound to lead to acute political tension between those two countries.

This last conclusion, which will have far reaching and basic influence on Soviet policy, is a new note in contemporary party line, and has only recently come to the fore. Most striking evidence of it was given in recent public lecture by Professor Varga on Anglo-American economic relations. Varga is the leading party theorist on capitalist world, head of important Institute of World Economics and Politics and editor of magazine of that name, and must be regarded as a responsible mouthpiece of thought for influential Communist Party circles. In this lecture Varga referred specifically to speech made by Stalin in 1928 in which it was said that Anglo-American differences were the decisive differences on international imperialism. Admitting that these differences had “abated somewhat” during recent war, Varga said that it was “inevitable that economic differences would in future lead to more tense political relations, just as Stalin had said”.

I doubt that Varga would have drawn attention to a Stalin speech from so long in the past unless this had been sanctioned and desired by high party circles. For this reason I think section referred to in Stalin’s 1928 speech deserves careful attention as indication of current Soviet outlook. Summary of that section follows.

Of all differences in capitalist world, that between American and English capitalism had become the basic one. Wherever US tried to expand it found British vested positions thwarting its path. What did this basic difference mean? It meant war. “When two giants meet with each other, when there is too little room for them on the world’s surface, they try to measure their strength in order to decide by war the debatable question of hegemony.”

Second great difference in capitalist world was that between imperialism and colonies. This in turn meant national colonial wars and imperialist intervention in colonial countries.

Third great difference was that between capitalist world and USSR. If at one time it had been possible to speak of a “certain equilibrium, a shaky equilibrium to be sure but of more or less long duration, be-
tween the two worlds, the two antipodes,” it now had to be said that this balance was coming to an end. This meant USSR was faced with possibility of foreign intervention.

In these circumstances, capitalists were trying to lull working class into false sense of security by “the current pacifism, with its League of Nations, with its preaching about peace and about outlawing of war, with its chatter about disarmament, etc.” Pacifism was a means of preparing war and screening such preparation. There were crazy fools who interpreted imperialist pacifism to mean there would be no war. This was not correct. And most important of all was that Social Democrats were the principal surveyors [purveyors?] of imperialist pacifism in working class. Pacifism was preached by Social Democrats in order better to prepare for war and to oppress working class and Communist Parties in the rear by Fascist methods.

In consequence, following were duties of Communist Parties throughout world:

(1) Battle against Social Democracy right down the line, politically and economically;

(2) “Creation of united front of workers of advanced countries and of toiling masses of colonies in order to ward off the danger of war or, if war came, to turn imperialist war into civil war, to smash Fascism, to overthrow capitalism, to set up Soviet power, to free the colonies from slavery and to organize world wide defense of the first workers’ republic in history.”

This is summary of passage to which Varga called attention on January 24, 1946. I believe it might be profitably borne in mind by others than those to whom Varga’s remarks were immediately addressed.

KENNAN

740.0011 E W./1-2946 : Telegram

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

SECRET

WASHINGTON, January 29, 1946—8 p. m.

U.S. URGENT

996. For Ambassador Winant from the Secretary. I wish you to inform Bevin 28 that because the press in the US has had some information as to the agreement reached at Yalta on the Kuril Islands and the southern half of Sakhalin I think that the agreement of February 11 with regard to Soviet participation in the war against Japan should be made public. I hope that Mr. Bevin will agree to simul-

28 Ernest Bevin, British Secretary of State for Foreign Affairs.
taneous publication on February 4 in London, Moscow and Washington. I am similarly taking the question up with Molotov.\footnote{29}

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811.20200(D)/1-3046: Telegram

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

CONFIDENTIAL

Moscow, January 30, 1946—8 p.m.
[Received January 30 [31?]?—1:05 a.m.]

291. Magazine America is only toe-hold that American magazines or newspapers have in USSR. In British Commonwealth American publications have wide distribution. In Far East, Western Europe, South America, Africa and Near East, American publications appear in original and in translation and have considerable public. Aside from Tibet and possibly Afghanistan, USSR is more barren than any other region of news and information originating directly from American sources. If Soviet citizens were, like Tibetans, simply ignorant of USA, matter would not be serious. But 180 million Soviet people are fed by Soviet Govt and party propaganda a distorted and often vicious picture of USA, designed to arouse suspicion and antipathy toward USA.

Thus far America is about only breath of clean and fresh information about USA entering USSR. On basis of comments from varied sources, Embassy has no doubt that Russians who see America are enormously impressed by it. Embassy [copy?] is on file, it is most sought-after publication. Embassy is confident that if circulation restrictions imposed by Soviet Govt were lifted America would be most popular magazine in USSR.

Soviet sources inform Embassy that size and illustrations are most impressive feature of America. USSR is after all land of gargantuan. Russians are impressed by size. To suggestion that size of America be somewhat reduced they reply “People will say, ‘See the USA is now unable to afford to print so fine a magazine’”. Soviet readers

\footnote{29 This telegram was sent separately to Moscow, \textit{mutatis mutandis}, as No. 165. Replies were received from both the United Kingdom and the Soviet Union in favor of publishing this agreement, and the date settled upon was the anniversary of its signature on February 11, 1945. Mr. Kennan further reported in telegram 410, February 12, 1946, from Moscow, that the Moscow newspapers on that day printed the Russian text, and beneath that a facsimile of the original English text showing the signatures of Stalin, Roosevelt, and Churchill (740.00119PW/2-1246). For text of this agreement regarding entry of the Soviet Union into the War against Japan, see \textit{Foreign Relations}, The Conferences at Malta and Yalta, 1945, p. 984. For text and background remarks released to the press on February 11, 1946, see Department of State Bulletin, February 24, 1946, p. 282.}
would feel such reduction tended to prove contention of current flood of articles in Soviet press featuring economic dislocation in USA and prophesying decay of American capitalism. Present high quality of America—slick paper, excellent color reproductions and generous size—is to Soviet readers symbolic of success of American system. Embassy believes that downward revision of any of these features would represent to Soviet people an American retreat.

Embassy’s Soviet contacts unanimously agree that illustrations in America carry more punch and are more convincing than any printed matter. As one of them said, “One good picture tells more about USA than thousands of words”. For example, picture spread of an average American school, a small town, or even an average American kitchen dramatizes to Soviet readers fact that we have, contrary to everything they are told by their propaganda, a superior standard of living and culture. Pictures are more difficult to refute than text as “sheer American propaganda”. And they have thus far not been subject to Soviet censorship.

America has not been arriving regularly on a monthly schedule, Soviet authorities originally agreed in effect to monthly issue. We should not continue to lose out on this score.

Embassy realizes that America is expensive project. Intake from 10,000 sold copies, we realize, is insufficient to cover cost and deficit must therefore be made up out of taxpayers’ pocket. For reasons outlined at beginning of this telegram and for reasons which will be covered in subsequent message, Embassy feels that Government is justified in underwriting magazine’s financial losses. Govt has invested in project and has after much effort secured an entry to small but influential public in USSR. We should not throw away this initial investment by abandoning magazine, or reduce its effectiveness by compromising on its quality. Embassy is again requesting Soviet authorities to permit increase of circulation sufficient to make America pay for itself. If we receive a negative answer, we shall continue to press for increased circulation hoping that eventually America can become independent of Government subsidy and possibly even pay back into public treasury funds which have been advanced to finance it.

Kennan

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50 Mr. Kennan reported in telegram 304, January 31, from Moscow, that he sent a letter to Assistant People’s Commissar for Foreign Affairs Solomon Abramovich Lozovsky requesting a paid circulation of 50,000 copies for the magazine. When no answer had been received, he renewed his request on February 28. (S11.20200(D)/1-3146, 2-2746)
Moscow, February 2, 1946—3 p. m.
[Received February 2—11:12 a.m.]

326. Climax of Soviet election campaign arrived this morning with publication on pages 1 and 2 of all papers of appeal from Central Committee of All Union Communist Party to voters urging them to cast their ballots on February 10 for "candidates of bloc of Communists and nonparty people". General formula of this appeal is same as that of appeal issued by Central Committee before 1937 elections.  

Appeal begins with review of Communist Party policy in years preceding war. This is followed by survey of Soviet Union's new western boundaries and war gains in Far East. Victory in war is said to have been triumph of policy of Communist Party.

Remainder of appeal proclaims following objectives of party policy and urges those who support these objectives to vote for bloc: Further strengthening of might of Soviet State, continued moral-political unity of all classes Soviet people, further consolidation of friendship among Soviet peoples, reattainment in shortest possible time of pre-war industrial level, increased agricultural production and culture and prosperity for collective farmers, increased output of food and consumers' goods and rise in material well-being of Soviet people, further development of education, science and art, reconstruction of devastated regions and creation of normal conditions of life for people living in them, further strengthening of armed forces and security of Soviet State. In latter section, appeal emphasizes that victory in war did not by itself assure future security of Soviet people since "There are still reactionary forces who are striving to sow discord and hostility among peoples". Therefore, it is necessary "vigilantly to preserve conquests of Soviet people in great patriotic war, firmly to defend interests of Soviet Union", and "jointly with democratic forces of other countries to fight for strengthening of collaboration of peace-loving powers, for eradication of all roots of Fascism for averting of all aggression in future".

Appeal winds up as did 1937 appeal by urging voters, whether party members or nonparty, to vote with equal unanimity for Communist and nonparty candidates. February 10, it concludes, must be demonstration of unity of Soviet people with party of Lenin-Stalin.

KENNAN

For comments on the elections to the first Supreme Council in 1937, see Foreign Relations, The Soviet Union, 1933-1939, pp. 401-404.
The Chargé in the Soviet Union (Kennan) to the Secretary of State

CONFIDENTIAL

Moscow, February 5, 1946—7 p.m.
[Received February 5—4:56 p.m.]

351. Confidential for Benton. Questions re broadcasting to USSR raised in Dept's 199, Feb 1. Embassy's 315, Feb 1 which crossed Dept's 199 made recommendations on programming. If you wish further details please let us know.

Only evidence we can advance that risks of repercussions to Russian language broadcast would not be great is fact that before war German radio broadcasted to USSR without encountering Soviet interference. An American correspondent who has lived long in USSR and is intimately acquainted with Russians expresses view that Soviet authorities would not directly manifest objections to American broadcasts in Russian provided programs did not include irresponsible criticism of Soviet Govt, policies or personalities. He said that straight news statements by US Govt and moderate press comment would cause no serious repercussions. We are inclined to agree with this estimate and would add that for reasons of domestic prestige Govt would hesitate to admit concern over effects of moderate and reasonable American broadcasts. (See also paragraphs 8 and 10 of Embassy's 120[187], Jan 20).

In this connection, it should be borne in mind that while USSR has no hesitation in attacking views of private enterprises and individuals in USA, (Hearst, Scripps Howard, Kent Cooper, Constantine Brown, Hanson Baldwin) it would probably be less quick to criticize a Govt undertaking.

Having said all this we would reiterate that Soviet authorities will not welcome American broadcasts in Russian. While best available estimate is that they will not openly react against such broadcasts, and will not go beyond usual oblique and indirect efforts to discredit general idea, we can not guarantee that there will not be stronger repercussions. If such repercussions develop, hostility of Soviet Govt and Communist Party to USA will be unmistakably revealed to all who care to read. If this is to be the case, it is altogether healthy and desirable that this attitude be revealed now rather than later.

Kennan

52 William Benton, Assistant Secretary of State for Public Affairs.
53 Not printed.
54 See the seventh and ninth paragraph of this telegram as printed, p. 676.
The Chargé in the Soviet Union (Kennan) to the Secretary of State

Moscow, February 7, 1946.
[Received February 7—7:40 p.m.]

370. Highlights of Molotov’s35 election campaign speech delivered in Moscow February 6 are summarized as follows:

We stand on eve of new elections. They will be test of relation of Soviet people to leadership of Communist Party and policy of Soviet Government. Maybe there are some people abroad who still think it would be well if some other party came to leadership of our country. But our people has its own opinion on that score. If some people abroad are displeased at similarity of Soviet people with Communist Party, we can console such people with thought that it happens not infrequently in other countries as well that Communists enjoy confidence of masses.

War was serious test of party policy and strength of Soviet system. USSR has emerged from war in role of one of most authoritative powers in world. It is now impossible to solve serious questions of international relations without participation of USSR. Comrade Stalin’s participation is considered best guarantee of successful solution of complex international problems.

We were able to overcome wartime difficulties because both during and before war we followed correct path. We swept from our path saboteurs and wreckers who in final analysis became spy diversionists at service of foreign masters. It is known also that Soviet people long ago repelled inclination to direct foreign intervention in our internal affairs. Time has now come to take up tasks which were interrupted by war. Some time will be required to raise Socialist industry to prewar level but we will achieve this in couple of years. Improvement of supply of consumers goods and overcoming of housing shortage are tasks to be faced. Before war, party and Government formulated fundamental economic way of USSR as that of catching up with and overtaking most highly developed capitalist countries of Europe and USA. This work was interrupted by Germany’s attack but we are now resuming it with still deeper awareness of its importance. In our country there will be no crises and unemployment such as are inherent in other countries. Through increased productivity of labor and broader and more effective application of modern techniques in all branches of economy we will solve task of overtaking most highly developed capitalist countries with

35Vyacheslav Mikhailovich Molotov, People’s Commissar (after March 15, Minister) of Foreign Affairs of the Soviet Union.
degree of success required by interests of our country and interests of communism.

To solve this great task we need long period of peace and security. USSR’s peace-loving policy is no transitory phenomenon but springs from basic interests and needs of our people from its desire for speediest improvement of its own material well-being. This is why Soviet people is so vigilant toward possible centers of violation of peace and international security. Thus we cannot ignore such situations as maintenance of hundreds of thousands of German troops in zone of our ally, maintenance of tens of thousands of troops of Polish Fascist General Anders at allied expense in Italy and continued existence on Austrian territory of Russian White Guard Infantry Corps of Colonel Rogozhin. USSR has done no little to create new more effective security organization. UNO has already begun its work and we wish it success. Our participation is aimed at making this organization play key role in averting new wars and bridling any and all imperialist aggressors.

There are no militarist adventurist groups in USSR as among dominating classes in certain other countries where dangerous talk of “third world war” is being encouraged by foul imperialists. True supporters of peace will find real and faithful ally in USSR. This does not mean that our concern for the maintenance of our Armed Forces will diminish. Our Government and Red Army leaders are doing everything to assure that our Army is second to no other Army as regards newest types of armament.

Sent Department 370; repeated Frankfurt.

[KENNAN]

811.2423/2-746: Telegram

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

TOP SECRET

WASHINGTON, February 7, 1946—7 p. m.

U.S. URGENT

237. Top Secret for Kennan. The following replaces my No. 221, February 5, 5 p. m. Please deliver the following to Molotov:

Plans to test effect of atomic bomb explosion on warships and vessels are under consideration by the Chiefs of Staff, but final decision has not been reached. Whenever Joint Chiefs complete their plans they will be submitted to me for submission to the President.

Legislation authorizing the use of war vessels and the expenditures for the test is pending but has not been acted upon by the Congress. I have suggested to the President that invitations be extended to...


57 Not printed.
the twelve governments having members on the Atomic Bomb Commission to have two observers and one press representative attend the tests if they so desire. This of course would include the Soviet Government. The United Kingdom whose scientists participated with the United States in the discovery of atomic energy may be invited to have some additional observers, but limited accommodations will necessitate limit of two observers and one press representative for other governments.

If the Congress grants the authority for the test, I will communicate with you as to the plans finally adopted. At this time no plan has been or can be adopted and no invitations can be extended.\footnote{The Chargé reported in telegram 418, February 12, 1946, from Moscow, that this message was delivered orally to Molotov in the evening, who “received it without comment, except to inquire when tests would probably be held.” (S11-2423/2-1246)}

BYRNES

861.00/2-846 : Telegram

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

CONFIDENTIAL

Moscow, February 8, 1946—7 p.m.

[Received February 9—9:20 p.m.]

378. Sunday February 10 day fixed for elections to new Supreme Soviet of USSR will mark crescendo of Soviet internal propaganda effort of unparalleled dimensions which has occupied an army of over 10 million people, party members and others for over 2 months.

In order that this event may appear in proper proportion following points should be borne in mind:

1. This election is for the highest government (government as distinct from party) body of Soviet Union, namely Supreme Soviet. This will be second Supreme Soviet. First was elected in 1937 and was prolonged beyond constitutional 4 year limit by circumstances of war.

2. Under present Soviet governmental system Supreme Soviet is not in any sense an active legislative body. It meets only at rare intervals to register dutiful and invariably unanimous approval of measures and programs (such as state budget) put forward at party instance by its own presidium (a permanent body) or by other agencies. It is entirely dominated by Communist Party whose supreme organs—Central Committee and Politburo—constitute real working directorate of Soviet life. Composition of Supreme Soviet therefore has little if any real meaning for Soviet political development.

3. Outcome of these elections is not in doubt due to simple fact that there is only one candidate for each position. Names of these
candidates have already been publicized ad nauseam to population of respective electoral districts. Theoretically nominations are supposed to be made by meetings of citizens at their places of work or by meet-
ings of members of so-called "public organizations" by which is meant Communist Party, labor union cooperatives, youth organizations and cultural organizations. All such organizations are completely domi-
ninated by party. Actually nomination meetings took place only on party initiative and under party guidance. In every district of which we have knowledge all such nomination meetings within respective
district appear to have nominated, invariably by unanimous vote, pre-
cisely the same candidate. Since prevailing local philosophy rules out hand of Divine Providence as origin of such singular uniformity of inspiration it must be attributed and is to a more earthly and familiar agency. Outwardly, however, process has been entirely constitutional. Formally speaking the only reason there is not more than 1 candidate for each position is that it did not occur to any eligible group of citizens in respective district to nominate anyone else.

4. Since Communist Party does not like to appear solely responsible for nominations and since there is no other party with which it could theoretically combine for this purpose nominations are announced as emanating from the "bloc of the Communist Party and the non-party people". This preposterous fiction is put forward with deadly seriousness and election posters unblushingly call upon population to vote for the candidates of this bloc.

5. Meaningless as composition of Supreme Soviet may be from standpoint of Soviet policy, it is important to those who belong to it. Membership is a signal honor. Composition of body as indicated by nominations already known (somewhat over half of total have been announced in central press) indicate roughly following breakdown. That party, Government and military officials who already occupy conspicuous positions of authority in Soviet apparatus of power will comprise at least 50% to 60% of total; cultural intelligentsia about 9%; technical intelligentsia (factory directors, engineers, etc.) about 7%; industrial workers who were once supposed to be backbone of the society will apparently constitute something less than 10%. This will thus be predominantly a gathering of upper professional bureaucracy of party, Government, and army in other words of people who have made successful careers through favor of present party leaders and are accustomed to look that way for all good things.

6. Since election is now the purest formality and since voter has no choice but to vote for single candidate or refrain from voting entirely it may be wondered why party propaganda machine attaches
such importance to electoral campaign and surrounds it with such unparalleled pomp and circumstance. Even in Soviet mind this question looms so large that party has had to supply an answer. Officially, election is to be a demonstration of confidence in the leadership which has carried country along since last elections in '37 and in policies followed by this leadership. For this reason herculean efforts are being made to get every last voter to polls and to register as nearly as possible a 100% vote. This is official explanation but it is not all. Among other motives are probably the following:

A. In drawing up lists of those entitled to vote party is in fact taking an informal but very thorough census of population. There is vital need of such a census after profound upheavals of war and invasion.

B. Elections provide convenient occasion for vigorous and wide scale advancement of current party line. By mobilizing this tremendous army of election officials and agitators party hopes to combat wave of weariness, discouragement and apathy which USSR shares with other war worn countries and to whip up enthusiasm for accomplishment of economic tasks of immediate future. Under present Soviet system there can be no stimulus to increased economic effort but discipline from above and enthusiasm from below and for obvious reasons regime tries to maintain at least a respectable balance between the two.

C. A marked characteristic of Soviet thought is conviction that you can eat your cake and have it too. Kremlin is determined that without relaxing one iota of its real totalitarian power it can make Soviet people go through motions of democracy with such impeccable fidelity and enthusiasm as to establish, both with them and with outside world, the thesis now put forward daily by Moscow press that Soviet system is most democratic on the earth. This is designed among other things to combat any lingering backward glances at western institutions among populace of areas recently taken under Soviet power and any similar tendencies on part of those older Soviet citizens to whom the war brought new contacts and vistas.

KENNAN

861.00/2-1246: Telegram
The Chargé in the Soviet Union (Kennan) to the Secretary of State
CONFIDENTIAL
Moscow, February 12, 1946—3 p. m.
[Received 4:58 p. m.]

408. Pre-election speeches of Stalin and his Politburo associates have re-affirmed correctness and historical necessity of earlier policies implemented by Communist Party in USSR and have set forth party line on internal program of Soviet State in years to come.
In Stalin’s speech,39 which was of course most authoritative of all, following main points stand out.

1. Straight Marxist interpretation of World Wars one and two as products of crises inherent in monopoly capitalism. This was coupled, however, with statement that World War two bore anti-Fascist liberating character from very outset—an interesting deviation from recently revived 1939–41 line that war was purely “imperialist” in pre-Soviet phase.

2. Contention that war proved Soviet system to be “better form of organization of society than any non-Soviet social system”.

3. Justification in light of war of previous 5-year plans and collectivization. Here he admitted significantly that at time of first 5-year plan party had not feared “to go against current”.

4. Revelation that ration system will be abolished in near future and that “special attention” will be devoted to increasing consumers goods output and lowering prices. Here he significantly omitted reference to grave housing situation and measures to improve it.

5. Statement that three or more new 5-year plans will be required to guarantee country against “all contingencies” by increasing pig-iron output to 50 million tons annually, steel to 60 million, coal to 500 million and petroleum to 60 million tons.

Although more militant and oratorical in tone, speeches of other politburo members follow along lines of Stalin’s speech in substance. All argue that war proved far-seeing wisdom of party’s pre-war policies, expiate on superior democracy of Soviet system and its freedom from capitalist crises and unemployment, and advance present party program of “consolidating victory” through restoration and increase of economic might of USSR. Necessity of maintaining and improving Armed Forces unanimously emphasized on ground that forces of “Fascism and reaction” are still alive in world, in “bourgeois democracies” and elsewhere.

Most of the speeches refer to enormous “international authority” currently enjoyed by USSR but at same time give little or no indication that Soviet leaders place any serious reliance on future of inter-

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39 This speech, delivered in Moscow on February 9, called forth much comment within the Department of State. Among the memoranda written was one by H. Freeman Matthews, Director of the Office of European Affairs, dated February 11, which read in part: “Stalin’s speech of February 9 constitutes the most important and authoritative guide to post-war Soviet policy. . . . It should be given great weight in any plans which may be under consideration for extending credits or other forms of economic assistance to the Soviet Union.” (761.00/2–1146). In his memorandum of February 12, Elbridge Durbrow, Chief of the Division of Eastern European Affairs, remarked that Stalin firmly denounced capitalism and concluded: “It is felt that in view of the clear indication of the new Soviet line we should be most diligent to counteract Soviet propaganda and political moves which in all probability will be directed primarily at dividing the British and ourselves in order to give the Soviets a freer hand to attain their own aims.” (861.00/2–1246)
national collaboration. UNO was discussed only by Molotov and Big Three coalition was referred to, in retrospective light at that, only by Stalin, Kalinin\textsuperscript{40} and Zhdanov.\textsuperscript{41} Kaganovich\textsuperscript{42} struck openly isolationist note in his statement that “two of our most dangerous and base foes from this capitalist encirclement—Hitlerite Germany and Imperialist Japan—have been smashed” but “we must remember that our country continues to be in capitalist encirclement”.

Malenkov’s speech deserves special note as manifestation of an attitude of total suspicion toward motives of outside world. After urging that armed forces should be strengthened so that “friends will respect us and forbear to interrupt our great constructive work”, he declares that USSR has no intention of permitting others to harvest fruits of its dear-bought victory, that all those who may think of organizing new war against Soviet Union should remember that it is already a mighty power, and that USSR does not intend “to draw other peoples’ chestnuts out of fire” except for its own good.

Full translation of Stalin’s speech and several of the others follow by despatch.\textsuperscript{43}

\textbf{KENNAN}

861.00/2-2246: Telegram

\textit{The Chargé in the Soviet Union (Kennan) to the Secretary of State}

\textbf{SECRET}

Moscow, February 22, 1946—9 p.m.

[Received February 22—3:52 p.m.]

511. Answer to Dept’s 284, Feb 3 [13]\textsuperscript{44} involves questions so intricate, so delicate, so strange to our form of thought, and so important to analysis of our international environment that I cannot compress answers into single brief message without yielding to what I feel would be dangerous degree of over-simplification. I hope, therefore, Dept will bear with me if I submit in answer to this question five parts, subjects of which will be roughly as follows:

1. Basic features of post-war Soviet outlook.
2. Background of this outlook.

\textsuperscript{40}Mikhail Ivanovich Kalinin, Chairman of the Presidium of the Supreme Council of the Soviet Union. He resigned on March 18, 1946, because of poor health, and died on June 3.

\textsuperscript{41}Andrey Alexandrovich Zhdanov, member and a Secretary of the Politburo of the Central Committee of the Communist Party.

\textsuperscript{42}Lazar Mossevich Kaganovich, member of the Politburo of the Central Committee of the Communist Party and Deputy Chairman of the Council of People’s Commissars (after March 15, Council of Ministers).

\textsuperscript{43}Despatch 2442, February 12, from Moscow, not printed.

\textsuperscript{44}Not printed; in this telegram the Department informed the Chargé: “We should welcome receiving from you an interpretive analysis of what we may expect in the way of future implementation of these announced policies...” (861.00/2-1246). The policies referred to were those contained in the pre-election speeches of Stalin and his associates.
(3) Its projection in practical policy on official level.
(4) Its projection on unofficial level.
(5) Practical deductions from standpoint of US policy.

I apologize in advance for this burdening of telegraphic channel; but questions involved are of such urgent importance, particularly in view of recent events, that our answers to them, if they deserve attention at all, seem to me to deserve it at once. There follows

Part 1: Basic Features of Post War Soviet Outlook, as Put Forward by Official Propaganda Machine, Are as Follows:

(a) USSR still lives in antagonistic “capitalist encirclement” with which in the long run there can be no permanent peaceful coexistence. As stated by Stalin in 1927 to a delegation of American workers:

“In course of further development of international revolution there will emerge two centers of world significance: a socialist center, drawing to itself the countries which tend toward socialism, and a capitalist center, drawing to itself the countries that incline toward capitalism. Battle between these two centers for command of world economy will decide fate of capitalism and of communism in entire world.”

(b) Capitalist world is beset with internal conflicts, inherent in nature of capitalist society. These conflicts are insoluble by means of peaceful compromise. Greatest of them is that between England and US.

(c) Internal conflicts of capitalism inevitably generate wars. Wars thus generated may be of two kinds: intra-capitalist wars between two capitalist states, and wars of intervention against socialist world. Smart capitalists, vainly seeking escape from inner conflicts of capitalism, incline toward latter.

(d) Intervention against USSR, while it would be disastrous to those who undertook it, would cause renewed delay in progress of Soviet socialism and must therefore be forestalled at all costs.

(e) Conflicts between capitalist states, though likewise fraught with danger for USSR, nevertheless hold out great possibilities for advancement of socialist cause, particularly if USSR remains militarily powerful, ideologically monolithic and faithful to its present brilliant leadership.

(f) It must be borne in mind that capitalist world is not all bad. In addition to hopelessly reactionary and bourgeois elements, it includes (1) certain wholly enlightened and positive elements united in acceptable communist parties and (2) certain other elements (now described for tactical reasons as progressive or democratic) whose reactions, aspirations and activities happen to be “objectively” favorable to interests of USSR. These last must be encouraged and utilized for Soviet purposes.
(g) Among negative elements of bourgeois-capitalist society, most
dangerous of all are those whom Lenin called false friends of the
people, namely moderate-socialist or social-democratic leaders (in
other words, non-Communist left-wing). These are more dangerous
than out-and-out reactionaries, for latter at least march under their
true colors, whereas moderate left-wing leaders confuse people by em-
ploying devices of socialism to serve interests of reactionary capital.

So much for premises. To what deductions do they lead from
standpoint of Soviet policy? To following:

(a) Everything must be done to advance relative strength of USSR
as factor in international society. Conversely, no opportunity must
be missed to reduce strength and influence, collectively as well as
individually, of capitalist powers.

(b) Soviet efforts, and those of Russia’s friends abroad, must be
directed toward deepening and exploiting of differences and conflicts
between capitalist powers. If these eventually deepen into an “im-
perialist” war, this war must be turned into revolutionary upheavals
within the various capitalist countries.

(c) “Democratic-progressiv” elements abroad are to be utilized to
maximum to bring pressure to bear on capitalist governments along
lines agreeable to Soviet interests.

(d) Relentless battle must be waged against socialist and social-
democratic leaders abroad.

Part 2: Background of Outlook

Before examining ramifications of this party line in practice there
are certain aspects of it to which I wish to draw attention.

First, it does not represent natural outlook of Russian people. Let-
ter are, by and large, friendly to outside world, eager for experience
of it, eager to measure against it talents they are conscious of pos-
sessing, eager above all to live in peace and enjoy fruits of their own
labor. Party line only represents thesis which official propaganda
machine puts forward with great skill and persistence to a public often
remarkably resistant in the stronghold of its innermost thoughts.
But party line is binding for outlook and conduct of people who make
up apparatus of power—party, secret police and Government—and it
is exclusively with these that we have to deal.

Second, please note that premises on which this party line is based
are for most part simply not true. Experience has shown that peace-
ful and mutually profitable coexistence of capitalist and socialist states
is entirely possible. Basic internal conflicts in advanced countries are
no longer primarily those arising out of capitalist ownership of means
of production, but are ones arising from advanced urbanism and in-
dustrialism as such, which Russia has thus far been spared not by
socialism but only by her own backwardness. Internal rivalries of capitalism do not always generate wars; and not all wars are attributable to this cause. To speak of possibility of intervention against USSR today, after elimination of Germany and Japan and after example of recent war, is sheerest nonsense. If not provoked by forces of intolerance and subversion "capitalist" world of today is quite capable of living at peace with itself and with Russia. Finally, no sane person has reason to doubt sincerity of moderate socialist leaders in Western countries. Nor is it fair to deny success of their efforts to improve conditions for working population whenever, as in Scandinavia, they have been given chance to show what they could do.

Falseness of these premises, every one of which pre-dates recent war, was amply demonstrated by that conflict itself. Anglo-American differences did not turn out to be major differences of Western World. Capitalist countries, other than those of Axis, showed no disposition to solve their differences by joining in crusade against USSR. Instead of imperialist war turning into civil wars and revolution, USSR found itself obliged to fight side by side with capitalist powers for an avowed community of aims.

Nevertheless, all these theses, however baseless and disproven, are being boldly put forward again today. What does this indicate? It indicates that Soviet party line is not based on any objective analysis of situation beyond Russia's borders; that it has, indeed, little to do with conditions outside of Russia; that it arises mainly from basic inner-Russian necessities which existed before recent war and exist today.

At bottom of Kremlin's neurotic view of world affairs is traditional and instinctive Russian sense of insecurity. Originally, this was insecurity of a peaceful agricultural people trying to live on vast exposed plain in neighborhood of fierce nomadic peoples. To this was added, as Russia came into contact with economically advanced West, fear of more competent, more powerful, more highly organized societies in that area. But this latter type of insecurity was one which afflicted rather Russian rulers than Russian people; for Russian rulers have invariably sensed that their rule was relatively archaic in form, fragile and artificial in its psychological foundation, unable to stand comparison or contact with political systems of Western countries. For this reason they have always feared foreign penetration, feared direct contact between Western world and their own, feared what would happen if Russians learned truth about world without or if foreigners learned truth about world within. And they have learned to seek security only in patient but deadly struggle for total destruction of rival power, never in compacts and compromises with it.
It was no coincidence that Marxism, which had smouldered ineffectively for half a century in Western Europe, caught hold and blazed for first time in Russia. Only in this land which had never known a friendly neighbor or indeed any tolerant equilibrium of separate powers, either internal or international, could a doctrine thrive which viewed economic conflicts of society as insoluble by peaceful means. After establishment of Bolshevist regime, Marxist dogma, rendered even more truculent and intolerant by Lenin's interpretation, became a perfect vehicle for sense of insecurity with which Bolsheviks, even more than previous Russian rulers, were afflicted. In this dogma, with its basic altruism of purpose, they found justification for their instinctive fear of outside world, for the dictatorship without which they did not know how to rule, for cruelties they did not dare not to inflict, for sacrifices they felt bound to demand. In the name of Marxism they sacrificed every single ethical value in their methods and tactics. Today they cannot dispense with it. It is fig leaf of their moral and intellectual respectability. Without it they would stand before history, at best, as only the last of that long succession of cruel and wasteful Russian rulers who have relentlessly forced country on to ever new heights of military power in order to guarantee external security of their internally weak regimes. This is why Soviet purposes must always be solemnly clothed in trappings of Marxism, and why no one should underrate importance of dogma in Soviet affairs. Thus Soviet leaders are driven [by?] necessities of their own past and present position to put forward a dogma which [apparent omission] outside world as evil, hostile and menacing, but as bearing within itself germs of creeping disease and destined to be wracked with growing internal convulsions until it is given final coup de grace by rising power of socialism and yields to new and better world. This thesis provides justification for that increase of military and police power of Russian state, for that isolation of Russian population from outside world, and for that fluid and constant pressure to extend limits of Russian police power which are together the natural and instinctive urges of Russian rulers. Basically this is only the steady advance of uneasy Russian nationalism, a centuries old movement in which conceptions of offense and defense are inextricably confused. But in new guise of international Marxism, with its honeyed promises to a desperate and war torn outside world, it is more dangerous and insidious than ever before.

It should not be thought from above that Soviet party line is necessarily disingenuous and insincere on part of all those who put it forward. Many of them are too ignorant of outside world and mentally too dependent to question [apparent omission] self-hypno-
tism, and who have no difficulty making themselves believe what they find it comforting and convenient to believe. Finally we have the unsolved mystery as to who, if anyone, in this great land actually receives accurate and unbiased information about outside world. In atmosphere of oriental secretiveness and conspiracy which pervades this Government, possibilities for distorting or poisoning sources and currents of information are infinite. The very disrespect of Russians for objective truth—indeed, their disbelief in its existence—leads them to view all stated facts as instruments for furtherance of one ulterior purpose or another. There is good reason to suspect that this Government is actually a conspiracy within a conspiracy; and I for one am reluctant to believe that Stalin himself receives anything like an objective picture of outside world. Here there is ample scope for the type of subtle intrigue at which Russians are past masters. Inability of foreign governments to place their case squarely before Russian policy makers—extent to which they are delivered up in their relations with Russia to good graces of obscure and unknown advisers whom they never see and cannot influence—this to my mind is most disquieting feature of diplomacy in Moscow, and one which Western statesmen would do well to keep in mind if they would understand nature of difficulties encountered here.

Part 3: Projection of Soviet Outlook in Practical Policy on Official Level

We have now seen nature and background of Soviet program. What may we expect by way of its practical implementation?

Soviet policy, as Department implies in its query under reference, is conducted on two planes: (1) official plane represented by actions undertaken officially in name of Soviet Government; and (2) subterranean plane of actions undertaken by agencies for which Soviet Government does not admit responsibility.

Policy promulgated on both planes will be calculated to serve basic policies (a) to (d) outlined in part 1. Actions taken on different planes will differ considerably, but will dovetail into each other in purpose, timing and effect.

On official plane we must look for following:

(a) Internal policy devoted to increasing in every way strength and prestige of Soviet state; intensive military-industrialization; maximum development of armed forces; great displays to impress outsiders; continued secretiveness about internal matters, designed to conceal weaknesses and to keep opponents in dark.

(5) Wherever it is considered timely and promising, efforts will be made to advance official limits of Soviet power. For the moment, these efforts are restricted to certain neighboring points conceived of here
as being of immediate strategic necessity, such as Northern Iran, Turkey, possibly Bornholm. However, other points may at any time come into question, if and as concealed Soviet political power is extended to new areas. Thus a “friendly” Persian Government might be asked to grant Russia a port on Persian Gulf. Should Spain fall under Communist control, question of Soviet base at Gibraltar Strait might be activated. But such claims will appear on official level only when unofficial preparation is complete.

(c) Russians will participate officially in international organizations where they see opportunity of extending Soviet power or of inhibiting or diluting power of others. Moscow sees in UNO not the mechanism for a permanent and stable world society founded on mutual interest and aims of all nations, but an arena in which aims just mentioned can be favorably pursued. As long as UNO is considered here to serve this purpose, Soviets will remain with it. But if at any time they come to conclusion that it is serving to embarrass or frustrate their aims for power expansion and if they see better prospects for pursuit of these aims along other lines, they will not hesitate to abandon UNO. This would imply, however, that they felt themselves strong enough to split unity of other nations by their withdrawal, to render UNO ineffective as a threat to their aims or security, and to replace it with an international weapon more effective from their viewpoint. Thus Soviet attitude toward UNO will depend largely on loyalty of other nations to it, and on degree of vigor, decisiveness and cohesion with which these nations defend in UNO the peaceful and hopeful concept of international life, which that organization represents to our way of thinking. I reiterate, Moscow has no abstract devotion to UNO ideals. Its attitude to that organization will remain essentially pragmatic and tactical.

(d) Toward colonial areas and backward or dependent peoples, Soviet policy, even on official plane, will be directed toward weakening of power and influence and contacts of advanced Western nations, on theory that in so far as this policy is successful, there will be created a vacuum which will favor Communist-Soviet penetration. Soviet pressure for participation in trusteeship arrangements thus represents, in my opinion, a desire to be in a position to complicate and inhibit exertion of Western influence at such points rather than to provide major channel for exerting of Soviet power. Latter motive is not lacking, but for this Soviets prefer to rely on other channels than official trusteeship arrangements. Thus we may expect to find Soviets asking for admission everywhere to trusteeship or similar arrangements and using levers thus acquired to weaken Western influence among such peoples.
(e) Russians will strive energetically to develop Soviet representation in, and official ties with, countries in which they sense strong possibilities of opposition to Western centers of power. This applies to such widely separated points as Germany, Argentina, Middle Eastern countries, etc.

(f) In international economic matters, Soviet policy will really be dominated by pursuit of autarchy for Soviet Union and Soviet-dominated adjacent areas taken together. That, however, will be underlying policy. As far as official line is concerned, position is not yet clear. Soviet Government has shown strange reticence since termination hostilities on subject foreign trade. If large scale long term credits should be forthcoming, I believe Soviet Government may eventually again do lip service, as it did in 1930's to desirability of building up international economic exchanges in general. Otherwise I think it possible Soviet foreign trade may be restricted largely to Soviet's own security sphere, including occupied areas in Germany, and that a cold official shoulder may be turned to principle of general economic collaboration among nations.

(g) With respect to cultural collaboration, lip service will likewise be rendered to desirability of deepening cultural contacts between peoples, but this will not in practice be interpreted in any way which could weaken security position of Soviet peoples. Actual manifestations of Soviet policy in this respect will be restricted to arid channels of closely shepherded official visits and functions, with superabundance of vodka and speeches and dearth of permanent effects.

(h) Beyond this, Soviet official relations will take what might be called “correct” course with individual foreign governments, with great stress being laid on prestige of Soviet Union and its representatives and with punctilious attention to protocol, as distinct from good manners.

Part 4: Following May Be Said as to What We May Expect by Way of Implementation of Basic Soviet Policies on Unofficial, or Subterranean Plane, i.e. on Plane for Which Soviet Government Accepts no Responsibility

Agencies utilized for promulgation of policies on this plane are following:

1. Inner central core of Communist Parties in other countries. While many of persons who compose this category may also appear and act in unrelated public capacities, they are in reality working closely together as an underground operating directorate of world communism, a concealed Comintern 46 tightly coordinated and di-

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46 The Third (Communist) International, founded by the Bolsheviks at Moscow in March 1919, announced as having been dissolved in May 1943; see Foreign Relations, 1943, vol. iii, pp. 531-532, and 542-543.
rected by Moscow. It is important to remember that this inner core is actually working on underground lines, despite legality of parties with which it is associated.

2. Rank and file of Communist Parties. Note distinction is drawn between these and persons defined in paragraph 1. This distinction has become much sharper in recent years. Whereas formerly foreign Communist Parties represented a curious (and from Moscow’s standpoint often inconvenient) mixture of conspiracy and legitimate activity, now the conspiratorial element has been neatly concentrated in inner circle and ordered underground, while rank and file—no longer even taken into confidence about realities of movement—are thrust forward as bona fide internal partisans of certain political tendencies within their respective countries, genuinely innocent of conspiratorial connection with foreign states. Only in certain countries where communists are numerically strong do they now regularly appear and act as a body. As a rule they are used to penetrate, and to influence or dominate, as case may be, other organizations less likely to be suspected of being tools of Soviet Government, with a view to accomplishing their purposes through [apparent omission] organizations, rather than by direct action as a separate political party.

3. A wide variety of national associations or bodies which can be dominated or influenced by such penetration. These include: labor unions, youth leagues, women’s organizations, racial societies, religious societies, social organizations, cultural groups, liberal magazines, publishing houses, etc.

4. International organizations which can be similarly penetrated through influence over various national components. Labor, youth and women’s organizations are prominent among them. Particular, almost vital, importance is attached in this connection to international labor movement. In this, Moscow sees possibility of sidetracking western governments in world affairs and building up international lobby capable of compelling governments to take actions favorable to Soviet interests in various countries and of paralyzing actions disagreeable to USSR.

5. Russian Orthodox Church, with its foreign branches, and through it the Eastern Orthodox Church in general.

6. Pan-Slav movement and other movements (Azerbaijan, Armenian, Turcoman, etc.) based on racial groups within Soviet Union.

7. Governments or governing groups willing to lend themselves to Soviet purposes in one degree or another, such as present Bulgarian and Yugoslav Governments, North Persian regime, Chinese Communists, etc. Not only propaganda machines but actual policies of these regimes can be placed extensively at disposal of USSR.
It may be expected that component parts of this far-flung apparatus will be utilized, in accordance with their individual suitability, as follows:

(a) To undermine general political and strategic potential of major western powers. Efforts will be made in such countries to disrupt national self confidence, to hamstring measures of national defense, to increase social and industrial unrest, to stimulate all forms of disunity. All persons with grievances, whether economic or racial, will be urged to seek redress not in mediation and compromise, but in defiant violent struggle for destruction of other elements of society. Here poor will be set against rich, black against white, young against old, newcomers against established residents, etc.

(b) On unofficial plane particularly violent efforts will be made to weaken power and influence of Western Powers of [on] colonial backward, or dependent peoples. On this level, no holds will be barred. Mistakes and weaknesses of western colonial administration will be mercilessly exposed and exploited. Liberal opinion in Western countries will be mobilized to weaken colonial policies. Resentment among dependent peoples will be stimulated. And while latter are being encouraged to seek independence of Western Powers, Soviet dominated puppet political machines will be undergoing preparation to take over domestic power in respective colonial areas when independence is achieved.

(c) Where individual governments stand in path of Soviet purposes pressure will be brought for their removal from office. This can happen where governments directly oppose Soviet foreign policy aims (Turkey, Iran), where they seal their territories off against Communist penetration (Switzerland, Portugal), or where they compete too strongly, like Labor Government in England, for moral domination among elements which it is important for Communists to dominate. (Sometimes, two of these elements are present in a single case. Then Communist opposition becomes particularly shrill and savage.[])

(d) In foreign countries Communists will, as a rule, work toward destruction of all forms of personal independence, economic, political or moral. Their system can handle only individuals who have been brought into complete dependence on higher power. Thus, persons who are financially independent—such as individual businessmen, estate owners, successful farmers, artisans and all those who exercise local leadership or have local prestige, such as popular local clergymen or political figures, are anathema. It is not by chance that even in USSR local officials are kept constantly on move from one job to another, to prevent their taking root.
(e) Everything possible will be done to set major Western Powers against each other. Anti-British talk will be plugged among Americans, anti-American talk among British. Continentals, including Germans, will be taught to abhor both Anglo-Saxon powers. Where suspicions exist, they will be fanned; where not, ignited. No effort will be spared to discredit and combat all efforts which threaten to lead to any sort of unity or cohesion among other [apparent omission] from which Russia might be excluded. Thus, all forms of international organization not amenable to Communist penetration and control, whether it be the Catholic [apparent omission] international economic concerns, or the international fraternity of royalty and aristocracy, must expect to find themselves under fire from many, and often [apparent omission].

(f) In general, all Soviet efforts on unofficial international plane will be negative and destructive in character, designed to tear down sources of strength beyond reach of Soviet control. This is only in line with basic Soviet instinct that there can be no compromise with rival power and that constructive work can start only when Communist power is dominant. But behind all this will be applied insistent, unceasing pressure for penetration and command of key positions in administration and especially in police apparatus of foreign countries. The Soviet regime is a police regime par excellence, reared in the dim half world of Tsarist police intrigue, accustomed to think primarily in terms of police power. This should never be lost sight of in gauging Soviet motives.

Part 5: [Practical Deductions From Standpoint of US Policy]

In summary, we have here a political force committed fanatically to the belief that with US there can be no permanent modus vivendi, that it is desirable and necessary that the internal harmony of our society be disrupted, our traditional way of life be destroyed, the international authority of our state be broken, if Soviet power is to be secure. This political force has complete power of disposition over energies of one of world’s greatest peoples and resources of world’s richest national territory, and is borne along by deep and powerful currents of Russian nationalism. In addition, it has an elaborate and far-flung apparatus for exertion of its influence in other countries, an apparatus of amazing flexibility and versatility, managed by people whose experience and skill in underground methods are presumably without parallel in history. Finally, it is seemingly inaccessible to considerations of reality in its basic reactions. For it, the vast fund of objective fact about human society is not, as with us, the measure against which outlook is constantly being tested and re-formed, but a grab bag from which individual items are selected arbitrarily and
tendenciously to bolster an outlook already preconceived. This is admittedly not a pleasant picture. Problem of how to cope with this force in [is] undoubtedly greatest task our diplomacy has ever faced and probably greatest it will ever have to face. It should be point of departure from which our political general staff work at present juncture should proceed. It should be approached with same thoroughness and care as solution of major strategic problem in war, and if necessary, with no smaller outlay in planning effort. I cannot attempt to suggest all answers here. But I would like to record my conviction that problem is within our power to solve—and that without recourse to any general military conflict. And in support of this conviction there are certain observations of a more encouraging nature I should like to make:

(1) Soviet power, unlike that of Hitlerite Germany, is neither schematic nor adventuristic. It does not work by fixed plans. It does not take unnecessary risks. Impervious to logic of reason, and it is highly sensitive to logic of force. For this reason it can easily withdraw—and usually does—when strong resistance is encountered at any point. Thus, if the adversary has sufficient force and makes clear his readiness to use it, he rarely has to do so. If situations are properly handled there need be no prestige-engaging showdowns.

(2) Gauged against Western World as a whole, Soviets are still by far the weaker force. Thus, their success will really depend on degree of cohesion, firmness and vigor which Western World can muster. And this is factor which it is within our power to influence.

(3) Success of Soviet system, as form of internal power, is not yet finally proven. It has yet to be demonstrated that it can survive supreme test of successive transfer of power from one individual or group to another. Lenin’s death was first such transfer, and its effects wrecked Soviet state for 15 years. After Stalin’s death or retirement will be second. But even this will not be final test. Soviet internal system will now be subjected, by virtue of recent territorial expansions, to series of additional strains which once proved severe tax on Tsardom. We here are convinced that never since termination of civil war have mass of Russian people been emotionally farther removed from doctrines of Communist Party than they are today. In Russia, party has now become a great and—for the moment—highly successful apparatus of dictatorial administration, but it has ceased to be a source of emotional inspiration. Thus, internal soundness and permanence of movement need not yet be regarded as assured.

(4) All Soviet propaganda beyond Soviet security sphere is basically negative and destructive. It should therefore be relatively easy to combat it by any intelligent and really constructive program.
For these reasons I think we may approach calmly and with good heart problem of how to deal with Russia. As to how this approach should be made, I only wish to advance, by way of conclusion, following comments:

(1) Our first step must be to apprehend, and recognize for what it is, the nature of the movement with which we are dealing. We must study it with same courage, detachment, objectivity, and same determination not to be emotionally provoked or unseated by it, with which doctor studies unruly and unreasonable individual.

(2) We must see that our public is educated to realities of Russian situation. I cannot over-emphasize importance of this. Press cannot do this alone. It must be done mainly by Government, which is necessarily more experienced and better informed on practical problems involved. In this we need not be deterred by [ugliness?] of picture. I am convinced that there would be far less hysterical anti-Sovietism in our country today if realities of this situation were better understood by our people. There is nothing as dangerous or as terrifying as the unknown. It may also be argued that to reveal more information on our difficulties with Russia would reflect unfavorably on Russian-American relations. I feel that if there is any real risk here involved, it is one which we should have courage to face, and sooner the better. But I cannot see what we would be risking. Our stake in this country, even coming on heels of tremendous demonstrations of our friendship for Russian people, is remarkably small. We have here no investments to guard, no actual trade to lose, virtually no citizens to protect, few cultural contacts to preserve. Our only stake lies in what we hope rather than what we have; and I am convinced we have better chance of realizing those hopes if our public is enlightened and if our dealings with Russians are placed entirely on realistic and matter-of-fact basis.

(3) Much depends on health and vigor of our own society. World communism is like malignant parasite which feeds only on diseased tissue. This is point at which domestic and foreign policies meet. Every courageous and incisive measure to solve internal problems of our own society, to improve self-confidence, discipline, morale and community spirit of our own people, is a diplomatic victory over Moscow worth a thousand diplomatic notes and joint communiqués. If we cannot abandon fatalism and indifference in face of deficiencies of our own society, Moscow will profit—Moscow cannot help profiting by them in its foreign policies.

(4) We must formulate and put forward for other nations a much more positive and constructive picture of sort of world we would like to see than we have put forward in past. It is not enough to urge people to develop political processes similar to our own. Many for-
eign peoples, in Europe at least, are tired and frightened by experiences of past, and are less interested in abstract freedom than in security. They are seeking guidance rather than responsibilities. We should be better able than Russians to give them this. And unless we do, Russians certainly will.

(5) Finally we must have courage and self-confidence to cling to our own methods and conceptions of human society. After all, the greatest danger that can befall us in coping with this problem of Soviet communism, is that we shall allow ourselves to become like those with whom we are coping.

KENNAN

800.09B International Red Day/2-2546: Airgram

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

Moscow, February 25, 1946.

[Received March 13—1:56 p.m.]

A—87. Full summary follows on Red Army Day Order issued by Stalin February 23.

Red Army greets its 28th anniversary in flower of its strength and surrounded with halo of victory. After long and grievous war it has emerged as first-class army with high moral fighting qualities and completely equipped with modern arms and tried commanders. In war with fascist invaders Red Army showed itself more than equal to its great tasks. All peoples of USSR are now convinced that they can rely on Red Army. Red Army’s outstanding successes are explained first of all by fact that it is genuine people’s army and defends interests of its people. Red Army’s victories are further explained by fact that Communist Party educates it. Communist Party explained meaning and aims of war to Soviet fighters.

USSR has now entered new peaceful period of its economic development and its task is to advance still further, not merely consolidating economic positions already gained, which would lead to stagnation. Under present conditions Red Army’s duty is to maintain vigilant protection over peaceful constructive labor of Soviet people and make frontiers of USSR impregnable to all enemies.

In peace time first task of all soldiers, officers and generals without exception is to perfect their military and political knowledge. In years of war Red Army’s officers and generals mastered art of leading troops on field of battle. They must now master art of training and educating troops in peaceful circumstances. Patriotic war brought much that was new into military art and duty of Red Army is to use this precious experience not only for theoretical training but also for developing Soviet military science. Red Army must not only
keep up with military developments but must advance them still further. First class technical equipment of Red Army forms basis of its strength and this equipment must be handled skillfully and preserved carefully. Success in training troops is unthinkable without strong discipline and strict military order, maintenance of which is in first instance duty of officer cadres and in particular of senior lieutenants and sergeants who are direct and closest educators of Red Army soldiers. Soldiers and officers have great services to their credit before people but this must not lead to conceit. Duty of each Soviet warrier is to put whole of his strength and knowledge at service of Red Army.

KENNAN

811.91261/2-2746: Telegram

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

RESTRICTED

Moscow, February 27, 1946—5 p. m.
[Received February 27—1:32 p. m.]

566. AP correspondent Gilmore 46 tells us that correspondents were yesterday informed by Foreign Office Press Dept that it will no longer handle censorship but will devote itself to “assisting” correspondents. Correspondents will continue to be accredited by Press Dept. Beginning March 1 news despatches are to be handed in to post office at which point correspondents will lose contact with their stories.

Whole matter was presented by Press Dept to correspondents in typical atmosphere of mystery. Gilmore has learned, however, that censorship is in hands of Chief Administration of Literary and Publishing Affairs. This organization exerts internal Soviet censorship. Gilmore feels it is still too early to tell how new system will work but he has misgivings.

KENNAN

811.91261/3-446: Telegram

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

RESTRICTED

Moscow, March 4, 1946—7 p. m.
[Received March 4—5:17 p. m.]

641. ReEmbs 566, Feb 27. New policy of censorship by Glavlit 47 which began March 1 has so far been completely unsatisfactory to correspondents in Moscow. In four cases correspondents have been informed by telephone that stories have been killed but they have no way of learning whether other stories have been killed, partly censored, or sent in toto.

* Eddy Gilmore, Chief of the Moscow Bureau of the Associated Press.

** Main Administration for Literature and Publishing, an organization of the Council of Ministers of the Soviet Union.
Correspondents are not certain whether they are receiving all incoming telegrams or whether their service messages to their offices are getting through. In one case Glavlit informed correspondent it had killed a service message in which he requested that his byline be removed because he could no longer be responsible for what was sent under his name.

Thus far no one at Glavlit has consented to discuss technique of new censorship with any correspondent. Glavlit secretaries have told correspondents to apply to Press Dept FonOff for all info but Press Dept replies that it knows nothing about new censorship. It may be that this is birth pains of new censorship but correspondents desire that their home offices be informed of present situation in Moscow.

KENNAN

811.91261/3-646: Telegram

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

RESTRICTED

Moscow, March 6, 1946—5 p.m.

[Received 5:10 p.m.]

634. I am worried about situation of American correspondents here described in my 641, March 4, which has assumed genuinely unpleasant aspects.

A check now made by AP correspondent with his central office indicates that on March 5 out of 24 telegrams delivered to Soviet Post Office for submission to Censorship Bureau, only 10 reached their destination. He has no way of ascertaining in what shape these were finally despatched.

In general, however, it is clear to me that it is highly unsatisfactory and risky, if not quite unacceptable, that American correspondents should be filing copy in these precarious circumstances, particularly at a moment when so much harm could be done by distorted or mutilated texts. I wish therefore to recommend that Department consult at once with editors and principals of correspondents now functioning in Moscow, particularly AP, UP, New York Times, Time-Life, CBS, NBC, and MBS with a view to ascertaining whether they wish to continue to have their correspondents file copy in these circumstances. I must reiterate that present system, if not modified, gives Soviet censors possibility of completely distorting sense of any story filed by an American correspondent in this city without knowledge of either correspondent himself or of his home office.
The Chargé in the Soviet Union (Kennan) to the Secretary of State

CONFIDENTIAL

Moscow, March 11, 1946—noon.

U.S. URGENT

[Received 9:18 p.m.]

751. As press has doubtless reported, this morning’s Sov press prints: (a) large portions of Churchill’s speech (we have not yet had time to check entire speech with original); (b) front page Prosvda editorial on subject of Churchill’s speech (essence of this editorial is that Churchill’s speech calls for unity of Western Democracies under hegemony of Anglo-American military alliance, that this union would be directed against USSR, that its realization would signify breakdown of coalition and UNO, but that it is condemned to utter failure); and (c) excerpts from President’s press conference of March 8 in which President disassociated himself from Churchill’s speech, denied probability of new Big Three meeting, expressed skepticism that Sov Union “would follow a unilateral policy of action” and stated that he would not permit a breakdown of UNO.

This sudden burst of publicity about Churchill’s speech deserves careful attention. Following points strike us on first impression:

(1) This method of procedure was chosen after Kremlin had carefully waited to see reaction to Churchill’s speech in US and England and indicates Moscow considers echo to Churchill’s statements to have been so weak that it is worthwhile to throw Sov influence into scales of international public reaction. Had Churchill’s speech found greater support in English and American public opinion and Govt circles, Moscow would doubtless have taken a much more serious view of it and drawn other conclusions as to treatment.

(2) This method of approach indicates Moscow is relieved about general situation, as reflected in public reaction to Churchill’s speech and considers there is still excellent possibility that Western Democracies will not succeed in organizing any effective common front on military level against Sov bloc.

(3) It is worth noting that Sov public has still not been given any inkling of knowledge that there has been any international difference of opinion over maintenance of Sov forces in Iran. Indeed, in passage quoted from President’s press conference, they have received the first hint that any questions at all have arisen on international level which might lead to serious tension in UNO. I question whether wide publicity now being given Churchill’s controversy does not indicate that Moscow views early denouement of Iranian situation as probably unavoidable and is trying to prepare ground with Sov public by showing that while there are indeed persons abroad who are taking a strong line against USSR, they do not command majority support, and that

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*The “Iron Curtain” speech delivered at Westminster College in Fulton, Missouri, on March 5, 1946.

there is generally great disunity and difference of opinion on these questions in Anglo-Saxon world.

(4) Despite the above, we are somewhat amazed at freedom with which Pravda has published, and then cited again editorially, some of Churchill’s strongest and most effectively phrased statements. Against background of Pravda’s own barren and doctrinaire language Churchill’s eloquent phrases can hardly fail to strike a sympathetic note, if only by their poetry, in a nation second to none of its admiration for the beauty of speech.

KENNAN

369C.1121/3-1246 : Telegram

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

CONFIDENTIAL

Moscow, March 12, 1946—noon.
[Received 2:08 p.m.]

771. Difficulties encountered by our Mission in Poland with respect to arrests of individuals who are claimants to American citizenship parallel completely difficulties which have been encountered here ever since resumption of relations in 1933, and they constitute in my opinion very clear evidence, if any is needed, as to who controls Polish security organs. Fact that security organs appear to be in position to influence Foreign Office and even to prevent latter from conduction correspondence in inconvenient cases, likewise has familiar ring. For this reason a word as to this Mission’s experiences may be of interest.

We have generally found Soviet authorities unhelpful, uncommunicative and discourteous in cases involving dual nationality. They obviously consider that they are under no obligation to give any information to our Mission in such cases or to pay any consideration to fact that individual has American citizenship and connections. This attitude has been so consistently maintained that we have given up hope of obtaining any satisfaction in cases where there is any strong evidence of Soviet citizenship on part of individuals concerned and in order to minimize number of rebuffs received from Soviet authorities we generally restrict our efforts in protection of individual interests to cases where there has never been any question or claim of Soviet citizenship. We have impression that in many cases arrests are made simply because of existence of such American connections either out of curiosity on part of police with respect to possible foreign espionage connections, or more likely, out of a desire on part of zealous police officials to produce evidence of such connections, whether or not

50 For earlier documentation on efforts to assist Soviet spouses of American citizens and detained American citizens to leave the Soviet Union, see Foreign Relations, 1945, vol. v, pp. 1148 ff.
they did in fact exist. Victims are then held incommunicado for long
periods of time while police authorities cast about for such evidence
and also for proof that USSR has some claim on person’s citizenship
in order to be able to establish dual nationality and thus make it pos-
sible to remove individual from protection or even curiosity of Foreign
Mission. In these cases Foreign Office quite evidently acting under
orders of secret police, stubbornly refuses to reply to communications
of Foreign Mission pending establishment of Soviet citizenship.
(This also applies to cases where arrests have not been made, as for
example the Czechel case.) Never in my recollection have Foreign
Office officials conceived [consented?] to discuss individual questions
of citizenship evidence with representatives of Embassy in friendly
and frank manner. When police decide they are in position to claim
that individual in question is Soviet citizen, this is usually communi-
cated to Embassy in written statement to effect that individual
acquired Soviet citizenship at such and such time and place. Impos-
sibility of interviewing subject or checking on details means that
Embassy has no choice as a rule but to accept such statement.

Plainly as was indicated in Embassy’s despatch 2257, November 15,
1945, this leaves no adequate protection for persons in borderline
cases. It may even be said with respect to American citizens in gen-
eral in Soviet Union that they enjoy here no protection by right and
that treatment they receive results from good grace of Soviet autho-
rities rather than from respect for international engagement. Our only
understanding with Soviet Govt about treatment of citizens arises
from Litvinov agreements of 1933 and Soviet police authorities, as
far as we can see, have never permitted these agreements to influence
their policies or actions.

As Dept is aware from despatch referred to above, I consider this
situation unsatisfactory and feel that publicity should be given to
uncooperative attitude of Soviet authorities. In particular, I think it
should be brought home to American public at suitable time and in
suitable manner, that our Government is severely handicapped in its
ability to extend protection to any persons of whom it might possibly
be claimed by Soviet authorities that they are Soviet citizens.

Sent Dept as 771, repeated Warsaw as 28.

KENNAN

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54 Not printed.
55 For the letters exchanged on this subject on November 16, 1933, between
President Roosevelt and Maxim Maximovich Litvinov, then the People’s Com-
missar for Foreign Affairs of the Soviet Union, see Foreign Relations, The Soviet
Union, 1933-1939, pp. 33-34.
CONFIDENTIAL

WASHINGTON, March 13, 1946—8 p. m.

U.S. URGENT

459. We have discussed change of censorship procedure with Washington Bureau Press Chiefs of organizations, mentioned in your 684, March 6. They are greatly concerned as is Dept at implications. They feel that as protection to themselves and public that new system must be publicized that readers may know they can place no confidence in what they read from Moscow, as blind censorship permits correspondent only to file dispatch without any assurance that it will ever reach US, or that it will not be completely different and possibly the opposite of information correspondent intended to transmit.

Press Bureau Chiefs who called at Dept here informed that Dept wishes to do everything it possibly can to be of assistance and that you are being instructed, and you are here instructed, to take this matter up orally with highest Soviet official you can reach and inform him that while US Govt is absolutely opposed to political censorship or any censorship in time of peace and hopes it will eventually be abolished everywhere, it realizes it is prerogative of a sovereign Govt. This Govt feels very strongly, however, that when censorship is used it should be exercised to minimum and not maximum extent and inconvenience correspondents as little as possible. We are sure it can function much better when correspondent has opportunity to discuss deletions with censor and is permitted to withdraw his dispatch if he feels deletions change its tenor. It makes the censorship more tolerable and creates less friction.

American publishers have sent correspondents they thought well qualified to capital of a friendly Govt for purpose of reporting news. They are glad that Russian correspondents are able to reside in US and report their observations without any censorship whatever. They feel there should be reciprocity by Soviet Govt. This Govt thoroughly agrees with them and in addition believes that in long run it is in interest of good relations to have as much freedom as possible for our respective peoples to receive objective reports of news events in friendly countries through their own experienced correspondents.

At our request Bureau Chiefs are not publicizing blind censorship for few days in hope that your representations may be effective in securing at least return to system which prevailed before transfer of censorship function to Post Office.

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

SECRET

URGENT

Moscow, March 14, 1946—4 p.m.

[Received 6:20 p.m.]

809. Significance of Stalin’s interview on Churchill’s speech is naturally subject of most intense interest among foreign observers here today. Following points strike our attention.

1. Interview is not an attempt to deal in any serious or objective way with Churchill’s statements, but a polemic, obviously drawn up for home consumption, in which Churchill’s remarks (which were basically defensive in character) are misinterpreted to Soviet public as evidence of strong sentiment in West for new “intervention” against Soviet Union.

2. Taken together with Pravda editorial and Tarle’s article, this interview represents most violent Soviet reaction I can recall to any foreign statement.

3. Above would indicate that Kremlin had tactical reasons of high importance and urgency for seizing this speech and presenting it to Soviet public, not for what it was, but for what Kremlin wished it to appear.

4. Churchill’s speech was made at moment when Soviet leaders have committed themselves to an aggressive course of action in Iran, character of which has been correctly spotted, analyzed and brought before world opinion by our Government and British Government. In other words, their play has been called. Lightly as they may take possibilities for direct and immediate UNO sanctions against USSR in Iranian affair, they know that policy they are following in Iran must, if further pursued, have deep and unfortunate repercussions on great power relations and collaboration. These repercussions will be so great that they cannot be concealed from Soviet people. This will be source of concern and disappointment to large elements in this country, including possibly influential ones. If Soviet public got impression that such a turn of events had been provoked by arrogant and unnecessary policies of Soviet regime itself, this might lead to widespread and inconvenient discontent. To obviate this, Soviet public is now being taught, with help of Churchill’s speech, that important elements in England and America have serious aggressive plans against USSR. In light of such interpretation, subsequent Soviet

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\textsuperscript{3} A translation of Stalin’s interview with a Pravda correspondent published on March 14 had been sent to the Department in telegram 808, March 14, 1946, from Moscow, not printed.

\textsuperscript{4} The editorial had appeared in Pravda on March 11, and a 3-column editorial article by the historian Evgeny (Eugene) Viktorovich Tarle was printed in Izvestiya for March 12, 1946.
actions in Iran can be portrayed, when time comes, as general measure of security on part of a Russia hemmed in by threatening aggressors, and any subsequent censure of Soviet Union in UNO can be held up to Soviet public as another step in that process of encirclement of USSR which, as Soviet public is being taught to believe, is heralded by Churchill's speech.

(5) In summary, therefore, we are inclined to view Soviet reaction to Churchill's speech as closely related to situation in Iran and to feel that Stalin has seized Churchill's speech and exploited it, in a distorted interpretation, as an aid in preparing Soviet public psychologically for coming events.

KENNAN

861.00/3-1946: Telegram

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

Moscow, March 16, 1946.

[Received March 17—8:50 p. m.]

837. Yesterday's decree of Supreme Soviet transforming Councils of People's Commissars of USSR, union republics and autonomous republics into Councils of Ministers, corresponding People’s Commissariats into Ministries and corresponding Commissars into Ministers was presented by Shvernik on following grounds:

Old nomenclature arose in first period of Soviet state which was associated with radical destruction of old state machine and with establishment of new Soviet forms of state life. This was period of setting up of Soviet state when forms of administration were yet unstable and had only begun to develop. However, organs of state administration have not remained unchanged. Forms and functions of state organs have altered in course of development of Soviet state. Old nomenclature no longer reflects with sufficient distinctness the range of competence and responsibility which constitution of USSR gives to central organs and to persons who head various branches of state administration. Names of Commissariat and Commissar are applied not only to central organs of state administration of USSR, union and autonomous republics and their heads but also to certain local organs

55 The Embassy in Moscow was advised officially of the changes made by this decree in a circular note of March 20; and the Secretary of State was informed of these changes by the Embassy of the Soviet Union in Washington in a similar note on March 23.

56 Nikolay Mikhailovich Shvernik, a candidate member of the Politburo of the Central Committee of the Communist Party, and First Assistant Chairman of the Presidium of the Supreme Council of the Soviet Union, becoming Chairman upon the retirement of Kalinin on March 19; see telegram 876, March 20, noon, from Moscow, p. 719.
and their officials. Thus this terminology obliterates distinction between heads of central organs of administration and officials of local institutions and introduces excessive complications into concept of competence, functions and responsibilities of various organs of state administration. All this shows necessity of transforming central organs of state administration of USSR, union and autonomous republics and renaming offices of those persons who head them, applying to them terminology generally accepted in govt practice.

[KEENAN]

811.91261/3-1946: Telegram

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

CONFIDENTIAL

Moscow, March 19, 1946—6 p. m.
[Received March 19—4 :29 p. m.]

870. ReDeptel 459, March 13. Spoke today with Vyshinski about censorship procedure. After I had stated views set forth in Dept’s message Vyshinski replied by referring to our recognition that censorship was a prerogative of a sovereign govt and said that Soviet Government had to be judge of its own necessities and could not take advice from any other govt on the policies it should follow in this respect. I stated that I had not come to give advice but only to make plain views of my Govt and to express hope that Soviet Govt, after due deliberation, would itself find it advisable to abolish this blind censorship and establish more tolerable system. Vyshinski then launched into a restatement of Soviet views on censorship as we have heard them on numbers of occasions in the past. Knowing from experience the futility of attempting to argue things out with Vyshinski on reasonable and factual basis, once he is basing himself on what he understands as his Govt’s position, I did not pursue this argument but merely said that I thought we had enough troubles these days without adding superfluous ones and that I very much hoped that the very near future would see some change.

Since Vyshinski at one point admitted that there might be deficiencies in the present system, and since he promised to raise this question with his Govt in pursuance to our conversation, I think there is reasonable chance that Soviet Govt may take some action to modify present system. In order to spare obvious oversensitivity about “advice” from other governments, I merely stated to Vyshinski in parting that I hope some change would be introduced and that I would be hearing about it from correspondents here. Thus I do not expect any direct reply from Vyshinski. I think that our editors and publishers should give matter perhaps another 10 days before concluding Soviet
The Chargé in the Soviet Union (Kennan) to the Secretary of State

CONFIDENTIAL

Moscow, March 20, 1946—noon.

[Received 12:31 p.m.]

876. Personally attended last night’s final session of Supreme Soviet at which new Govt and Presidium of USSR were elected.

It was interesting commentary on Soviet system that Kalinin, oldest and most venerable member of Politburo, who had functioned for some two decades in what was nominally highest position in Soviet state, was dropped from this position without single speech of tribute and without any highlighting of his past services and achievements. While proposal for his retirement from position as President of Supreme Soviet was read off and dutifully approved, he sat as usual among his colleagues of Politburo and nothing in his behavior or expression even indicated that he was aware that his name was under discussion. He was not asked to make any remarks or even to stand for an ovation and Stalin remained during entire procedure engrossed in some papers he was examining and did not even join in perfunctory applause with which audience greeted first mention of Kalinin’s name.

It should not be thought that Kalinin’s failure to react to proceeding was due to senility or ill health. Although he has recently suffered from spells of ill health, he remains a wiry and active old man with a brisk nervous energy, and he spent a good deal of time at these recent Supreme Soviet sessions in animated conversation with Politburo colleagues who, incidentally, yielded nothing to the other delegates in their manifestations of boredom with the spiritless and mechanical proceedings.
Routine and ungrateful manner of Kalinin's retirement merely reflects fact that Soviet system permits no rival constellations in the firmament where Stalin's light appears. It does not even have room for the mellow aura of an elderly retired statesman, and Dept will note that during period of Stalin's ascendancy no Soviet figure has ever retired in honor and dignity except by process of discreet and timely death. Some people might cite Litvinov as example to contrary; but if the humble seat which he occupied among servile ranks of Deputies at this Supreme Soviet session be compared with photo officially published 10 years ago of him crossing Kremlin courtyard in company with Molotov and Stalin, it will be clear that his present status also bears with it no genuine recognition for past service.\footnote{Litvinov had been the People's Commissar for Foreign Affairs of the Soviet Union from 1930 until May 3, 1939, and Ambassador to the United States, 1941–1943. After his recall he had served as an Assistant Commissar (from March 15, 1946, a Deputy Minister) for Foreign Affairs until his retirement on August 24, 1946; see telegram 3306, August 25, 1946, from Moscow, p. 776.} In this country fame and popular affection, like automobiles and country homes, are the temporary prerequisites of office and are transferred no less rapidly than seal and title when office is relinquished.

This last session of Supreme Soviet was probably most stereotyped and formalistic of any such meeting Moscow has seen. That is saying a good deal. In contrast to prewar Supreme Soviet meetings there was not even any pretense of spontaneous sentiment or action on part of Deputies. No proposal advanced to either chamber from beginning to end was ever questioned or failed to find unanimous support. Despite unfailing query of chairman as to whether anyone dissented or wished to refrain from voting, no one ever dissented or refrained. Session was marked by no single speech by any of prominent leaders, except report on 5-year plan by Voznesenski,\footnote{Nikolay Alexeyevich Voznesensky, Chairman (President) of Gosplan, the State Planning Commission.} last and least of Politburo alternates.

Behind this state of affairs lies a continued total concealment of Soviet internal life and a strange reticence of Soviet leaders even toward their own people. We will see whether there will not soon be a party congress and whether Soviet leaders will not find it possible before that relatively esoteric and authoritative audience to be more communicative about their plans and thoughts. If not, one must indeed wonder whether they are not preoccupied with plans too delicate to be revealed and are not waiting changes which would alter radically whatever they might have to say to their people at this time.

Kennan
761.00/3-2946: Telegram
The Chargé in the Soviet Union (Kennan) to the Secretary of State

SECRET

Moscow, March 20, 1946—2 p. m.
[Received 4:59 p.m.]

878. In recent days we have noted a number of statements made either editorially in American papers or individually by prominent Americans reflecting the view that Soviet “suspicions” could be assuaged if we on our part would make greater effort, by means of direct contact, persuasion or assurances, to convince Russians of good faith of our aims and policies.

I have in mind particularly numerous calls for a new three-power meeting, Philadelphia Record's proposal that US give “assurances” to assuage Russia's fears, Lippman's appeal for closer “diplomatic contact” and, above all, Henry Wallace's expressed belief (if BBC has quoted him correctly) that there is something our Government could and should do to persuade Stalin that we are not trying to form an anti-Soviet bloc. (We note many similar statements in British press.)

I am sending this message in order to tell Department of the concern and alarm with which we view line of thought behind these statements. Belief that Soviet “suspicions” are of such a nature that they could be altered or assuaged by personal contacts, rational arguments or official assurances, reflects a serious misunderstanding about Soviet realities and constitutes, in our opinion, the most insidious and dangerous single error which Americans can make in their thinking about this country.

If we are to get any long-term clarity of thought and policy on Russian matters we must recognize this very simple and basic fact: official Soviet thesis that outside world is hostile and menacing to Soviet peoples is not a conclusion at which Soviet leaders have reluctantly arrived after honest and objective appraisal of facts available to them but an a priori tactical position deliberately taken and hotly advanced by dominant elements in Soviet political system for impelling selfish reasons of a domestic political nature. (Please see again in this connection part II of my 511, February 22.) A hostile international environment is the breath of life for prevailing internal system in this country. Without it there would be no justification for that tremendous and crushing bureaucracy of party, police and army which now lives off the labor and idealism of Russian people. Thus we are faced here with a tremendous vested interest dedicated to proposition that Russia is a country walking a dangerous path among implacable

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69 Walter Lippmann, journalist, writer of a special column appearing in several newspapers.
60 Henry A. Wallace, Secretary of Commerce.
enemies. Disappearance of Germany and Japan (which were the only real dangers) from Soviet horizon left this vested interest no choice but to build up US and United Kingdom to fill this gap. This process began even before termination of hostilities and has been assiduously and unscrupulously pursued ever since. Whether or not it has been successful with people as a whole, we are not sure. Although they are now, since publication of Stalin’s interview, highly alarmed, we are not sure they are convinced of Anglo-American wickedness. But that this agitation has created a psychosis which permeates and determines behavior of entire Soviet ruling caste is clear.

We do not know where this effort has its origin. We do not know whether Stalin himself is an author or victim of it. Perhaps he is a little of both. But we think there is strong evidence that he does not by any means always receive objective and helpful information about international situation. And as far as we can see, the entire apparatus of diplomacy and propaganda under him works not on basis of any objective analysis of world situation but squarely on basis of the preconceived party line which we see reflected in official propaganda.

I would be last person to deny that useful things have been accomplished in past and can be accomplished in future by direct contact with Stalin, especially where such contact makes it possible to correct his conceptions in matters of fact. But it would be fair neither to past nor to future Ambassadors to expect too much along this line. The cards are stacked against us. An Ambassador can, as a rule, see Stalin only relatively rarely, and even then he has to overcome a heavy handicap of skepticism and suspicion. Meanwhile Stalin is presumably constantly at disposal of a set of inside advisers of whom we know little or nothing. As far as I am aware, there is no limit to extent to which these people can fill his mind with misinformation and misinterpretations about us and our policies, and all this without our knowledge. Isolation of foreigners and (this is important to note) of high Soviet figures as well, both from each other and from rank and file of Soviet population, makes it practically impossible for foreign representatives to trace and combat the flow of deliberate misinformation and misinterpretation to which their countries are victims. Let no one think this system is fortuitous or merely traditional. Here again, we have a vested interest vitally concerned, for excellent reasons, that things should be this way, that free contact should not take place, that foreign representatives should be kept in dark and that high Soviet figures should remain generally dependent on persons whose views
are unknown, whose activities unseen, whose influences unchallengeable because they cannot be detected.

To all this there should be added fact that suspicion is basic in Soviet Government. It affects everything and everyone. It is not confined to us. Foreign Communists in Moscow are subjected to isolation and supervision more extreme, if anything, than those surrounding foreign diplomats. They enjoy no more than we do any individual confidence on part of Kremlin. Even Soviet internal figures move in a world of elaborate security checks and balances based on lack of confidence in their individual integrity. Moscow does not believe in such things as good will or individual human virtue.

When confidence is unknown even at home, how can it logically be sought by outsiders? Some of us here have tried to conceive the measures our country would have to take if it really wished to pursue, at all costs, goal of disarming Soviet suspicions. We have come to conclusion that nothing short of complete disarmament, delivery of our air and naval forces to Russia and resigning of powers of government to American Communists would even dent this problem; and even then we believe—and this is not facetious—that Moscow would smell a trap and would continue to harbor most baleful misgivings.

We are thus up against fact that suspicion in one degree or another, is an integral part of Soviet system, and will not yield entirely to any form of rational persuasion or assurance. It determines diplomatic climate in which, for better or for worse, our relations with Russia are going to have to grow. To this climate, and not to wishful preconceptions, we must adjust our diplomacy.

In these circumstances I think there can be no more dangerous tendency in American public opinion than one which places on our Government an obligation to accomplish the impossible by gestures of good will and conciliation toward a political entity constitutionally incapable of being conciliated. On other hand, there is no tendency more agreeable to purposes of Moscow diplomacy. Kremlin has no reason to discourage a delusion so useful to its purposes; and we may expect Moscow propaganda apparatus to cultivate it assiduously.

For these reasons, I wish to register the earnest hope that we will find means to bring about a better understanding on this particular point, particularly among people who bear public responsibility and influence public opinion in our country.

Sent Department 878; repeated London as 150.

Kennan
Memorandum by the Chief of the Division of Eastern European Affairs (Durbrow)\textsuperscript{61}

[WASHINGTON,] March 22, 1946.

The question of obtaining permission from the Soviet Government for the departure from the Soviet Union of Soviet spouses of American citizens has been a source of annoyance and trouble for the Embassy since practically its establishment. As the result of the Embassy's representations, over the course of the years after prolonged delay in each case, the Soviet authorities have permitted Soviet spouses, numbering approximately thirty to fifty, to depart from the Soviet Union. There is always a current backlog awaiting Soviet permission to depart and American visas.

The Department and the Embassy are constantly subjected to strong political pressure with respect to this subject. Members of Congress and their Secretaries, and the families of the American citizens concerned, continually call personally at the Department, write letters and enlist the assistance of the public press in connection with these cases. The Department is under heavy pressure at the present time particularly in the cases of Mrs. Kemp Tolley, Mrs. Byron Uskiewich and Mrs. Louis Maurice Hirschfield.\textsuperscript{62} The first two women are wives of American Naval Officers and the last is the wife of a clerk in the Embassy. The case of Mrs. Eva Epstein Grove is an example of the interest exerted in this question by members of Congress. Last February [1945?] at the instance of Mr. Sol Bloom,\textsuperscript{63} Mr. Stettinus\textsuperscript{64} discussed her case with Molotov and succeeded in obtaining permission for her departure.

Last December Mr. Byrnes, while in Moscow, personally discussed the entire question of Soviet spouses with Molotov,\textsuperscript{65} but up to the present time no action has been taken by the Soviet authorities on the ten to fifteen outstanding cases.

It is suggested that you might care to give this question priority on the list of matters to be discussed with Mr. Molotov, stressing the

\textsuperscript{61} This memorandum was directed to Lt. Gen. Walter Bedell Smith, appointed Ambassador to the Soviet Union. The Government of the Soviet Union, by letter of February 4, 1946, had agreed to receive General Smith as the American Ambassador.


\textsuperscript{63} Member of the House of Representatives from New York.

\textsuperscript{64} Edward R. Stettinus, Jr., Secretary of State from December 1, 1944, until June 27, 1945.

\textsuperscript{65} While in Moscow attending the Foreign Ministers' Conference December 16-26, 1945, Mr. Byrnes discussed the question of Soviet spouses with Mr. Molotov, and confirmed this conversation in a letter of December 24, 1945. Telegram 2201, July 17, 1946, from Moscow, reported that no reply to this letter had yet been received (861.111/7-1748).
humanitarian aspect of the separation of families and the potentialities which this minor question has as a promoter of bad feeling and misunderstanding on the part of American citizens towards the Soviet Government.\footnote{Ambassador Smith reported in telegram 1846, June 15, 2 p. m., from Moscow, that he had taken up the question of exit visas for Soviet wives of American citizens with Deputy Minister for Foreign Affairs Vyshinsky in person on May 28, and had confirmed the conversation in writing on May 29 (861.111/6-1546).}

It has long been the Department's policy not to have on the staff of the Embassy in Moscow officers or clerks married to Soviet spouses. These marriages immediately reduce the usefulness of the personnel concerned since they have to be taken off confidential work and consequently throw a heavy burden on the remaining Embassy personnel. American personnel are informed of this policy upon their arrival in Moscow, as well as of the difficulties which will be entailed in the event they contract marriage with Soviet citizens in obtaining permission from the Soviet Government for their spouses to leave the country.

However, because of possible repercussions which might be detrimental to the Soviet spouses, the Department has permitted the American personnel concerned to remain on the Embassy staff until their spouses have obtained permission to depart.

Elbridge Durbrow

861.001/3-2346: Telegram

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

Moscow, March 23, 1946.
[Received March 23—12:30 p.m.]

920. All papers March 23 publish on front page following questions of AP correspondent Gilmore and answers from Stalin:

(1) Of what importance do you attribute to UNO as a means of preserving international peace?

Answer: I attribute great importance to UNO since it is serious instrument for preservation of peace and international security. Strength of this international organization consists in fact that it is based on principle of equal rights of states and not on principle of domination of some other powers. If it can preserve in future the principle of equal rights, then undoubtedly it will play great positive role in cause of maintenance of universal peace and security.

(2) What in your opinion has evoked present fear of war felt by many persons in many countries?

Answer: I am convinced that neither nations nor their armies are striving for a new war, they want peace and are striving for maintenance of peace. This means that "present fear of war" is not evoked on their part. I think that "present fear of war" is evoked by actions of certain political groups engaged in propaganda of new war and sowing in this manner seeds of discord and uncertainty.
(3) What should governments of freedom-loving countries do at present time for preservation of peace and calm throughout world?

Answer: It is necessary for public and ruling circles of states to organize wide-scale counter-propaganda against propagandizers of new war and for maintenance of peace, that no activity of propagandizers of new war remain without required rebuff on part of public and press, in order in this manner to expose in good time the inciters of war and not to give them opportunity to abuse freedom of speech against interests of peace.

Sent Department 920 repeated London 160, Paris 72, Chungking 43, and Frankfurt.

[Kennan]

Memorandum of Conversation, by the Chief of the Division of Eastern European Affairs (Dubrow)

[WASHINGTON,] March 27, 1946.

Mr. Garanin, Second Secretary of the Soviet Embassy, called at his request and stated that he had been authorized by Mr. Novikov, the Minister Counselor of the Embassy, to request that the Soviet Embassy be officially informed of the motives and reasons for the arrest of Lieutenant Nicolai Gregorovich Redin.67

Mr. Garanin stated that he wished this information on the basis of a State Department release on this subject. I explained that the release of [on] the arrest of Lieutenant Redin had not been made by the State Department but by the Federal Bureau of Investigation, which is the competent authority in such matters. I told Mr. Garanin that I would take this matter up with the appropriate American officials in order to obtain a reply to his request.

In this connection it is pertinent to point out that while the Soviet Government has not lived up to the commitment, it is provided in letters exchanged between the President and Mr. Litvinov dated November 18 [16], 1938, in part, as follows:

"Each of the Contracting Parties undertakes to adopt the necessary measures to inform the consul of the other Party as soon as possible

67 Nikolay Grigoryevich Redin, a Lieutenant in the Navy of the Soviet Union, had entered the United States on July 26, 1942, through San Francisco. He had come to serve with the Government Purchasing Commission of the Soviet Union in the United States. He had become the chief of the Routing and Liaison Section of this Commission in Seattle, Washington, and at this time was in temporary charge of the entire Commission there. The Federal Bureau of Investigation of the Department of Justice had for some time been observing his activities in seeking documents relating to United States naval vessels under construction on the Pacific coast, and blue prints of United States radar and fire control apparatus, in return for which he had made cash payments. At 5:55 p. m., on March 26, 1946, in Portland, Oregon, Redin was arrested.
whenever a national of the country which he represents is arrested in his district . . .

The Consul shall be notified either by a communication from the person arrested or by the authorities themselves direct. Such communications shall be made within a period not exceeding seven times twenty-four hours, and in large towns, including capitals of districts, within a period not exceeding three times twenty-four hours."

The exchange of letters also provides that consular representatives may visit the nationals of their country under arrest. Copies of these letters are attached.68

In view of these provisions it is believed that we should give official notification to the Soviet Embassy regarding the arrest of Lieutenant Redin and, if it is thought advisable, inform the Soviet Consul General in San Francisco, in whose district it is believed the arrest took place. Since the Embassy has asked for the reasons for the arrest, it is also believed that at least a summary explanation on this point should be given.

I promised Mr. Garanin that I would endeavor to obtain official notification regarding the arrest, as he had requested.

ELBRIDGE DUBBROW

861.20211/3-2746

The Secretary of State to the Chargé of the Soviet Union (Novikov)

The Secretary of State presents his compliments to the Chargé d’Affaires ad interim of the Union of Soviet Socialist Republics and informs him that in compliance with an exchange of letters between the President of the United States and the Soviet Ambassador [Commissar for Foreign Affairs] on November 16, 1933 relative to the legal protection of nationals of the United States and the Soviet Union Lieutenant Nicolai Gregorovich Redin, a Soviet national, on March 26, 1946 was placed under arrest at Portland, Oregon by the appropriate American authorities.

Lieutenant Redin was arrested on a complaint filed at Seattle, Washington on March 26, 1946, charging him with violation of the Espionage Statutes, Title 50, Section 31A, United States Code.

In compliance with the provisions of the above mentioned exchange of letters the appropriate American authorities are informing the Soviet Consul General, San Francisco, California, of the arrest of Lieutenant Redin.

WASHINGTON, March 28, 1946.

68 For texts of letters exchanged between President Roosevelt and Maxim Maximovich Litvinov, People’s Commissar for Foreign Affairs of the Soviet Union, dated November 16, 1933, see Foreign Relations, The Soviet Union, 1933-1939, pp. 33-34.

777-752—69——47
RESTRICTED

Moscow, March 30, 1946—2 p.m.
[Received March 30—9:42 a.m.]

998. ReEmtel 870, March 19. Experience correspondents in Moscow during past 2 days would seem to indicate a slight relaxation in censorship procedure. Correspondents have been called by telephone from Censorship Bureau and told either that their stories have been cancelled or that certain changes have been made in the text.

British Chargé saw Vysbinski yesterday on question of press censorship and Vyshinski admitted that new procedure had not been satisfactory. He indicated that correspondents would in the future be able to see copies of their censored despatches before they were actually sent. We have therefore informed correspondents that they should request to see copies of despatches and to inform us in the course of next week whether in fact they will be able to check on censored despatches before sending.

We do not view indications of relaxation in censorship as final and believe that before informing home offices of correspondents in Washington, results of next week's experience should be awaited.

Smith

SECRET

Moscow, April 3, 1946.

Dear John: I was very glad to have your letter of March 13 and appreciated your sending me the documents relating to the draft Treaty of Friendship, Commerce and Navigation with the U.S.S.R. I have read the draft treaty and much of the other material with as much care as a very hectic period here will permit. I see that a great deal of work and of careful thought went into them and that the persons who worked on this made a genuine and loyal effort to combine our traditional treaty procedures with the peculiar situation existing in the U.S.S.R.

Nevertheless, I have to tell you (and I hope you will forgive my frankness) that I consider it quite useless to attempt to negotiate an

* Gen. Walter Bedell Smith had arrived in Moscow March 28 and assumed charge of the Embassy. He presented his credentials on April 3.

** Frank Kenyon Roberts, Acting Counselor with local rank of Minister Plenipotentiary.

*** None printed.
agreement of this nature with the Russians and I am afraid that the entire approach to it in Washington must have rested on an imperfect understanding of Russian realities as we know them today.

I have no time to go into details about this treaty, but I could adduce the following points in support of what I have just said.

a. Russia is not a "Rechtsstaat". The relationships between its citizens and the State are governed only in minor degree by legal norms and rights. Of far greater importance is the sheer administrative will of the executive authority, even in minor matters.

b. If this is true with respect to relationships between Soviet citizens and the State, it is far more true with respect to residence and activities of foreigners in Russia. Questions involving residence and activities of foreigners rest, I should say, 100% on the arbitrary will of the administrative authorities. There is no Soviet law which is worth the paper it is written on in so far as it bears on foreigners in the Soviet Union. Such laws as may refer to them, or as might be interpreted to affect them, are freely disregarded by the authorities when it suits their purpose. There is every evidence that questions concerning foreigners in the U.S.S.R. lie exclusively within the administrative competence of the Ministries of Internal Affairs and State Security. I have never observed that the authorities of these agencies have permitted their actions toward foreigners to be influenced in the slightest degree by any provisions of Soviet internal legislation or of treaty. I do not believe that they have any intention of letting their actions be so influenced in the future. I doubt whether the Soviet Government would today be willing to sign any engagement of this nature which it did not feel would leave its authorities in reality complete freedom of action.

c. Much of the work done by your committee was apparently based on a study of engagements entered into by the Soviet Government long ago, at a time when it considered itself extensively dependent on the outside world, when it was interested in foreign concessions, and when it had need of foreign specialists on a large scale. As you will note, very few engagements of this sort have been undertaken since 1933, especially since the purges. All in all, I think treaties such as the German one of 1925 represented a phase of Soviet diplomacy which has passed into history.

d. Similarly, such of the internal legislation referred to in the reports of the committee meetings is very distinctly dated and has passed out of practical significance by virtue of the events of the last years.

e. The parts of the draft treaty dealing with residence of American "commercial representatives" in Russia appear to me to indicate an unrealistically optimistic conception of the extent to which Soviet Government contemplates permitting foreigners to reside in the Soviet Union in coming years. I do not believe that the Soviet authorities have any intention of permitting anything more than a handful of private Americans to live in this country for years to come.

f. These same passages also seem to me to indicate a certain underestimation of the Russian talents and possibilities for evasion of

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72 The U.S.S.R. Committee of the Department of State.
treaty provisions in such cases. As you must recall from your long
residence here, there is apparently no end to the resources of the
authorities in discouraging residence in the Soviet Union when this
suits their purpose. He whose residence here is not entirely welcome
to the authorities can find it mysteriously impossible to get housing or
food cards or transportation or any number of other amenities of life.
Furthermore, the efficacy of his activities can always be reduced to nil
by the circumstance that no Soviet citizen will dare to deal with him
either officially or personally. Yet for most of these obstacles it is
almost impossible to hold a central Soviet authority responsible.

9. With the exception of the provisions concerning commercial rep-
resentatives, I see no other provisions in the whole document which
even seem to offer any important potential benefits to the United
States. Almost all of them, on the other hand, would give to the
Russians a legal basis for claiming as a treaty right many privileges
in the United States which they now enjoy simply by custom and by
the good will of our Government. In these circumstances, I question
the desirability of concluding a treaty engagement on these points.
We would be in a much better position vis-à-vis the Russians if we
had it in our power to extend or withdraw these privileges at will, de-
dpending on treatment we are getting here.

4. The commercial and tariff provisions amount, as far as I can see,
to most favored nation treatment. The only conceivable benefit that
this could bring to us would be in the case of personal parcels sent to
Americans in the Soviet Union. We have at present not more than
one or two dozen Americans in Russia who could conceivably profit
by such a benefit. Even if this number were to be increased a hun-
dredfold, the practical significance would be negligible. And there
has never been any question, as far as I know, of the Soviet authori-
ties discriminating between countries in the duties levied on personal
parcels of this sort. If they want to favor someone, they have dozens
of ways of doing it besides discriminating in the duty he pays on
parcels. Finally, this point is usually covered by private contract.
Thus I can not regard this as a serious factor. I can see strong argu-
ments for the extension by our Government to the U.S.S.R. of most
favored nation customs treatment, as a matter of general policy.
But if we wish to do this, then let us do it as a unilateral act, recog-
nizing frankly that Russia with its trade monopoly has no equivalent
concessions to offer. If (in the absence of a treaty) this takes legis-
lation, let the State Department suggest to Congress the legislation that
would be appropriate. Whatever legislation is passed should give the
executive branch of our Government wide leeway to withdraw the con-
cessions if Russian commercial policy toward United States were not
regarded as satisfactory in Washington.

5. Our draft treaty is long, legalistic, obscure in wording, unadapted
to Soviet institutions and conceptions. It would take the Russians
weeks to translate it, months to study it and years to understand it.
They would have real difficulty clearing it through the top people in
their Government, due to the fact that those people are busy and
practical and do not like to react to any but simply stated and clear
proposals. In my experience it is useless and sometimes worse than
useless to put to the Russians long and intricately worded proposals,
particularly on matters not of highest political importance. Even if they can be brought to sign such documents at all, they have little respect for them and no serious intention of executing them. Their minds simply do not work that way.

j. This agreement touches on very few of the points which are really important to us. We would like to get straight such things as the following:

1. Functions and rights of American official establishments in the Soviet Union;
2. Treatment of American official personnel in the U.S.S.R. and facilities granted to them for their life and work;
3. Numerical limitations of official representatives in both countries;
4. Reciprocal arrangements for granting or refusal of visa applications within a given time;
5. Arrangements for definition and treatment of dual nationals;
7. Aviation questions;
8. Status of Amorg; 73
9. Informational and propaganda activities of the two Governments;

k. If we are to propose any treaty to Soviet authorities (I am skeptical of the value of treaties with the Russians in general), then I would suggest that it be a brief and simply-worded one going right to the heart of each of the problems which are really of importance to us here. The treaty which has been drafted in Washington seems to me to have been drafted with the idea rather of helping the Soviets to get legal guarantee for privileges in our country than of helping us to overcome some of the crushing difficulties which we have been facing here in recent months and years.

I am sorry to take so negative an attitude toward a document which embodies so much careful work. But the realities of Moscow are rarely pleasant these days. And I am afraid this is one of them.

With all good wishes [etc.] GEORGE KENNAN

P.S. Since drafting this I have discussed it with the Ambassador and the result has been the telegram which you will undoubtedly have seen saying that we are going to comment in detail on the treaty at a later date. 74 We will make these comments as detailed and constructive as we can, but I am afraid it can not change my deep personal conviction that the United States has nothing to gain from the negotiation of such an instrument with the Soviet Government. GFK

73 The Amorg Trading Corporation, official purchasing and sales agency in the United States of the Soviet Union, New York, N.Y.
74 Telegram 1041, April 4, 1946, from Moscow, not printed; see telegram 1894, June 15, from Moscow, p. 762.
TOP SECRET

Moscow, April 5, 1946—6 p.m.
[Priorit] 1053. I had an interview with Generalissimo Stalin at 9 o'clock last night. Because I thought that the conversation might become stormy I went alone. Mr. Molotov was with Stalin.

The conference lasted a little over 2 hours, and opened on a very restrained note. The interpreter read President Truman's letter 15 after which I stated that when I left the United States the most important question in the minds of the American people was "What does the Soviet Union want, and how far is Russia going to go?" While the United States could appreciate Soviet desires for security and participation in exploiting the world's raw materials, and consequently did not strongly criticize what seemed to be some of the Soviet objectives, the methods used by the Soviet Union caused grave apprehension, and gave the general impression in America that the Soviet Government did not mean what it said. Neither the American people nor the American Government could take seriously the possibility of aggressive action against the Soviet Union by any nation or group of nations in the world today. We felt certain that no possible combination of powers could threaten the Soviet Union without the active support of the United States, and our entire history precluded the possibility that we would ever lend support to aggressive action. If further proof were wanted, it could be found in the speed with which we were demobilizing our vast military strength.

The United States is willing and anxious to meet the Soviet Union halfway because we are convinced that if our two nations understand and cooperate with each other the peace of the world is assured. Indeed, we felt that we had already gone more than halfway. We appreciate and admire the strength of the Soviet Union, but at the same time we are fully conscious of our own strength.

The United States entered the United Nations organization with the full support of its people and with a complete sense of the responsibility we assumed for the peace of the world. We believe profoundly that only by the sincere observance of the principles and

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15 Text of this letter has not been found in the Department files, but it is known to have contained an invitation to Stalin to visit the United States. See the final paragraph of the present telegram; and see also Walter Bedell Smith, Moscow Mission, 1946-1949 (London, 1950), pp. 15, 35, and 39. President Truman was himself questioned about this invitation at his news conference of May 31, 1946; see Public Papers of the Presidents of the United States: Harry S. Truman, 1946 (Washington, Government Printing Office, 1962), pp. 281–283 passim.
obligations of the United Nations Charter on the part of all members is there any hope for a stable and peaceful world. Events which have taken place in the Near East, in Asia, and later in the early sessions of the present Security Council meeting had caused doubts in the minds of the American people that the Soviet Union really intended fully to support the United Nations as an agency for insuring world peace to the extent that the United States intended to support it, although by the end of the war we had been assured that unqualified support would be forthcoming from the USSR. These apprehensions had been somewhat allayed by the Generalissimo Stalin’s statement to the Associated Press, but more was needed.

The President had asked me to say that both he and Secretary Byrnes had always believed that when the Generalissimo made a statement or a commitment he meant to keep it, and the American people hoped that events would confirm that belief, but it would be misinterpreting the character of the United States to assume that because we are basically peaceful and deeply interested in world security, we are either divided, weak or unwilling to face our responsibilities. If the people of the United States were ever to become convinced that we are faced with a wave of progressive aggression on the part of any powerful nation or group of nations, we would react exactly as we have in the past.

The fact is that we are faced in America, as is the USSR, with the responsibility of making important long-range decisions on our future military policy, and these decisions will depend to a large extent on what our people believe to be the policies of the Soviet Union. If each of our two nations is convinced of the other’s sincerity in supporting the principles of the United Nations Charter, then these policies can be settled without difficulty in the way we most earnestly desire. On the other hand, if both nations remain apprehensive and suspicious of each other, we may both find ourselves embarked upon an expensive policy of rearmament and the maintenance of large military establishments which we wish to avoid.

Generalissimo Stalin replied at length and in great detail, and his remarks included counter-charges directed against our own actions and policies. The sequence and length of his argument made it obvious that the United States’ comments had been anticipated.

He discussed the Iranian question, beginning with a history of Soviet-Iranian relations from the time of the Treaty of Versailles as known to the Department. He stated quite frankly that Qavam’s predecessor 76 was definitely unfriendly to Russia and that pressure

76 Ibrahim Hakimi was the predecessor of Ahmad Qavam as Prime Minister of Iran.
had been exerted for his removal and for the appointment of a successor who was not unfriendly. He cited similar instances from British and American international relations.

He then spoke at length of the obstacles placed in the way of Soviet efforts to obtain oil concessions, particularly by Great Britain and later by the United States and commented somewhat bitterly on the fact that the delay asked by Russia in considering the Iranian question in the Security Council had been opposed by the US, saying that if such a request had been made by the US in similar circumstances the Soviet Union would willingly and gladly have conceded it. Now, however, an agreement had been reached with the Iranian Government, the Soviet Union was committed to the complete withdrawal of its troops by May 5th, and this commitment would be met. He remarked that he had made known to President Truman and to Secretary Byrnes the reasons why he felt unable to meet the previous withdrawal date, and had encountered no objection at that time.

He then discussed the general question of Soviet adherence to the United Nations Charter, which he reaffirmed, but deplored the fact that the American press and American statesmen had given an entirely incorrect idea of Russia’s objectives. The USSR had no intentions of taking over the Balkan nations, nor would this be an easy matter as the Balkan nations were determined to maintain their national integrity.

He spoke very strongly about Mr. Churchill's speech in Fulton which he interpreted as an unfriendly act and an unwarranted attack on himself and the USSR which, if it had been directed against the United States, would never have been permitted in Russia. He implied that this speech and many other occurrences could indicate nothing but a definite alignment of Great Britain and the United States against the USSR. With regard to the Far East, he said that twice the withdrawal of Soviet troops had been delayed at the request of the Chinese Government which later complained, remarking contemptuously: "That is just like such people."

He then said that Russia was anxious to reduce her military establishment, and, apparently under the impression that I had intended to propose some such thing, said that the Soviet Government would be very willing to discuss with the US a mutual reduction of armaments.

In reply I said that with regard to Iran there was no slightest idea on the part of the US of denying to USSR an equal opportunity with others to exploit natural resources, and we would, in fact, give moral support to such equal opportunity, but we deplored the approach to a concession under threat of armed force when it seemed entirely possible for the Soviet Union to have kept her commitment on the
agreed date of withdrawal of her troops from Iran and still have obtained the oil concessions they desired. The Generalissimo said that on previous occasions when their attempt to obtain concessions for Iranian oil had been blocked by Great Britain he had not noticed that the US had supported Russia’s just requests. I replied that I recalled no instance where the matter had been brought officially to the attention of the US, or that we had ever been in a position to express opinion. This, he said, was correct; that the US had not actually been in a position to express an opinion or to give moral support to the USSR at the time.

With regard to the Soviet Union’s security aspirations, I said again that the people of the US could not take seriously the idea that any combination of powers now constituted a threat to the USSR. On the contrary, we had noted the fate of Latvia, Lithuania, Esthonia, the present situation in the Balkan States and in the Near East, and we asked ourselves if this were only the beginning; that it must be said that we were beginning to believe that the Soviet idea of a friendly government and our own was very different. It seemed to us that what the USSR meant by a friendly government was a government which was under the complete control of Moscow, and not one which was capable of self-determination.

I then asked directly why the Generalissimo thought that any power or powers seemed a threat to the USSR. To this he replied: “Churchill—He tried to instigate war against Russia, and persuaded the US to join him in armed occupation of part of our territory in 1919, and lately he has been at it again.”

“Russia,” he said, “as the events of the past few years have proved, is not stupid, and we can recognize our friends from our potential enemies.”

I replied that we ourselves must plead stupidity since it was impossible for us to imagine a threat to Russia, particularly in the direction of the Baku oil fields, or any serious attempt at aggression without the support of the United States, which would never be given to aggression.

I then asked him categorically if he really believed that the US and Great Britain were united in an alliance to thwart Russia. He replied that he did so believe. I said that this was certainly not the case; that, while the US had many ties with Britain, including common language and many common interests, we were interested primarily in world security and justice; that this interest and responsibility extended to small nations as well as large; and that while recent events had caused the US Delegation to vote with Britain, it was because we felt that justice required us to do so. On the other hand, there was no
nation in the world with whom we were more interested in arriving at a basis of understanding than with Russia, as we felt that the future of the world for a long time to come lay in the hands of our two nations.

With regard to his statement that Russia did not intend to go much further, I asked if this implied active expansion at the expense of Turkey. He stated that he had assured President Truman that the Soviet Union had no intention of attacking Turkey, nor did this intention exist. On the other hand, the Soviet Union was conscious of the danger to Russia which existed in foreign control of the Straits which Turkey, with a government unfriendly to Russia, was too weak to protect. Consequently, the Soviets demanded a base in the Dardanelles. I replied that it would seem that this was a matter which could and should be handled by the United Nations, the agency set up to provide such security, and that by so doing Soviet security might be safeguarded without aggression toward Turkey. He then said that the USSR could possibly agree that as an alternative the Security Council of the United Nations might be able to undertake this responsibility.

By this time the atmosphere had become distinctly more cordial, and Stalin's remarks, interspersed with complimentary references to the accomplishments of the American Army and various American Generals, became very much more personal in tone. Since I felt that the position of the US had been made quite clear, and the conference had already lasted more than 2 hours, I concluded by restating our desires for a closer relationship and mutual understanding with the Government of the USSR which we considered essential for world peace. Marshal Stalin replied: "Prosper your efforts. I will help you. I am at your disposal at any time." He then re-affirmed his desire for peace and adherence to the principles of the United Nations going to some length in discussing the differences in our political ideologies, which were nevertheless not incompatible, and stated that we "should not be alarmed or apprehensive because of differences of opinion and arguments which occur in families and even between brothers because with patience and good will these differences would be reconciled." He hoped in the future that they might be reconciled before coming formally on the floor of the United Nations Conference, since that resulted in embarrassment to one side or the other.

Speaking of the President's invitation to visit the United States, he said he would like much to be able to accept. However, he said: "Age has taken its toll. My doctors tell me that I must not travel, and I am kept on a strict diet. I will write to the President, thank him, and explain the reasons why I cannot now accept."

Smith
Memorandum of Conversation, by the Under Secretary of State (Acheson)

[WASHINGTON,] April 6, 1946.

Participants: Soviet Chargé d’Affaires, Mr. Nikolai V. Novikov; Under Secretary, Mr. Acheson; Mr. Durbrow of EE.

The Soviet Chargé called at his request. He said that he disturbed me on a Saturday afternoon only because of the serious character of the matter which he had to discuss. It related, he said, to the arrest of Lieutenant Redin. Under instructions from his Government, he was handing me an aide-mémoire which he wished to read. (At this point in the discussion, Mr. Durbrow joined us.) Mr. Novikov then read the attached aide-mémoire. 77

He then stated that, in view of the friendly relations existing between our Governments, his Government was at a loss to understand why it was not informed of the alleged charges against Lieutenant Redin before his arrest. We drew his attention to the letter of November 16, 1948, addressed by Mr. Litvinov to President Roosevelt. Mr. Novikov had with him other letters of the same date which did not refer to the notice to be given by either Government to the Consul of the other Government upon the arrest of a citizen, and he was inclined to believe that no such agreement had been reached. Mr. Durbrow then produced a printed pamphlet containing the letters exchanged upon United States recognition of the Soviet Union. Mr. Novikov, after reading the document, was inclined to believe that the letter stated that a consular convention would be entered into with these provisions, rather than that the provisions were actually in effect. We pointed out to him the contrary statement contained in the letter of November 16.

Mr. Novikov then stated that we had up to this point been discussing the legal situation. He was concerned with the political situation arising from the relations of friendly governments. He stated that his Government believed that the charges against Lieutenant Redin were wholly unfounded in fact and that this action grew out of the agitation of persons unfriendly to the Soviet Government. Mr. Acheson stated to him that this was neither the fact nor of course would the Government of the United States lend itself to such action. It was explained to Mr. Novikov that under our legal system the Department of Justice was in charge of enforcing the criminal laws of the United States. It was for the determination of the Department of Justice whether or not an arrest should be made. The Department of

77 The original Russian text is also filed under 861.20211/4–646.
State had no authority in this matter. Once the arrest was made, it was required under our laws that a preliminary hearing be held at which a judicial determination would be made as to whether the person arrested should be held for further proceedings or discharged. We understood that such a preliminary hearing would be held on Tuesday of the coming week. If that hearing resulted in the determination that the case warranted further judicial investigation, such investigation would proceed ultimately before a judge and jury. The Department of State had no authority whatever to direct the determination of the proceedings or the discharge of the person arrested.

Mr. Novikov said that such an answer to his aide-mémoire would be regarded as most unsatisfactory by his Government. Mr. Acheson stated that what he had said in the course of the conversation with Mr. Novikov should not be regarded as the formal answer to the aide-mémoire, which of course would be answered in writing. However, it was Mr. Acheson’s present belief that the answer required by our laws would be along the lines suggested. Mr. Novikov reiterated that such an answer would be unsatisfactory.

Mr. Durbrow stated that he would do his best on this afternoon and on Monday morning to ascertain from the Department of Justice the nature of the proceeding which he thought would be held on Tuesday and to inform Mr. Novikov thereof.

[Attachment-Translation]

The Embassy of the Soviet Union to the Department of State

AIDE-MÉMOIRE

The Embassy of the Union of Soviet Socialist Republics is of the opinion that there were no foundations for the arrest of the Soviet national, Lieutenant Nikolai Grigorievitch Redin, in Portland, by the American authorities and that it was the result of provocative actions on the part of elements hostile to the Soviet Union.

If the American authorities had any facts supposedly compromising Redin it would have been proper to inform the official representatives of the Soviet Government to this effect before undertaking any repressive measures concerning Redin. However, the Embassy is confident that there are not and cannot be such facts concerning Redin.

The Embassy expects that the Department of State will take immediate measures to end the case which has been improperly and unjustly brought against Redin and that the Embassy will be informed of these measures at the earliest possible time.

WASHINGTON, April 6, 1946.
Moscow, April 6, 1946.

ESTEEMED MR. AMBASSADOR: I am sending for your information the following text of the answer of Generalissimo I. V. Stalin to the letter of President Truman handed by you to I. V. Stalin on April 4.

"Moscow, April 6, 1946.

DEAR MR. PRESIDENT: I had a conversation with your Ambassador General Smith who presented your letter to me. General Smith is known to us as one of the outstanding representatives of the American Army and you may have no doubt that he will be shown cooperation in his new post in Moscow.

In the conversation I expressed my opinions in regard to those questions which he touched upon in accordance with your instructions. I may only add that in the Soviet Union the significance of the United Nations Organization is fully understood as is also the undesirability of using such an organization for any unilateral aims such as took place in the past in relation to the League of Nations.

I thank you for your invitation transmitted to me to visit the United States. Unfortunately the doctors oppose my long journeys and I am obliged to take this into account.

With sincere esteem, I. Stalin"

Ambassador N. V. Novikov has been instructed to transmit the above answer of Generalissimo I. V. Stalin to the addressee.

I beg you, Mr. Ambassador, to accept the assurances of my highest esteem.

V. M. MOLOTOV

The Department of State to the Embassy of the Soviet Union

AIDE-MÉMOIRE

With reference to the conversation between the Under Secretary of State and the Chargé d’Affaires of the Soviet Embassy on April 6, 1946 relative to the case of the arrest of Lieutenant Nikolai Grigorievich Redin, the Under Secretary of State has discussed this matter with the United States Department of Justice, the competent American authorities in such cases. The Attorney General was requested

76 Nikolay Vasilyevich Novikov, Minister Counselor of Embassy in Washington, who succeeded Andrey Andreyevich Gromyko as Ambassador of the Soviet Union, did not present his letters of credence to President Truman until June 3, 1946.

78 Tom Clark.
to make available as soon as possible further particulars regarding the charges against Lieutenant Redin. A copy of the preliminary information received from the Attorney General is attached.

It is understood that the case is to be presented to the Grand Jury at Seattle, Washington and if an indictment is returned by the Grand Jury, a copy will be made available to the Soviet Embassy.

As the Under Secretary stated on April 6, the Department of State under United States juridical procedure is not in a position to intervene in such matters which fall solely within the competence of the Department of Justice.

The Chargé d’Affaires can be assured that Lieutenant Redin will be accorded the full protection provided under American law and if the evidence against him convinces the Grand Jury that a trial is necessary in this case, the trial will be just and fair.

WASHINGTON, April 9, 1946.

[Annex]

PRELIMINARY INFORMATION RECEIVED FROM THE ATTORNEY GENERAL OF THE UNITED STATES RELATIVE TO THE CHARGES MADE AGAINST LIEUTENANT NIKOLAI GREGOROVICH REDIN

Redin is charged with specific violations of Title 50, USC., Sections 31a, 31b, and 34. This statute is concerned with espionage. Specifically, Redin is charged with having obtained information of restricted and confidential nature relating to the construction, equipment and performance of a United States Naval Destroyer Tender, the USS Yellowstone. In addition, Redin is charged with having attempted to induce another individual to obtain for him additional information of a confidential nature relating to the same ship, and to have conspired with persons unknown to furnish classified information relative to the national defense to the Union of the Soviet Socialist Republics. The obtaining or attempting to obtain the foregoing information by Redin was accomplished with the intent and reason to believe that the information was to be used to the injury of the United States and to the advantage of a foreign nation; to wit, the Union of the Soviet Socialist Republics.

These charges were brought against Redin as a result of an investigation, and this Department is of the opinion that the evidence which has been brought to our attention is sufficiently strong for prosecution, or this Department would not have instituted it.

89 A brief statement about this case was issued by the Department on April 9; for text, see Department of State Bulletin, April 21, 1946, p. 652.
The Ambassador in the Soviet Union (Smith) to the Secretary of State

SECRET

Moscow, April 10, 1946—1 p.m.  
[Received April 10—8:09 a.m.]

1119. BBC this morning reported that Dept has had exchange of correspondence with Soviet Govt concerning Soviet naval officer who was recently arrested by US authorities for espionage. I wish to request that I be completely informed currently of any matter of this sort having to do with activities and treatment of Soviet official personnel in US. Dept will understand that in instances of this sort Soviet retaliation is always a possibility and we here should be aware in particular of details of any case which may bring counter action against American personnel in USSR.

Smith

The Secretary of State to the Chargé of the Soviet Union (Novikov)

The Secretary of State presents his compliments to the Chargé d’Affaires ad interim of the Union of Soviet Socialist Republics and refers to the Aide-Mémoire of April 9, 1946 regarding the case of Lieutenant Nikolai Grigorievitch Redin, stating that a copy of any indictment returned by the Grand Jury would be made available to the Embassy.

There is quoted below a statement by the Department of Justice to this Department describing the five counts contained in the true bill of indictment returned by the Federal Grand Jury, Western District of Washington, Seattle, Washington, on April 9, 1946:

"Count 1 charged that on December 22, 1945, Redin obtained a document containing classified general specifications of machinery and armament of the destroyer tender USS Yellowstone.

"Count 2 charged that on February 2, 1946, Redin obtained a document containing classified information pertaining to engine room and auxiliary machinery of the destroyer tender USS Yellowstone.

"Count 3 charged that on February 11, 1946, Redin obtained a document containing information on dock and sea trials of the main propulsion unit of the destroyer tender USS Yellowstone.

"Count 4 charged that on January 5, 1946, Redin attempted to obtain documents relating to the steering system of the destroyer tender USS Yellowstone and documents relating to the auxiliary

1 Telegram 665, April 10, 1946, to Moscow, contained a summary of the developments in this case between April 6 and 9. (861.20211/4-1046)
machinery and to the radar and gun fire control mechanism of the destroyer tender USS Yellowstone.

"Count 5 charges conspiracy to violate the Espionage Act as follows: Nicolai Gregorovich Redin and person or persons unknown to the Grand Jury, beginning on or about the first day of April, 1944, and continuing until the twenty-sixth day of March, 1946, with intent and reason to believe that the information was to be used to the injury of the United States and to the advantage of a foreign nation; to wit, the USSR, conspired among themselves in the Northern Division of the Western District of Washington and other places to communicate, deliver and transmit to a foreign government; to wit, the USSR, and to representatives, officers, legations, employees, subjects and citizens thereof, classified documents, writings, sketches, blue prints, plans, notes and information relating to the national defense and, pursuant to this conspiracy, Nicolai Gregorovich Redin committed the following overt acts; thereafter listing the four overt acts enumerated in Counts 1 through 4." 82

WASHINGTON, April 11, 1946.

811.91261/4-1146: Telegram

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

RESTRICTED

Moscow, April 11, 1946—7 p. m.

[Received 9:51 p. m.]

1146. Experiences of newspaper correspondents in Moscow over past 12 days has shown that relaxation of censorship procedure as reported in Embassy’s 998, March 30 has become definitely established. Not only are correspondents called by telephone from Censorship Bureau when stories are either killed in toto or censored in part but they may request to see copy of censored despatch before it is telegraphed.

The one remaining difference which now exists between procedure followed today and procedure followed when despatches were censored by Press Department Foreign Office is that now correspondent has no means of communication with censor and thus no opportunity to discuss or plead with him on changes made. Correspondents have requested to Foreign Office in writing that they be permitted to communicate with censors but so far no answer has been received.

It is suggested Department may wish to inform home offices in Washington of correspondents about present procedure as explained above. 83

Smith

82 The Embassy in the Soviet Union was informed of the counts of the indictment in telegram 695, April 15, 1946, to Moscow (861.20211/4-1546).
83 For the remarks made on this subject of "blind censorship" by a spokesman of the Department of State, released to the press on April 17, see Department of State Bulletin, April 25, 1946, p. 731.
The American Ambassador in the Soviet Union (Smith) to the Minister for Foreign Affairs of the Soviet Union (Molotov)

No. 157  

Moscow, April 12, 1946.

Dear Mr. Molotov: I have received for transmission the following message from President Truman to Generalissimo Stalin:

"Referring to your message of April 6th, it is particularly pleasing to receive your personal statement of the Soviet Union's understanding of the importance of the United Nations Organization.

"Your statement is in full agreement with the attitude of the United States Government and people who are devoted to the preservation of world peace.

"May I express to you my personal regret that the condition of your health does not at the present time permit of your making long journeys, and my sincere hope for a complete recovery in the early future."

"With expressions of personal regards."

I will be grateful if you will be good enough to see that this message is delivered to the Generalissimo.

Sincerely yours, [File copy not signed]

The American Ambassador in the Soviet Union (Smith) to the Deputy Minister for Foreign Affairs of the Soviet Union (Vyshinsky)

No. 171  

Moscow, April 19, 1946.

My Dear Mr. Vyshinsky: Since the task of issuing immigration visas and conducting pertinent correspondence was assigned to this Mission in 1941, the visa work of our Consular Section has increased to the point where it cannot be handled expeditiously with the limited personnel imposed on us by the difficulties of the housing situation. These difficulties are thoroughly understood by the Mission, and we appreciate the action that the Soviet Government is taking to relieve our situation. Nevertheless, the fact remains that we have been so overburdened with correspondence from the United States in con-

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84 The President's message was originally sent to the Embassy through military channels on April 9, 1946. The President was advised by Ambassador Smith in telegram 1131, April 10, from Moscow, that a change in wording at the close of the third paragraph seemed desirable to forestall any possible offense to Stalin. This suggestion was approved in telegram 672, April 11, to Moscow. The change came following the words "early future" where a period was substituted, and the remainder of the sentence, which had continued "that will restore your one time capacity for efforts of any magnitude that were indicated as helpful to our common cause", was dropped. This modified version was then sent to Molotov in note No. 157 on April 12, and Molotov replied to Ambassador Smith on the same day that this message had been sent on to Stalin.
nection with the consular visa service that we are unable to handle the volume of work.

There are two possible solutions. One that has been proposed to me is to center the issuance of immigration visas, as distinct from temporary visitor’s visas, at some point outside of the Soviet Union, as was done prior to 1941. While this would relieve the Mission of work, I dislike it very much because it would impose an additional burden on one of the missions outside the Soviet Union, and because it involves the implication that this Mission is unable to handle a function which is properly its responsibility.

Another possible solution, which I much prefer, is to centralize this work in the Soviet Union, but outside of Moscow at some location where the housing situation is less acute than it is in the capital. Leningrad has been suggested because with the resumption of maritime communications with the United States there will be need for the performance of other consular services there. Odessa is a possible alternative. However, it is not essential that either Leningrad or Odessa be the location selected, although the former is preferable from our point of view. It is far more important, if this work is to be carried on within the Soviet Union, that it be centralized at a point which presents the fewest difficulties to the Soviet Government, with reasonable convenience to the public.

In looking over files of correspondence, I note that last September this Mission proposed the establishment of a Consulate at Leningrad.\(^{63}\) I have in mind in this connection the fact that we now have only one Consulate in the Soviet Union (at Vladivostok) and this a very small one, whereas the Soviet Government has three very large and active consulates in the United States. My personal opinion, which I am sure represents the view of my Government, is that consular facilities should be established by our respective governments to meet such actual needs as may exist for the performance of consular services. It is clear, however, that this principle must be recognized by both sides if it is to be observed at all.

I am presenting this matter for your personal consideration because we are actually being very hard pressed, and I am extremely anxious to find a solution which will relieve me of the embarrassment of having to confess that this Mission is unable to perform certain categories of the consular work which are properly within its responsibility.

Accordingly, I reiterate our previous proposal for the establishment

\(^{63}\) See telegram 3360, September 24, 1945, 3 p. m., from Moscow, Foreign Relations, 1945, vol. v, p. 1167. For documentation about the desirability of establishing consulates, and the difficulties being encountered by the American Consulate General at Vladivostok, see ibid., pp. 1160 ff.
of an American Consulate at Leningrad. If, for any reason, this location is not acceptable to the Soviet Government, I would be grateful for suggestions for another location.

Sincerely,

W. B. Smith

560. AL/4-2346

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

SECRET

No. 51

Moscow, April 23, 1946. [Received May 7.]

The Ambassador has the honor to refer to the Department’s secret instruction no. 969 of January 17, transmitting documents prepared for inter-Departmental use concerning items for consideration in connection with possible concessions in a trade agreement with the Soviet Union.

In this instruction, the Department invited the Mission’s comments and suggestions on the documents in question and listed the following specific points in this connection:

1. Is it likely that the U.S.S.R. will not be interested in tariff reductions or bindings on some of the items to be listed?
2. Are there any other items for which the U.S.S.R. might desire tariff concessions from the United States?
3. Are there any other forms which might be used to obtain a *quid pro quo* from the U.S.S.R. in return for tariff reductions?

1. The answer to the first of these questions is as follows: In general we do not believe that the Soviet Union is much interested in American tariff rates. Not only have a large portion of its exports to the United States always been duty free, but its entire relationship to foreign tariffs is different from that of capitalist countries. From the Soviet standpoint, exports to other countries are not desirable. They represent a sacrifice to the Soviet State. Their purpose, in the case of exports to the advanced western nations, is only to bring in foreign exchange. Wherever tariff duties can be passed on to the consumer (in other words, wherever Soviet goods dominate the market), the Soviet Government is not interested in them. Their interest arises only in cases in which they are forced to take a lower compensation in foreign exchange than would have been the case had there been no duties or had the duties been lower. Just what such price differences could conceivably amount to in case of trade with America, the Department will be able to calculate. According to our estimate, however, they could not amount to more than a few hundred thousand

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66 This despatch was drafted by George F. Kennan, Counselor of Embassy.
67 Not printed.
dollars in the very utmost. Compared to questions of credit, this is an item of almost negligible significance. The amount of credit we propose to give to Russia merely in connection with the sale of surplus property alone would probably compensate for all Russia might suffer financially over several decades from American tariff duties. In these circumstances Soviet interest in our tariff rates is naturally minor, compared to their interest in credits.

The answer to the Department's first question can thus be broken down as follows:

a. With respect to a number of the items listed for tariff reductions or bindings, these items are now deficit in the U.S.S.R. and the Russians will have only a remote interest in them.

b. With respect to other items, the Russians will not be interested, because the duty can be passed on to the consumer.

c. With respect to the remaining items, the Russians will have a financial interest, but this interest will be so insignificant that it is not likely to play any appreciable part in Soviet policies on international economic matters.

2. In answer to the second of the Department's questions, this Mission knows of no other items for which the U.S.S.R. is likely to desire tariff concessions from the United States at present.

3. The third of the Department's questions raises again the problem of what quid pro quo the Soviet Union could give for tariff concessions on our part. The Embassy has now given careful thought to this question and wishes to advance the following views:

a. We reject the global purchase commitment as a satisfactory approach to this question. It is against the policy of the Soviet Government to publish either its foreign trade plans or the statistics of the actual trade conducted. To accept a global purchase commitment would be in effect to publish the main outlines of the annual import plan. We do not believe that in reality the Russians would ever engage themselves internationally to any import program which they had not already decided unilaterally to carry out. Furthermore, in the absence of adequate Soviet statistics, it would be a major job for a research institute to ascertain from the statistics of other countries to what extent such a commitment had actually been carried out. All in all, we consider the global purchase commitment impractical, unlikely to find Soviet agreement, and unlikely to bring about any appreciable increase in the volume or stability of Russian import trade.

b. We do not believe that there is any alternative quid pro quo which Russia could offer in the form of a treaty obligation which would be satisfactory as a means of fitting Russia into an international lowering of trade barriers. It can not be emphasized too often that the Soviet system is not a system of law as we know it. Public affairs in the Soviet Union are not conducted on the basis of binding norms laid down for given periods in the form of laws or regulations. Soviet authority is 98 per cent administrative, and the central power in Mos-
cow insists on retaining effective freedom of administrative action in all matters of any importance to the State. The Soviet leaders will never consent to have their administrative freedom of action limited by any effective provisions of law or treaty. Just as their power over the individual is unlimited and subject to no restraints of law or usage, so in all other matters, including economic, they always assure to themselves freedom to treat every individual question, if they like, on its merits according to the political exigencies of the moment. It is the experience of this Mission that the Soviet Government is profoundly reluctant to accept any treaty obligations which could possibly bind it to act in hypothetical questions in ways which might run contrary to the interests of the Soviet State. In other words, they will generally oblige themselves to do only those things which they know they would otherwise have done anyway in their own interests; and even these obligations they will undertake only when they can see substantial concessions to be gained thereby. For these reasons, we do not feel that there are any concessions which the Soviet Government could and would make by way of treaty obligations which could essentially alter existing Soviet practice in a way which would be beneficial to other countries. This judgment finds support in the entire history of the foreign economic relations of the Soviet State. We could point to no instance in which general obligations assumed by the Soviet Government with respect to the treatment of the goods or nationals of foreign countries have ever been of appreciable value to the foreign nation concerned.

c. Since the character of Russia's activities in the field of foreign trade is going to be determined in any case on day by day administrative actions of the Soviet authorities, the motives of which will never be discussed with foreign countries, it is our belief that each country must remain the judge of the degree to which Soviet trade practices meet its requirements in the line of international economic collaboration. We would therefore recommend that the question of tariff concessions to the Soviet Union be left as a question to be settled individually between the U.S.S.R. and each of the countries with which Russia may conduct trade.

d. In the case of the United States we feel that the following procedure should be adopted. If, as we assume to be the case, the Trade Agreements Act does not permit us to extend our minimum tariff concessions to the Soviet Union except in pursuance to treaty obligations, then we should recognize frankly that the Act as it stands does not fit the case of a country which has a complete government monopoly of foreign trade. We should then initiate legislation which would give the executive branch of our Government the authority to extend or withhold tariff concessions (within the limits of the Trade Agreements Act) at its own discretion in the case of countries having a complete governmental monopoly of foreign trade—such concessions to be granted or withheld in accordance with the degree of helpfulness and willingness to collaborate which we meet at the hands of the country in question. Such legislation would enable us to make the initial gesture of extending our lowest tariff concessions to the Soviet Union, and we feel that this should be done. It would also enable us to withdraw these concessions in the event that Soviet trade practices
might not, in our opinion, justify their retention or that Russia should
decline to cooperate with an international trade organization. It
would leave our Government the judge of whether or not Soviet col-
laboration in international economic matters was satisfactory and
would obviate all wrangling with the Russians over the question of
whether treaty provisions had been fulfilled.

e. We wish to reiterate, however, that this is a matter of small im-
portance to the Russians; and it is by no means certain that any action
on our part either in the granting or withholding of tariff concessions
would have any appreciable influence on Russian economic policies.
The main points in our trade with Russia are Russian need for our
products, our willingness to grant credit and our willingness to accept
gold as a medium of exchange. Of these, the first two are of far the
greater importance.

811.20200(D)/4-2446: Telegram

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

RESTRICTED

Moscow, April 24, 1946—11 a.m.
PRIORITY

[Received April 24—8:39 a.m.]

1312. For Benton from Smith. Lozovski informed me by letter
dated April 23 that Central Organization for Delivery of Newspapers
and Magazines throughout USSR (Soyuzpechat) will undertake dis-
tribution of 50,000 copies of illustrated magazine America beginning
June 1 this year. Hope this news, which means America can operate
without loss, will persuade Congress to permit continuance of
magazine.  

Smith

711.00/4-2846: Telegram

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

TOP SECRET

Moscow, April 28, 1946—noon.

[Received April 28—11:06 a.m.]

1378. ReDeptel 766, April 25.  
There has been absolutely no Soviet
reaction to report of Secretary’s Committee on International Control

88 A Department of State press release of August 30, 1946, announced the per-
mission for this increase in circulation at 10 rubles a copy; Department of State
Bulletin, September 15, 1946, pp. 513-514. The Committee on Appropriations
of the House of Representatives had temporarily favored discontinuance of the
magazine because of its limited distribution and cost of publication.

89 Not printed; in this telegram, the Department asked for the Embassy’s com-
ments on the reaction in the Soviet Union to the “Report on the International
Control of Atomic Energy” prepared by a Board of Consultants for the Secretary
of State’s Committee on Atomic Energy (800.2425/4-2746). This report was
issued on March 16. For excerpts, see Department of State Bulletin, April 7,
1946, pp. 553-560. The complete text of the report was printed as Department
of State publication No. 2498.
of Atomic Energy. Not only has report not been published or described to public here but no mention has even been made publicly as far as we are aware, of its existence. It can be known therefore only to a very small circle. In addition, it must be remembered that Soviet officials and citizens rarely dare to mention subject of atomic energy in conversation with foreigners. If report is criticized in Daily Worker that is fairly good indication of Soviet disapproval.

That report should be viewed with disapproval here is only to be expected for Russians will not greet with enthusiasm any proposed solution that does not:

(a) Provide for turning over to Soviet Govt full technical data available in other countries on production of atomic explosives, and
(b) Leave Soviet Govt complete freedom to do what it wishes with this information without rendering account to outside world or submitting to any form of observation, supervision or control.

This is not to exclude possibility that Soviets would reluctantly accept a more moderate and reasonable solution if they were faced with compelling considerations of national interest. It is hard for us, however, to see what these considerations might be. They know that our system of govt will not permit us to use our temporary ascendancy in atomic power as a means of pressure to force them to accept a reasonable system of international long-term control. They have been provided already with considerable information on this subject and are probably confident that they can safely await the moment when they will by their own efforts have acquired atomic weapons. In our opinion, therefore, they will hold out strongly for the objectives outlined in (a) and (b) above and will be inclined for tactical reasons to frown initially on any solution which falls short of realization of those objectives.

As for suggested discussions between scientists we are aware of strong conviction among American scientists that such discussions provide the real solution to the problem and we doubt that any amount of argument or persuasion will convince them that the approach is not a promising one. If our Govt feels it necessary to defer to pressure from this group and the section of public opinion which supports it, a proposal to the Soviet Govt for such discussions might be desirable in the interest of clarification. Such a proposal should of course come from the US Govt and not from the scientists direct. It remains, however, the deep conviction of this Mission that it is quixotic to suppose that any Soviet scientist who might be designated by Kremlin to take part in such discussions would have anything in nature of freedom of expression or could wield any influence except as technical consultant on ultimate Soviet policy. This Govt has its scientists like everything else, well in hand.
I must point out one additional element of danger in the line of action suggested in the preceding paragraph. Our own scientists would probably approach a joint conference in an attitude of high-minded altruism admirable in itself but a handicap in dealing with their Soviet opposite numbers, some of whom would certainly not be similarly minded. Accordingly it seems very possible that the result would be to provide the Soviet delegation with more information than our Govt would willingly give at this time, unless the most careful safeguards were maintained.

SMITH

861.00/5-246: Telegram

The Chargé in the Soviet Union (Smith)⁶⁰ to the Secretary of State

Moscow, May 2, 1946.

[Received May 2—11:50 a. m.]

1401. Soviet press May 1st publishes Stalin’s Order of Day as Minister of Armed Forces.

After briefly reviewing Red Army achievements in conquest of Germany and Japan during great patriotic war, order states that Soviet Union now marches in vanguard of struggle for peace and security, that peoples which Soviet Union liberated from Fascist yoke received opportunity to build state life on democratic footing and now enjoy fraternal Soviet aid and that world has had opportunity to convince itself not only of Soviet might but of just nature of its policy based on recognition of equality of all peoples and on respect for their freedom and independence. Referring then to Five-Year Plan as opening new prospects for further growth of Soviet productive forces which Soviet people led by Communist Party may be relied on to spare neither strength nor labor “to fulfill and overfulfill”, it states, “While promoting peaceful Socialist construction, we must not forget for moment machinations of international reaction which is hatching plans for new war. It is necessary to remember injunctions of great Lenin that in going over to peaceful labor, we must constantly be on alert and guard like apple of our eye armed forces and defense power of our country”. It concludes that fulfillment of this honorable task is possible only if level of military efficiency of members of Red Army, Navy and Air Force is raised still higher.

Sent Department as 1401; repeated Paris 126, London 227 and Frankfurt.

[SMITH]

⁶⁰ Horace H. Smith, First Secretary of Embassy and Consul at Moscow, was Chargé at this time.
WILLIAM J. DAVIS

WASHINGTON, May 4, 1946—8 a.m.

U.S. PRIORITY

By authority President, you are requested deliver following FonOff, restoring words omitted telegraphic brevity:

"My Government being aware interest which your country, as nation having membership United Nations Atomic Energy Commission, has in development and future significance atomic bomb, cordially extends invitation your government designate two observers witness atomic bomb tests (Operation Crossroads) which will be conducted July and August Bikini Atoll, Marshalls Group, subject to prior approval by United States Congress of the expending of Naval ships for this purpose. Test in its entirety is undertaking United States Government and not a combined or international operation.

Believing press should be represented at tests, my Government wishes to invite designation by your government one member of press of your country attend as an additional observer.

Observers will be transported scene tests aboard US naval vessel leaving San Francisco June 12. Information of general interest prospective observers will be found attached memorandum.

My Government hopes that your Government will find it possible accept this invitation. If so I should appreciate being informed your earliest convenience names two governmental observers and one press observer, together with information regarding mode of travel to US, date and port of arrival, and indication whether reservations desired on special train leaving Washington for San Francisco June 8."2

[Here follows memorandum giving detailed administrative arrangements providing for the transportation of the observers and the newspaper reporters to the scene of the tests, and for their accommodations there.]

Announcement concerning issuance invitations will be made here at 7:00 P.M. Eastern Standard Time, Tuesday, May 7. Simultaneously informative notes will be delivered respective Missions Washington. To avoid any possibility premature announcement abroad, please deliver note containing foregoing text as near possible or feasible to Washington release hour. Caution should be exercised

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21 The representatives to the countries mentioned in the last paragraph of this telegram.
22 Ambassador Smith stated in telegram 1734, June 3, 1946, from Moscow, that Deputy Minister for Foreign Affairs Vyshinsky in a letter of June 1 indicated that the Soviet Government had named Dmitry Vladimirovich Skobelsyn and Semen Petrovich Alexandrov to act as official observers at the atom bomb test. Both were experts already attached to the Atomic Energy Commission of the United Nations. Designated as press observer was Abram Mendeleyevich Khokhlov, representative of the newspaper Red Fleet. All desired places on the special train leaving Washington on June 8. (S11.2425/5-1-446)
of course ensure delivery invitation prior to arrival press despatches from Washington. Meanwhile matter should be kept in confidence.

Air mail instruction 33 follows with detailed pamphlet covering all phases Operation Crossroads and full text of waiver. Also agreements which press observers will be obliged sign before boarding naval vessel. Detailed data will be available on arrival in US if not received before departure of observers.

All States members United Nations Atomic Energy Commission being invited name observers. Commission composed members Security Council plus Canada as follows: Australia, Brazil, Canada, China, Egypt, France, Mexico, Netherlands, Poland, Union of Soviet Socialist Republics, United Kingdom, United States.

ACHESON

[Two atom bomb tests were carried out on July 1 and July 25. For preliminary published reports concerning the tests, see Department of State Bulletin, July 21, 1946, pages 115–117, and ibid., August 11, 1946, pages 272–275, respectively. The indefinite postponement of a third test was announced on September 6; see ibid., September 15, 1946, page 508. Reports appearing in the Soviet press evaluating the results of the Bikini atomic bomb tests tended to convey the impression that the results were a disappointment in showing the destructive power of the bombs.]

Moscow Embassy Files: 690—Surplus Property

Memorandum of Conversation, by Mr. Richard H. Davis, Second Secretary of Embassy and Vice Consul in the Soviet Union

[Moscow,] May 20, 1946.

Present: Mr. Mikoyan, Minister of Foreign Trade
         General Semichastnov, Deputy Minister of Foreign Trade
         Soviet translator
         American Ambassador
         R. H. Davis, Secretary of Embassy

Subject: Exchange of Surplus Property to the Value of Ten to Twelve Million Dollars for Lease of Land and Construction of Embassy Buildings in Moscow.

At the Ambassador’s request Mr. Mikoyan received him at seven p.m. to discuss the project whereby 10 to 12 million dollars worth of surplus property items would be turned over to the Soviet Govt. in exchange for the lease of land and the construction of buildings for

33 Circular instruction of May 8, not printed.
an Embassy in Moscow. The Ambassador began the conversation by stating he had come to do some buying and selling with Mr. Mikoyan today and explained that he had talked with Mr. Vyshinski in Paris about the project, which he then explained in its essence. The Ambassador stated that he understood that the negotiations between the USA and the USSR for a $100,000,000 surplus property loan were about completed and the agreement about to be signed in Washington. While the proposition for the exchange of 10 to 12 million dollars worth of surplus property for land and buildings for an Embassy in Moscow had not been finally agreed to by the Soviet Govt., the Ambassador believed it had been favorably received.

Since the Ambassador had a personal interest in this project, while he was in Paris he went to see Mr. Virden, Foreign Liquidation Commissioner, and obtained the latest lists of the surplus property items now available. Not long ago a Soviet general heading a small group had come to Paris with a list of items, mainly heavy trucks and road building equipment, which the Soviet Govt. was desirous of acquiring. But as these items had not yet been declared surplus and since the Soviet commission had no authority to negotiate for other items, no sale had taken place.

In the meantime, other govt's. and individuals are buying these surplus items and at the present time the Ambassador understood an agent of the French Govt. was in Washington negotiating for the sale in bulk of all American surplus property in France.

The Ambassador stated that he was anxious to have the Soviet authorities go over the lists of surplus items currently available, which he had brought with him from Paris, before they were disposed of to other purchasers. These lists should be of great interest to Mr. Mikoyan, and many of the items would undoubtedly be of use to the Soviet Govt. in carrying out its new Five-Year Plan. The Ambassador had this request to make: (1) that Mr. Mikoyan have these lists examined and have picked out items which would be useful to the Soviet Govt. to the value of 10 to 12 million dollars, which could then be wrapped up, so to speak, in a bundle and reserved for the Soviet Govt, and (2) that Mr. Mikoyan indicate any other items over and above the value of 10 or 12 million dollars which the Soviet Government would be interested in purchasing, and the Ambassador would request Mr. Virden in Paris to reserve them as long as possible for the Soviet account.

*With regard to earlier inability to reach an agreement for construction of an Embassy building in Moscow, see Foreign Relations, The Soviet Union, 1933–1939, Index entries under "American Embassy in Moscow," p. 1017.*
Mr. Mikoyan stated that he could not say anything in regard to the project for the construction of an Embassy since that did not fall within his competence. However, he was interested in surplus properties.

The Ambassador understood that the Embassy construction project did not come within Mr. Mikoyan’s jurisdiction and explained that in talking with Mr. Vyshinski in Paris about this plan, Mr. Vyshinski had told the Ambassador that when he returned to Moscow he should “please take those property lists to Mr. Mikoyan and do not bring them to me”.

Mr. Mikoyan expressed his thanks for the lists which he thought would be useful and inquired whether they referred only to equipment in Europe. The Ambassador confirmed this.

Mr. Mikoyan stated that the lists would be examined and that as soon as the $100,000,000 agreement had been signed the Soviet Govt would draw up a list of surplus property items of interest to it and would send a commission to Paris. This question would be handled by Mr. Mikoyan’s deputy, General Semichastnov.

The Ambassador requested that regardless of final signature on the $100,000,000 agreement Mr. Mikoyan pick out now 10 to 12 million dollars worth of property which could then be held in reserve for the Soviet Union pending the final conclusion of the agreement.95

Mr. Mikoyan again repeated that he was not currently informed about the project for construction of a new Embassy, but he promised that the lists would be studied and the results communicated to the Ambassador.

The Ambassador concluded by explaining that his personal interest in this project was to find a place to live.

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361.11/11-1445

The Secretary of State to the Ambassador in the Soviet Union

(Smith)

CONFIDENTIAL

WASHINGTON, May 23, 1946—6 p.m.

957. Your despatch 2257, Nov 14, 1945 96 concerning treatment of American nationals in Soviet Union and urtel 771, March 12 on same subject. If you approve you are authorized at the earliest appropriate opportunity to take up matters discussed in two communications as well as matters hereinafter discussed with the Soviet Foreign Minister personally accompanying your oral statement with an

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95 For documentation concerning negotiations for the sale of surplus property in 1946 to the Soviet Union and their lack of eventual success, see pp. 819–832, passim.

96 Not printed.
aide-mémoire which should be couched in such terms as to be suitable for publication if desirable.

I. Long accumulation of unsolved cases has resulted in embarrassment to Dept in its communication with persons in US interested in American nationals in Soviet Union. Dept desires that discussions with Foreign Minister be on a plane of utmost frankness.

Some plan must be set up under which Dept’s representatives in Soviet Union may communicate with Soviet officials about American nationals and receive prompt and adequate replies regardless of fact that some such nationals may also possess Soviet or other foreign nationality. One of the essentials of friendly and stable international intercourse is that the representative of one country may communicate freely with the representative of another country and receive a prompt and frank reply. Another essential is that a national of one country should have untrammeled right of calling upon diplomatic or consular officer of country of which he is a national for assistance in case of need.

Soviet authorities have since resumption of diplomatic relations molested and in numerous instances arrested American nationals who have called at the Embassy, some of whom have disappeared and Embassy has been unable to ascertain their whereabouts or fate. Other nationals have been fearful of calling at the Embassy. As has been pointed out whenever Soviet authorities could possibly consider on any technical grounds that individual concerning whom Embassy made inquiry was Soviet citizen under Soviet law they have done so and declined furnish Embassy with any information concerning him.

When US and Soviet Union resumed diplomatic relations in 1933 it was publicly stated by President and Litvinoff that the two governments had decided to establish normal diplomatic relations.97 Certainly the arrest of American nationals who call at Embassy and intimidation of others to prevent their calling at Embassy is abnormal and contrary to one of the express purposes of resuming diplomatic relations. In his letter of Nov. 16, 1933 Litvinoff informed President Soviet Government is prepared to grant to nationals of US rights with reference to legal protection which shall not be less favorable than those enjoyed in Soviet Union by nationals of nation most favored in this respect. Specifically, the Soviet Government obligated itself to notify American Consuls promptly regarding arrests of American nationals and of their transfer from one place of detention to another, and also to grant without delay requests to visit them. This under-

97 For documentation on the recognition by the United States of the Soviet Union on November 16, 1933, see Foreign Relations, The Soviet Union, 1933–1939, pp. 1 ff.
taking on part of Soviet Union appears to have been almost totally ignored. Dept considers the undertaking includes all nationals of US and does not exclude nationals who may also have Soviet or other foreign nationality. It deems it highly unsatisfactory for Embassy to be advised in response to an inquiry regarding an American national that such national has been naturalized as a citizen of the Soviet Union or is considered to have been a Russian or Soviet citizen since birth or was naturalized in US without consent Soviet authorities and hence is deemed to be Soviet citizen only and that Embassy could have no valid interest in the individual. Dept considers its representatives entitled to communicate in person or in writing with any such person on the basis of his American nationality.

Dept is aware many American nationals after having been admitted to Soviet Union have suddenly been advised they must leave country on very short notice or apply for Soviet citizenship. Dept considers this exceedingly arbitrary. When confronted with such alternatives it may be individual concerned could not make arrangements to obtain funds for travel or settle affairs within period designated in consequence of which he is in fact not given an alternative but is obliged by circumstances amounting to duress to become naturalized. Other methods, such as withholding work and food cards, have been resorted to to require American nationals to apply for Soviet citizenship. Dept considers its representatives should be permitted to communicate with these nationals to determine whether duress was involved in their naturalization and should not be prevented from doing so with mere assertion that the nationals have acquired Soviet citizenship.

II. Department desires an early settlement of all outstanding cases affecting American citizens on which the Embassy has previously approached the Soviet Government with unsatisfactory results and considers that written agreement should be sought on the following points:

Prompt access should be given officers US Govt to all persons asserting claim to American nationality without prior attempt on part of Soviet authorities to determine for themselves whether claim is justified.

Prompt extension of permission to American nationals to travel to Embassy for purpose establishing American nationality.

Prompt extension to American nationals of permission to leave Soviet territory after they have been appropriately documented as American nationals in all cases in which no valid reason for their detention is or can be adduced by the Soviet Government.

Reasonable facilities to American nationals in form of assistance for transportation, necessary local documentation, etc cetera and food and
ration cards while awaiting transportation after they are documented and have been issued permission to leave Soviet Union.

Equal status for American nationals for passage on passenger vessels operating under Soviet flag.

Permission for officers of US Govt to travel to territory under the control of USSR, particularly in territory west of western boundary of USSR in 1939, more especially to the City Lwow, where numbers of American nationals are known to be living in order to render them appropriate documentation and assistance.

Reasonable extension of privilege of exit permits to alien wives and children of American nationals.

Undertaking to receive and to act promptly upon inquiries of US Govt regarding whereabouts and welfare of American nationals and of their immediate relatives.

III. It should be stressed that the matter is urgent because there are in Soviet Union number of Americans who will lose American nationality under Sects. 404 and 407 of Nationality Act of 1940 unless they depart from Union before Oct 14, next. Undoubtedly there are others who will come within scope of Sect. 401(a) and thus lose American nationality unless they take up residence in US before attaining age of twenty three years. Failure to remedy this situation fully to satisfaction of this Government will require Dept at a very early date to seek from Congress an extension of present legislation in so far as law affects persons detained against their wishes in Soviet Union.

IV. When these matters are taken up with Soviet Foreign Minister it should be made clear Dept desires satisfactory solution in the near future. For your confidential information situation is such Govt considers it unfair to keep information concerning attitude of Soviet authorities in nationality matters from people of US and particularly their representatives in Congress. It would no longer be justified in withholding from American public fact that since resumption of diplomatic relations Dept's representatives in Soviet Union have met only with evasion, procrastination and every sort of expedient to remove passport, protection, and nationality cases from area of international discussions even to point of unwillingness to correspond in a courteous and helpful manner in these matters.

Dept is considering the disclosure of facts of this situation to American public as soon as aide-mémoire has been presented. If you approve, please forward text of aide-mémoire timed for public release on date of your representations to the Foreign Minister.

Your views are requested as to appropriate timing of publicity on this matter, particularly on the desirability of such publicity before Soviet Govt has been given time to give its reply.

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

SECRET

Moscow, May 31, 1946—10 a.m.
[Received May 31—7:16 a.m.]

1700. Views of British Foreign Office official expressed to Harriman \(^*\) (Dept’s information circular airgram May 10).\(^\dagger\)

We agree that Soviet satellite regimes are not likely to wither away. We do not minimize powerful domestic resentment against and opposition to these regimes, particularly in Poland, but we do wish to emphasize that in our opinion USSR is determined to continue domination over these states and is prepared to go to almost any lengths and employ almost any measures to achieve this end. Composition of satellite regimes may change but their essential subservience to USSR must, as far as Soviet intentions are concerned, continue.

We concur that USSR has not set any definite limits to its objectives in Europe and that only limitation on its activities are the opposition it encounters and the extent of its own capacities.

If foregoing is true then we are about to be driven into position—if we are not already there—where facts of situation compel us to view Europe not as a whole, but as divided essentially into two zones: a defensive one in the east where at best we can hope only to moderate Soviet dispensation, and a second zone in the west which has still not been brought under Soviet domination and in which there is still opportunity for USA and UK to nourish and support growth of healthy society reasonably immune and resistant to totalitarian virus.

SMITH

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TOP SECRET

Moscow, June 1, 1946—11 a.m.
[Prior to June 1—9:30 a.m.]

1711. Personal for Secretary Byrnes and Matthews. Yesterday the British Ambassador\(^1\) showed me a transcript of his talk with Stalin. Most of the discussion centered on the Paris Conference.\(^2\) Stalin implied again that Soviet good intentions were nullified by an Anglo-American bloc. He commented that the French also seemed to

* W. Averell Harriman was Ambassador in the United Kingdom, April–October, 1946.
* Not printed.
1 Sir Maurice Drummond Peterson.
regard the Soviet Union as an enemy. To this Peterson replied that his own impression was that if the Soviet representatives had been absent from the Paris Conference the three other powers would have been able to reach an agreement. Stalin said that on the contrary, had they been absent the three Western Powers would have quarrelled among themselves. He concluded with a remark to the effect that if it became necessary for the Soviet Union to withdraw from the Council of Foreign Ministers it would be demonstrated that this condition, *id est*, failure to agree on the part of the Western Powers, would prevail.

Stalin deprecated to a certain extent press and publicity attacks against Great Britain, but said the British had brought this on themselves by their unreasoning opposition to the Soviet Union. He also mentioned again Churchill’s speech at Fulton, Missouri, but he did not criticize or attack the US in any way. In this respect his attitude was very different than at the time of my conversation with him when many of his remarks were devoted to attacks against the British.

Peterson attempted to point out to Stalin that Bevin should not be regarded as fundamentally anti-Soviet. Bevin, he said, shared many of the social aspirations endorsed by USSR. Stalin dismissed these explanations with statement that personalities had nothing to do with Soviet attitude. USSR considered that there were in UK and USA certain forces historically hostile to USSR and that no matter who occupied position now held by Bevin, that person would be an implement wielded by those forces. This interpretation is entirely consistent with Soviet theory and highlights the inutility of approaching USSR on matters of policy in terms of personalities.

With regard to Soviet Mediterranean ambitions Peterson assured Stalin that Britain would welcome Soviet naval visits to Mediterranean either through Straits or Gibraltar. With his typical facility for reducing a problem to simplest elements Stalin asked what good it would do for Red Navy to sail into Mediterranean if it had no place to go.

Molotov was present throughout conversation but did not open his mouth.

**Smith**

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361.11/6–346: Telegram

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

**SECRET**

Moscow, June 3, 1946—6 p. m.  
[Received June 3—3:27 p. m.]

1738. Dept’s 957, May 23. Representations to Soviet Govt regarding citizenship and protection cases.

777–752–69—49
We have examined Dept's proposed representations against what we have in way of evidence to back up our case. We conclude that we are not in a position to present a water tight case. This being so, we think we should not approach Soviet Govt as recommended by Dept. To do so at this time would be to invite embarrassing legalistic rebuttal, at which Soviet Govt is most adept.

Reason for our conclusion is that (1) some of cases reported in Embassy's despatch 2257, Nov 14 had been satisfactorily closed, (2) we have heretofore not exhausted all of our local remedies, thus leaving loopholes in our case, and (3) we do not now have overall statistical picture of citizenship and protection operations of Consul section, which statistics we consider essential to a complete presentation of our case. Latter two defects result from Consular section being stepchild of Embassy—continually understaffed for past several years.

Having said foregoing, we do not propose that Dept's recommendation be dropped for good. We believe that fundamentally we have ample and just reason to protest Soviet treatment of Consular matters. We propose that during the next 3 months, or as long as process takes, we can (1) go through back files, amounting to some 2,000 cases and find out just where we stand with FonOff regarding them; (2) present all protection cases, including ones of doubtful citizenship (which has heretofore not been done) to FonOff; (3) follow up all cases persistently.

As this process develops we should begin to get a clearer picture of what sort of case we have. And when that picture is well defined, perhaps 3 months hence, then we shall have a definite basis on which to decide whether we are in a position to make representations, and make them stick.

[The final two paragraphs, dealing with administrative affairs and personnel allocations in the Consular Section of the Embassy in Moscow, are here omitted.]

SMITH

811.2423/6-746: Telegram

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

CONFIDENTIAL

Moscow, June 7, 1946—noon.
[Received June 7—9:01 a.m.]

1786. Agitator's Notebook, guide for mass agitation work of Moscow party organization contains in issue No. 15 released May 31, article entitled: "Atomic Energy and Prospects for Its Use."

*Not printed.
Article minimizes military value of atomic bomb, stating that atomic energy did not play special role in war and that destruction wrought by it in Japan could have been achieved more cheaply by other means. Atomic bombs, it declares, can only be produced in small quantities and are still not applicable against big armies in battle order or against well-dispersed industry. Nor can military effects of bomb replace those which were produced and still are produced by other forms of military techniques.

Nevertheless, concludes article, mastery of atomic energy is matter of exceptional importance. Planned economy USSR has enormous possibilities for successful work in this mastery.

Comment

It is doubtful if above line really represents opinion of Soviet leaders on military potentialities of atomic energy. More likely this position will be taken, until such time as the USSR is in full possession of atomic weapons, to reassure public that Russia's mass armies remain invincible.

However, possibility cannot be excluded that Soviet military thought conservatively believes that no single new weapon possessed abroad can offset Soviet military organization and material developed during World War II.

SMITH

761.00/6-1546 : Telegram

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

SECRET

Moscow, June 15, 1946—3 p. m.

[Received June 16—1:52 a.m.]

1990. Development of Soviet policy in Asia appears to be shaping up on different pattern from Soviet policy in Europe. USSR mediated in Sinkiang between Government and rebels, and conduct of Soviet officials there appears to have been designed to avoid giving open cause for criticism of USSR. Trend with regard to Iran seems to be in similar direction. And now with announcement of Soviet-Afghan agreement on frontier questions,\(^4\) which for years have caused Afghan anxiety, USSR appears to have taken another step in direction of "correct" relationship with its Asiatic neighbors. These disarming symptoms, in contrast to Soviet truculence in Europe, do not by any means indicate that USSR has abandoned predatory aims in Asia. They simply represent different tactical approach.

They suggest that Soviet policy, calculating that time and the forces of decay and regeneration in Asia are on Soviet side, are relying heavily on: (1) Ingratiation with Asiatic masses; (2) holding USSR up as contrast to "imperialist" USA and UK; (3) intrigue and covert political manipulation of native fifth column. These tactics are more dangerous than more obvious ones employed in Europe and will bear close attention and reporting.

Department please repeat to Paris as Moscow's 183, to Tehran as 112 and Nanking as 83.

SMITH

711.612/6-1546: Telegram

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

RESTRICTED

Moscow, June 15, 1946—6 p. m.

[Received 6:54 p. m.]

1894. Emb 1041, April 4. After careful study of US-USSR draft treaty Embassy concludes that little is to be gained by making detailed point by point comment. Our reasons for saying so are:

(1) Kennan's letter of April 3 to Hazard covers comment which we would offer;
(2) Kennan has apparently been discussing treaty with Dept (Dept's 1087, January [June] 7) and subject has now presumably developed well beyond stage it was when we offered to provide comment;
(3) Kennan is better qualified than any officer here to offer constructive criticism of draft.

We shall, however, be glad to comment on new developments if their substance is transmitted to us and we undertake to give such comment promptly.

We apologize for delay in dispatch of this message.

SMITH

361.1121/6-1846: Airgram

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

Moscow, June 18, 1946.

[Received July 2—9:52 a.m.]

A-313. Reference Department's airgrams A-122, March 20, 1946 and A-175, May 7, 1946 regarding Mr. Isaiah Oggins, an American citizen imprisoned by the Soviet authorities several years ago.7

5 Not printed.
6 Neither printed.
7 For the origin of this case, see Foreign Relations, 1942, vol. III, pp. 765-771 passim.
The Embassy addressed a note to the Soviet Ministry of Foreign Affairs on March 30, 1946 on this subject but has thus far received no reply. A new note covering the points in the latter reference airgram is being sent today, and the Embassy will inform the Department as soon as it receives a reply.8

SMITH

861.00/6-2146 : Telegram
The Ambassador in the Soviet Union (Smith) to the Secretary of State 9

TOP SECRET Moscow, June 21, 1946—7 p. m.
PRIORITY [Received June 21—3:24 p.m.]

1964. London please pouch immediately to Paris for Secretary. Columbia Broadcasting correspondent Hottelet interviewed Litvinov June 18 in latter’s office. As Litvinov was very outspoken, Hottelet has not used material from interview. He has reported it to us for Dept’s and our information and requests that its substance be conveyed to Murrow of CBS for his background information only. Report follows and should obviously be handled with great discretion.10

Discussing international situation, Litvinov said outlook was bad and it seemed to him differences between East and West have gone too far to be reconciled. Asked cause of this he said that as far as he was concerned root cause was ideological conception prevailing here of inevitability of conflict between Communist and capitalist worlds. It seemed to him that there had once been chance that two worlds would be able to exist side by side but that was obvious no longer case. There has now been return in USSR to outmoded concept of geographical security.11

In discussing principles being explored now to find basis of cooperation, Litvinov said basis of cooperation must be agreement among

8 Mrs. Oggins was informed by letter on July 22 of these latest inquiries made by the Embassy at Moscow concerning her husband. There were no further developments to report during 1946.
9 The Secretary of State was in Paris attending the Second Session, Second Part, of the Council of Foreign Ministers. This telegram was sent to the Department as 1964 and repeated to London as 290. A copy was teletyped to Paris for the Secretary on June 21.
10 This interview was not disclosed at the time. Litvinov died on December 31, 1951. Thereafter Richard C. Hottelet prepared five articles about this interview which were published in the Washington Post during January of 1952 as follows: January 21, p. 1; January 22, p. B—11; January 23, p. 13; January 24, p. 13; and January 25, p. 21.
11 Ambassador Smith had already reported in telegram 1632, May 24, 2 p. m., from Moscow, that in a private conversation on the previous day Litvinov had remarked that “toward the end of the War and directly afterwards I had hoped for real international cooperation, but wrong decisions have been made and of the two paths which might have been taken, the wrong one has been chosen. I now feel that the best that can be hoped for is a prolonged armed truce”. (761.00/5-2446)
great powers. Obviously Haiti or Denmark could not threaten world peace and it is not unreasonable for USSR to be suspicious of any forum in which she would constantly be outvoted. Hottelet asked how this present chasm could be bridged. Litvinov answered, I won’t say until they call on me and they certainly will not call on me.\textsuperscript{12} Hottelet asked him if he was sure he would not be called upon and he replied, I am positive. He said I am an observer and I am glad to be out of it. His whole attitude in this part of conversation was one of passive resignation. Hottelet asked what chances would be of postponing any conflict between East and West long enough to allow new and younger men to grow up and take over. His answer was, what difference does it make if the young men are educated intensively in precise spirit of the old.

Hottelet asked if he had heard of Baruch’s suggestion\textsuperscript{13} to turn atomic secrets over to International Control Board and said that this seemed to him to be a most dramatic crystallization of world’s current dilemma, and asked what would USSR do—whether she would accept international control or refuse it. Litvinov reflected for a moment and said there was a vast difference between subscribing to principle of international control and actually subjecting oneself to rigid inspection. Hottelet asked him specifically whether USSR was likely to go whole way. He said he thought USSR was unlikely to submit to inspection. Hottelet asked him if suspicion which seems to be large motivating force in Soviet policy would be mitigated if West were suddenly to give in and grant all Russian demands, like Trieste, Italian colonies, et cetera—whether that would lead to easing of situation. He said it would lead to West being faced after period of time with next series of demands.

Discussing question of mutual suspicion, topic of genuine security versus imperialist aggression was dwelt on. Litvinov said Hitler probably genuinely felt that his demands were justified, that he wanted \textit{Lebensraum}. Hitler was probably genuinely convinced that his actions were preventive and forced on him by external circumstance. Advantages that accrue to any totalitarian govt through its possibility of ignoring its public opinion were discussed. Litvinov volunteered that there was nothing one could do inside a totalitarian state to change it. He said that Italian and German people did not revolt even in face of most dreadful punishment. In 1792 French

\textsuperscript{12} Earlier in telegram 1024, April 2, 1946, from Moscow, the Ambassador had confirmed the belief that “as far as we are aware there has been no alteration in his real position, which is one of semi-retirement.” (861.00/4-246)

\textsuperscript{13} Bernard M. Baruch, the representative of the United States to the United Nations Atomic Energy Commission, at the opening session in New York on June 14, 1946, gave an address on “Proposals for an International Atomic Development Authority.” For text, see Department of State Bulletin, June 23, 1946, p. 1057.
people could storm arsenals, grab muskets and make revolution, but
today people would need artillery, tanks, radio stations, printing
presses, all of which are held tightly in the hands of any totalitarian
state. That is why it would be terribly difficult, for instance, to dis-
lodge Franco. Even for a palace revolution one would need support
of army and police.

Switching back to atomic bomb, Hottelet asked whether since gas
was outlawed and not used during World War II, what he thought
chances were of atomic bomb not being used in event of another war.
Litvinov said that depends on attitude of people who have an atomic
bomb. If one side thinks it can bring about quick victory by use of
atomic bombs then temptation will be great. If evenly matched and
if one side feels that its immense area and manpower, resources and
dispersed industry safeguard it to large extent, it will not be too loath
to use it. This would be especially true where public opinion has no
weight, where state leadership has completely conditioned public
mind. Hottelet asked why present leaders who are after all astute and
capable men cling to a patently outworn idea that a river or mountain
range or 1,000 kilometers of ground would provide security. Litvinov
answered, because they are conservative in their thinking and still
follow old lines.

Germany was discussed. It was Litvinov’s opinion that it would
obviously be broken up into two parts. Since all Allies professed to
want unified Germany Hottelet asked would it not somehow be pos-
sible to find single solution. Litvinov answered each side wants unified
Germany under its control. It was his opinion that of all single prob-
lems in world today, Germany was greatest problem.

At end of conversation Litvinov underscored that he was a private
citizen speaking his own individual ideas.

Extent of this statement to a newly arrived correspondent is simply
amazing to us.

Sent Dept 1964, repeated London 290 for Ambassador.

Smith

501 BC Atomic/6-2246 : Telegram

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

RESTRICTED Moscow, June 22, 1948—9 a. m.

[Received 10:42 a. m.]

1966. Emb 1939, June 19.14 Although no reference to contents
Baruch report has yet been made, Soviet press June 21 carries New

14 Not printed.
York Tass dispatch reporting that at June 19 meeting UN Atomic Energy Commission Australian, Canadian, British, Chinese, Brazilian and Mexican representatives announced approval by their respective govts of US proposals advanced by Baruch, and that Gromyko presented Soviet proposal for international agreement which would "ban production and utilization of atomic weapons and provide for destruction of existing stores of atomic weapons". 13 Bulk Gromyko's speech is then quoted. 16

[Smith]

501.BC Atomic/6-2846: Telegram

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

TOP SECRET

Moscow, June 26, 1946—1 p. m.
[Received June 26—10:20 a.m.]

2013. Viewed from this Embassy, Gromyko's atomic control proposal is thoroughly disingenuous proposition which tends to (1) seize for USSR moral leadership on atomic question and (2) obscure the basic issue, which is inspection. I do not think USSR should be permitted to grasp the initiative on so critical an issue. I question whether attempt at logical refutation of Gromyko proposal will suffice. I suggest consideration of our boldly recapitulating moral ascendancy and reemphasizing basic issue of inspection by stating that we are prepared to discuss regulation and control of all weapons of war—not only atomic bomb—provided such discussions should lead to creation of effective international machinery under UNO for unhampered inspection of military establishments and means of production provided we can make such a proposal in all sincerity. 17 If USSR accepts, well and good—we shall have attained the millenium. If USSR equivocates or refuses, then Soviet pretensions will have been exposed for what they are worth. The one vital factor which we are

13 For documentation in regard to the United Nations Atomic Energy Commission activities, see vol. I.
16 For text of the proposals made by Andrey Andreyevich Gromyko, the representative of the Soviet Union at the United Nations, see New York Times, June 20, 1946, p. 4.
17 In a memorandum dated June 27, 1946, Llewellyn E. Thompson, Chief of the Division of Eastern European Affairs, stated: "Ambassador Smith's view as reported in his telegram 13, June 27, that basic issue in the atomic control question is that of inspection is certainly correct. If his proposal that we state we are prepared to discuss regulation and control of all weapons of war would in fact recapture moral ascendancy for us and re-emphasize the basic issue of inspection, then it might be worth trying. I feel obliged to point out, however, that such a move might have the opposite effect and obscure the issue." (501.BC-Atomic/6-2746)
unable to evaluate here is the effect of such a proposal on US public opinion in its relation to our own plans for defense and security.

Department please repeat to Paris for Secretary as Moscow’s 220.

Smith

861.00/7-1546

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

SECRET

Moscow, July 15, 1946.

No. 234

[Received July 26.]

Sir: I have the honor to report that items which have appeared recently in the Soviet press indicate increasing sternness toward elements considered unreliable for the tasks assigned to the Soviet people by the leaders of the Communist Party. This impression has been strengthened by personal observations of members of the Embassy staff, which are reported herein.

The editorials in both of the May issues of Bolshevik, the chief theoretical journal of the Communist Party, emphasized the necessity for a struggle against “capitalist survivals” and the “influence of hostile ideology” among the Soviet people. Bolshevik, No. 10, for May, called for struggle against “penetration of alien influences among the youth.”

This campaign has now been carried into Pravda, the Party newspaper. Pravda for July 7, in a front page editorial on the publication of Stalin’s works, stated that to fulfill the gigantic tasks facing the Soviet Union it was necessary to intensify the struggle with the “survivals and the influences of hostile ideology.” The most menacing note yet struck was the statement in Pravda, for July 11, that the weakening of self-criticism in Party organizations leads to weakening of “Party vigilance” and facilitates the “activity of anti-State elements.” This statement was contained in an item criticizing the work of the Altai Krai Party organizations.

In practice, such a campaign tends to cause intensification of measures, both within and outside the Party, designed to remove the carriers of ideological contamination. The regime’s political disinfecting agency of course is the political police. Several instances of tightening of police controls have come to the Embassy’s attention within the past month.

Several Soviet citizens who have, or have had, contacts with members of the Embassy, have recently been shadowed by plain-clothes men and then called in for questioning by officers of the Ministry of State Security. In one of these cases, the person questioned was grilled regarding the attitude of an American acquaintance toward
the Soviet regime. The persons called in have been warned that disclosure of this fact would be severely punished.

[Certain instances of what was rumored to have happened to individuals who had had association with Western influences are here omitted.]

It is rumored that as result of disagreement with high Soviet official, Zhukov asked to be relieved and reassigned where he could be of use. Three messages from Assistant Naval Attaché in Odessa appear to establish fact that Zhukov is in Odessa or will shortly arrive there to command Odessa Military District.\(^{15}\)

Respectfully yours,

W. B. SMITH

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862.20211/7-1846: Telegram

The Secretary of State to the Ambassador in the Soviet Union

(Smith)

WASHINGTON, July 18, 1946.

1312. Sov. Navy Lieut. Nicolai Redin acquitted July 17 by US Federal Court jury on espionage and conspiracy charges. Further info re trial and newspaper reports will be forwarded Emb.\(^{19}\)

BYRNES

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711.61/7-2346: Telegram

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

CONFIDENTIAL Moscow, July 23, 1946—6 p.m.

[Received July 23—4 p.m.]

2258. During past 2 months Soviet propaganda offensive against USA has been stepped up while that against Britain has diminished.\(^{20}\)

Anti-American campaign in Soviet press has sought to convince Soviet and world publics that USA has deserted Roosevelt heritage and is rapidly succumbing to militarist, imperialist and expansionist tendencies incompatible with international peace and security. This constitutes radical departure from previous line of editorial restraint

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\(^{15}\) Marshal Georgy Konstantinovich Zhukov was suddenly demoted in June 1946 from being Deputy Minister of Armed Forces and Commander in Chief of Ground Forces to Commander of the Odessa Military District.

\(^{19}\) Further information and newspaper clippings were enclosed in instruction 1296, July 26, 1946, to Moscow, not printed. Redin’s trial was held in Seattle before Federal District Judge Lloyd Black. On July 17, the jury acquitted Redin on all charges. According to newspaper reports he expressed his thanks for a fair trial.

\(^{20}\) A letter from Ambassador Smith to the Secretary of State on July 18 enclosed a memorandum of the previous day, which stated in part: “Soviet propaganda is at the present time attacking the United States with an unremitting ferocity which not only equals but in certain respects exceeds the severity of its previous campaign against the British.” (T11.00/7-1846)
toward US policy coupled with continuous violent attacks on "British imperialism". Shift is illustrated by scholarly hand springs of historian Tarle. In March he argued that USSR and USA have tradition of "unvarying political friendship" grounded in common basic interests. In June he voiced Soviet defiance of "pax Americana" and alleged Nazi pattern in US Govt labor policies.

Meanwhile, Soviet press has tended to tone down, though not to suspend, campaign against Britain. British policy in Middle East, Mediterranean, Indonesia and Spain is intermittently criticized, but "British imperialism" no longer looms up in Soviet propaganda as major menace in international political arena. This reorientation is strikingly reflected in Pravda article July 4 which cites statement of British trade unionist Selph that "worsening of Anglo-Soviet relations seriously disturbs me. Labor Govt is supporting reactionary policy of collaborating with imperialist America." Selph, concludes Pravda, supported resolution of trade union conference that "Existing foreign policy difficulties, particularly with respect to USSR, will be overcome with aid of collaboration."

Both these trends are necessarily a result of specific directives handed down by party propaganda authorities. We have had evidence of this in informal statements made to member of Embassy staff by a Soviet expert on foreign high education who was recently compelled by internal censorship authorities to delete favorable sections from an article on American higher education but subsequently cautioned by same organ to go easy on criticizing British education. Also worthy of note is informal conversation at July 4 Spaso21 reception in which Soviet journalist who is personally quite friendly toward Americans told an American and Britisher in significant jest that he would "rather be in blox" with latter than with former.

Finally, as perhaps another gesture toward Britain, Soviet Govt has without hesitation accepted Admiral Fraser's22 suggestion that he visit USSR. He arrives Leningrad this week on carrier Triumph with destroyer escort.

We feel it would be an error to deduce from foregoing evidence that USSR has made a basic change in strategy. We believe rather that change is tactical one tentatively being tried out. Fundamental strategy remains same—to split Anglo-American alignment.

Explanation for shift probably lies in one or all of complex of reasons: (1) change of tactics because first experiment failed to achieve strategic end, (2) reaction of a hypersensitive amour-propre to toughened and more alert American policy, (3) an effort to cause

21 Spaso House was the residence of the American Ambassador in Moscow.
22 Adm. Bruce Fraser, Baron of North Cape, Commander in Chief of the Eastern and Pacific Fleets, 1944–1946.
anxiety in certain groups in USA who feel that a firm policy toward USSR may lead to serious consequences, and (4) a possible feeling that economic unrest and dissension in USA may now be more susceptible of exploitation than it formerly was.

Smith

861.00/6-2846

Memorandum by the Assistant Chief of the Division of Eastern European Affairs (Stevens)23

[WASHINGTON,] July 26, 1946.

The address by Oleshchuko which is reported in the attached despatch from the Embassy at Moscow is one of the most significant pronouncements on Soviet policy which has recently come to the attention of the Division.24 It throws a great deal of light on the present Soviet attitude toward the United States and clarifies in considerable measure the underlying reasons for the vituperative press campaign against the United States which has now been going on for over two months. Oleshchuko’s thesis is that notwithstanding the victorious conclusion of the war the struggle against Fascism is continuing. He states that “Fascism is a manifestation of capitalist society in its imperialistic phase” and thereby associates it with all non-democratic (i.e. non-communist) states. Fascism is supported by “reactionary” forces in capitalistic countries. Both the United States and Great Britain are supporting Fascism in the hope of using it to fight democracy and the Soviet Union. The United States is much the greater menace since it emerged from the war as the strongest of capitalist countries. Fascism can be defeated only by striking heavy blows against the reaction which nourishes it and uses it as a weapon. The reactionary forces of the world are now larger than the Fascist forces and the next step is accordingly to weaken reaction.

Oleshchuko admits that the communist parties in the United States and Great Britain at present have little influence. He states, however, that democracy (i.e. communism) is on the upsurge and has become so strong that all plans of reaction against democracy have failed.

23 This memorandum was directed to Llewellyn E. Thompson, Chief of the Division of Eastern European Affairs, and to John D. Hickerson, Deputy Director of the Office of European Affairs.

24 A lecture entitled “The Struggle of the Democratic Forces for the Final Defeat of Fascism” had been given in the Dom Sovn at June 7, 1946, by Fedor Nesterovich Oleshchuk, assistant head of the Chief Administration for Propaganda and Agitation under the Central Committee of the Communist Party. The address was first reported in telegram 174, June 22, 1946, 6 p. m., from Moscow, with the remark that this speech contained “perhaps most outspoken Soviet public attack on USA and UK since German attack on USSR”. (861.00/6-2246) The lecture was summarized in dispatch 191, June 28, 1946, from Moscow. (861.00/6-2846).
The strength of world democracy is based on the existence of the Soviet Union which Oleshchuko places squarely in the camp opposed to the United States and Britain in the struggle against reaction. The role of the Soviet Union is three fold: 1. not to oppose the development of democracy (communism) while the Western Powers are doing everything possible to hinder its development; 2. to support “popular national liberation movements” everywhere and to extend active aid to democratic movements in countries on the border of the Soviet Union and elsewhere. In this connection Oleshchuko points out that the Soviet Union has furnished arms to Poland and the inference is clear that it is likewise prepared to arm “national liberation movements” elsewhere; 3. to support democratic movements at international conferences.

In conclusion Oleshchuko points out that the Soviet Union has emerged from the war as the greatest power in the world.

This lecture was delivered before a small audience of about forty persons. The size of the audience, however, is no indication of the importance of this pronouncement. Public lectures in the Soviet Union are given for the benefit of party propagandists and agitators to provide amplification and background to propaganda themes which are played in the press. Our experience has been that these lectures frequently forecast new political moves by the Soviet Government or the emergence of new propaganda lines and that they are considerably more enlightening regarding the real objectives and motivation of Soviet policy than the most stereotyped material appearing in the press.

The conclusion to be drawn from this lecture, and which is amply supported by other evidence which has become available in the past few months, is that the United States is now regarded as the chief center of world reaction and as such will be regarded by the Soviet Government and held up to the Soviet people as the principal potential enemy of the Soviet Union.

FRANCIS B. STEVENS.

125.077/7—2946: Telegram

The Acting Secretary of State to the Chargé in the Soviet Union.
(Dubrow)

SECRET

WASHINGTON, July 29, 1946—7 p.m.

1377. Navy advises Nav Attaché in Moscow has been informed that Sov Command requests branch offices of Asst Nav Attaché Archangel, Odessa and Vladivostok be closed and personnel withdrawn soon as possible. Dept has had under consideration request from WSA supported by Navy and Comc that permanent consulate be established at Odessa.
Unless you perceive objection, request concurrence SovGov in immediate opening Am Consulate Odessa. Dept has in mind relatively small office of perhaps two career officers and small clerical staff. It is suggested that at same time you press for favorable reply this Govs proposal to open consulate in Leningrad.

In event FonOff should assert that opening of consulate in Odessa is matter for Ukrainian Gov you may point out that three branch offices of Nav Attaché as well as consulate in Vlad were established in agreement with central Gov and have conducted their business with its reps rather than with Govs of various Constituent Republics. Dept desires if possible however avoid raising of this issue.

You may point out that UNRRA shpts are being made to Odessa in both WSA and commercially operated Am vessels and that in addition to normal desire to establish consulate at this important post Dept considers it essential that Amrep be stationed there to render services for these vessels and their crews.

For your info Dept does not feel it can continue to allow SovGov to maintain three consulates in this country in event that this reasonable request is refused.

ACHESON

861.00/8-246: Telegram

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

Moscow, August 2, 1946.

[Received August 2—4:05 p. m.]

3076. Announcement of Military Collegium of Supreme Court of USSR published August 2 press follows in translation.

Recently Military Collegium of Supreme Court of USSR examined case against A. A. Vlasov, V. F. Malshshkin, G. H. Zhilenkov, F. I. Trukhin, D. E. Zakutny, I. A. Blagoveschensky, M. A. Meandrov, V. I. Maltsev, S. K. Bunyachenko, G. A. Zverov, V. C. Korbukov and N. S. Shatov for treason to fatherland and for carrying out as agents of German intelligence active espionage-diversionary and terrorist activity against Soviet Union, i.e., for crimes specified in Articles 58–1 “B”, 58–8, 58–10 and 58–11 of Criminal Code of USSR. All the accused confessed their guilt under charges brought against them. In accordance with point 1 of edict of Presidium of Supreme Soviet of USSR of April 1943,25 Military Collegium of Supreme Court sentenced accused Vlasov, Malshshkin, Zhilenkov, Trukhin, Zakutny, Blagoveschensky, Meandrov, Maltsev, Bunyachenko, Zverov, Korbukov and Shatov to death penalty by hanging. Sentence has been carried out.

DURBROW

25 For discussion about the ukaz of April 19, 1943, making possible the use of the death penalty, see Foreign Relations, 1943, vol. III, p. 848, footnote 70.
The Chargé in the Soviet Union (Durbrow) to the Secretary of State

SECRET

Moscow, August 2, 1946—4 p.m. [Received August 2—10:50 a.m.]

3077. Deptel 1402, August 1.26 Letter sent Dekanovov 27 advising that Naval Observer's offices Vladivostok Archangel are being closed. Request also made for immediate opening Consulate Odessa and that Naval Attaché there be permitted carry on his functions as US Maritime Shipping representative until Consulate is opened. Letter points out need for representative handle UNRRA ships.28

I did not bring up question of Leningrad for following reasons:

1. Ambassador in letter April 19 asked for Consulate Leningrad or, as alternative, Odessa.
2. Two requests for Leningrad are already before Soviet authorities and if not granted we can use threat of closing Soviet Consulates in order to obtain Leningrad later.
3. Since question Odessa is most pressing matter, I felt it advisable to concentrate our immediate effort on its solution.

Dept repeat to Paris for Ambassador Smith 29 as Moscow's 278.

DURBROW

CONFIDENTIAL

Moscow, August 14, 1946—6 p.m. [Received August 15—2:50 p.m.]

3196. Attention of Dept is especially invited to important articles on USA and Britain summarized in Embtel 3194 and 3195, August 14.30 These articles sum up and develop further elaborate anti-American and anti-British ideology which Soviet propaganda machine has been assiduously constructing in postwar period.

Sergeeva's article attempts to reconcile doctrine of Anglo-Saxon bloc

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26 Not printed.
27 Vladimir Georgiyevich Dekanovov, Deputy Minister for Foreign Affairs of the Soviet Union.
28 Text of letter transmitted to Department in telegram 3063, August 1, from Moscow, not printed. (740.00118 E.W./8–146). Telegram 3213, August 15, from Moscow, transmitted the text of Dekanovov's reply in which he stated that the Soviet Government agreed that the American Assistant Naval Attaché could remain in Odessa to fulfill his functions until completion of the movement of UNRRA cargoes through that port (840.50 UNRRA/8–1546).
29 Ambassador Smith was in Paris to assist the Secretary of State at the Peace Conference, held July 29–October 15, 1946.
30 Neither printed; the first telegram summarized an editorial appearing in the current issue of the magazine Bolshevik entitled "Dangerous Tendencies in International Politics", and the second telegram reported upon an article in the New Times magazine for August 1 by Natalya Sergeyevna Sergeyeva, "On Question of Anglo-American Relations." (861.9111/8–1446; 711.41/8–1446)
with Stalinist thesis concerning inevitability of Anglo-American rivalry springing from conflicts of imperialist interests. Author’s frank assertion that “bloc” exists despite all divisive factors may reflect abandonment by Soviet-governing circles of previous expectations that Anglo-American differences would be sufficiently strong and far-reaching to enable Soviets profitably to play off Americans against British or vice versa.

Bolshevik editorial is most comprehensive, violent and hostile polemic against Anglo-Americans printed here since war’s conclusion. Its significant statement that “reactionaries” are employing official policy of Anglo-Saxon countries to implement their “plans of world domination” marks final renunciation by Soviet propaganda machine of distinction drawn during war and after between Government policies of USA and Britain on one hand and policies advocated by “reactionary forces” on other. Presumably intention of this article is to extinguish in party circles (to whom article is primarily addressed) any lingering ideas or hopes that friendly relations are possible between USSR and Anglo-Americans.

Department please repeat to Nanking and Tokyo and to Paris for Ambassador Smith as Moscow's 302.

861.00/8-2246: Telegram

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

CONFIDENTIAL

Moscow, August 22, 1946—7 p.m.
[Received August 22—6:24 p.m.]

3284. Embassy’s telegram 3281, August 22.  Follow-up of attack against Leningrad intellectuals is recantation of Leningrad party organization and writers for their “mistakes” and “defects” reported in Pravda August 22. Zhdanov, who is referred to as “Secretary of Central Committee” of party delivered reports “few days ago” to meeting of active groups of Leningrad party organization and Leningrad writers. Both groups adopted resolutions confessing their faults and giving assurances that they would eliminate them. Chief culprits Zoshchenko and Akhmatova were not given chance to recant but

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31 Not printed.
32 Zhdanov had long been the leading official as Secretary of the Leningrad oblast (regional) Party Committee after the murder of Sergey Mironovich Kirov on December 1, 1934, until December 1945. He directed the campaign in 1946 against Western cultural influences among Leningrad writers and intellectuals.
33 Mikhail Mikhailovich Zoshchenko, satirist and writer of short stories. His story, “The Adventures of a Monkey,” which had portrayed a monkey’s life in a zoo cage as better than that of Soviet people outside, had particularly offended. Expelled from the Writers’ Union in 1946, he lived in obscurity until his death in 1955.
34 Anna Andreyevna Akhmatova, poetess, expelled from the Writers’ Union in 1946, but later resumed activity after the death of Stalin in 1953.
were further vilified. Writers recantation added such respected name as Olga Bergholz and a dozen others to list of literary suspects, accusing them of “propagandizing” writings of Zoshchenko and Akhmatova.

Developments in this witch hunt revealed in today’s Pravda have significant aspects.

1. Assignment of Zhdanov one of top men of regime to humbling of Leningrad intelligentsia shows that this is matter of prime political importance. Its importance is emphasized by inclusion of party organization in recantation, and by publication in Pravda which insures it nationwide publicity.

2. Party’s Leningrad action is most crushing in series of blows recently delivered against Western influences among Soviet people. This influence always fairly strong in non-party circles, was intensified during and immediately after war by gratitude for Allied aid, particularly food, and by direct contacts of Soviet military and other people with Western life. Soviet leaders are now striving to mobilize weary and somewhat disillusioned Soviet masses for hard efforts of forthcoming plans. They need full cooperation of intelligentsia, particularly writers, whom Stalin once called “engineers of human souls”. Writers must zealously propagate faith in superior prospects of Soviet life. They must assist party to spur masses’ efforts to carry out military-economic program by instilling fear and hatred of “bourgeois” West. Zhdanov’s mission to Leningrad must smash any lingering hopes of Soviet intellectuals for return to wartime trend toward opening door to Western World.

3. Leningrad party organizations resolution referred to defects in party control not only in literature but in radio, cinema and theatre, thus broadening scope of campaign of cultural control. Party resolution promised to eliminate defects and to fulfil Central Committee’s instruction “in Bolshevik manner”.

In this connection it is significant that yesterday’s Pravda blast naming secretaries Kapustin and Shirikov of city party organization was first such attack on very high party officials since before war.

4. Leningrad intellectuals fate affords one more proof that under totalitarian state intellectuals must not merely not oppose authorities but must be enthusiastic instruments of dictators will. Leningrad writers promised to begin campaign of “self-criticism” which means that they must assist the party by cracking the whip over their own heads.

Writers resolution concluded on following abject note: “Meeting unanimously assures Central Committee and Comrade Stalin that

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Olga Fedorovna Bergholz (Berggolts), literary writer.

777–752–69——50
Leningrad writers will be able in short time to overcome very great defects in their work and under leadership of Leningrad party organization will find within selves strength and capacity to create works worthy of great Stalinist epoch.”

DURBROW

861.00/8-2346 : Telegram

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

SECRET

Moscow, August 23, 1946—5 p. m.
[Received August 23—1:30 p. m.]

3290. Paris for Ambassador Smith. A source which we consider probably reliable informs us that ideological house cleaning which is turning Leningrad literary and party circles upside down, originated in Orgburo 36 meeting called by Stalin August 18.

According to this source Stalin summoned not only Orgburo but leading authors, theater directors and motion picture producers to Kremlin. Stalin spent evening quizzing leaders of Soviet intellectual and cultural life on political content of their works and upbraided them for failure to assume vigorous ideological leadership. This star chamber session was conducted in tense, uncomfortable atmosphere.

As result of this meeting 120 manuscripts of books, plays, and scenarios being produced or about to be produced have reportedly been banned. If true, this is staggering blow to Soviet fine arts for coming season.

This house cleaning obviously will extend well beyond Leningrad circles. For example, we hear that popular singer Vertinsky is in disfavor and his records banned.

These developments are far-reaching in their significance. They represent most severe step yet taken in ideological cleansing and are symptomatic of Stalin’s determination strengthen party vise on all forms of Soviet life.

DURBROW

861.00/8-2546 : Telegram

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

SECRET

Moscow, August 25, 1946—9 a. m.
[Received August 25—7 a. m.]

3306. Release of Litvinov from position as Junior Deputy Minister
Foreign Affairs is logical culmination of gradual process his exclusion

36 The Organizational Bureau of the Central Committee of the All-Union Communist Party (of Bolsheviks). Elected by the Central Committee for the general direction of organizational work.
from active participation in Soviet foreign relations. Dept will recall that in June he was reported having said he was definitely out of the picture and was functioning only as observer.\(^{37}\)

At this juncture, we believe it useful to recall as well his observations reported at that time based on his conviction that irreconcilable differences between East and West grew out of Kremlin ideology with its insistence on inevitability of conflict between Communist and capitalist considerations.

We have always considered Litvinov a westward looking Soviet official. Although never a member of the Kremlin inner circle and accordingly never as influential as his reputation abroad led many to believe his periods of active participation in Soviet diplomacy coincided with periods of greatest cooperation with the Atlantic community and loudest professions in support of principle of collective security.

Since his dismissal from position as Foreign Commissar in 1938, Litvinov has had no positive role in formulation of Soviet policy despite fact that he was brought out of political obscurity in 1941 and dusted off to serve as a front man to assure full American aid and cooperation in war effort. Since his return here, he has been but a nominal member of FonOff. During this time he has apparently come to conclusion that policies being pursued by Politburo will only lead to further difficulties for Soviet Union and might even lead to eventual open clash with West.\(^{38}\) Announcement of his removal at this time is but another manifestation of Kremlin's decision to relegate cooperation with Western Allies and world organization to secondary position in Soviet policy.

Repeated London as 352, Paris as 327.

\[\text{DURBROW}\]

\(^{37}\) Litvinov was dropped from his position on August 24. For the report of his views in June, see telegram 1664, June 21, from Moscow, p. 763.

\(^{38}\) The Chargé reported in telegram 3388, September 4, 1946, 5 p. m., from Moscow that he had been told by the British Chargé that in a short, confidential talk at a reception two days before "Litvinov was in very pessimistic mood and stated things were going badly and he expected them to get worse. Litvinov stated he was very pleased that anomalous situation which he had occupied for such a long time had been rectified by his release from duties in FonOff. He seemed to be in good health and stated he was pleased that he was now a private citizen." (861.00/3-446)
use of new terminology in daily press was in announcement published August 17 of grant of pensions to family of deceased leader of well known Red Army Ensemble. Notice referred to ensemble as Ensemble of Soviet Army. Since above date numerous references to Soviet Army have appeared in press. Term Red Army now appears to be destined to have only historical significance. Examples of use of new term are its employment in title of editorial in Red Star August 25 on Forces of Rear of Soviet Army, and reference to Soviet Army in first and last paragraphs of Red Star editorial August 27. Other examples have been noted by Embassy. At same time, term Red Army continues to be employed with reference to period prior to apparent introduction of new designation.

Durbrow

861.00/8-3046: Telegram
The Chargé in the Soviet Union (Durbrow) to the Secretary of State

SECRET

Urgent

Moscow, August 30, 1946—10 a.m. [Received 11:15 a.m.]

3354. Paris for Ambassador Smith. As of possible interest to Dept there is given below an analysis as seen from here on various developments on internal front which are now prominent in Soviet press, details of which have been reported separately.

It has sometimes been assumed that because of dictatorial nature of Soviet Govt, its control over population through secret police and party apparatus, Soviet Union could avoid serious difficulties of reconversion and reconstruction which are facing capitalist countries. While because of difference in two systems problem is not exactly same in Soviet Union, it is now becoming clear that internal problems of getting back to Soviet “normalcy” are considerable.

For approximately 27 years (until Red Army invaded central Europe) Soviet Union has been to all intents and purposes hermetically sealed from outside world, population has been daily told that their plight was better than in most countries of world, and that in not too distant future life in Soviet Union would equal and surpass rest of world. People during three 5-year plans and devastating war have been urged to work harder and harder and tighten their belts and were led to believe that if they did good job, they would be rewarded by greater comforts and easier life.

These hopes have not been fulfilled. Instead, Soviet people have been told they must continue to work hard during at least three more 5-year plans which are to be devoted primarily to production of capital rather than consumers goods.
During war millions of Soviet citizens in Red Army had their first opportunity to make comparisons between life in Soviet Union and other countries. They undoubtedly noted that, in general, peasant or worker of central and eastern Europe lived better than they did. Amount of “liberated” cars, clothes brought back from West is concrete evidence to masses that individuals in other countries had more comforts than under Soviet system.

These various factors have undoubtedly caused many misgivings and doubts to arise in minds of large numbers of Soviet citizens. (Recently members of staff on trips through country have picked up concrete evidence of grumbling and discontent). In an effort to combat this development it will be recalled that just year ago Kalinin, in closed session, addressed large group of political agitators admonishing them to explain to masses that all was not gold which glittered in outside world. Apparently agitators were not too successful in their efforts to reach people and convince them. Therefore, a few months later Kalinin’s address was published in order to reach larger audience. This step also did not bring desired results.

It appears, therefore, that authorities on basis of soundings taken realized (1) that throughout population there was general apathy and desire to take it easy after splendid, Herculean efforts they had made to help win the war, (2) that zeal of party members was wearing thin and they were identifying themselves too closely with bureaucrats of economic apparatus in order attain with latter individual benefits and easier life, and (3) that industrial plant because of war destruction, lack of maintenance and excessive wear and tear was in much worse condition than they had at first realized. These natural developments must be coupled with fact that during war artificial stimulants and controls ordinarily called for under Soviet system were replaced by natural patriotic fervor and that now with latter incentive gone, controls of party and perhaps police must be tightened. Realizing this general situation, authorities apparently decided fairly drastic measures would have to be taken to get apparatus back on track and recoup setbacks soon as possible. They apparently also decided that deterioration of basic industry set up was such that they could not devote major part of national effort to production of consumers goods. Promises of better life had worn thin and in order to combat apathy and rebuild industrial base they had, after defeat of Hitler and his allies, to conjure up new boogieman, real or fictitious, in effort to frighten people into putting their shoulder to wheel. For this purpose they revived during electoral campaign, particularly in Stalin’s aggressive and provocative speech of February 9, 1946, temporarily dis-

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39 For summary of main points of speech, see telegram 408, February 12, 3 p. m., from Moscow, p. 694.
carded spectre of “capitalist encirclement”. Whatever Kremlin’s views may be regarding imminency of open hostilities in what they believe to be inevitable and continuing struggle with foreign capitalism, we believe that immediate purpose of emphatic reintroduction of this specter is to spur masses to greater efforts in building Soviet might and power.

These efforts to whip up enthusiasm for coming 5-year plans have not yet given desired results. People want more of good things of life. Furthermore, capitalist encirclement boogie has not yet quelled feeling of friendliness or respect on part of masses for war time allies of Soviet Union. There seems to be some reason to believe that rumored differences between high army officers and party, manifested by disappearance of Zhukov from center of stage, may well be partly connected with this development. It has been rumored that some of these officers have felt that aggressive political policy of Soviet Govt in international arena may lead to serious consequences for which country is not militarily or industrially prepared. Furthermore, it is possible that these officers, who had close contact with Western armies, appreciate more fully military strength of West and, therefore, have misgivings regarding aggressive policy now being followed.

Other recent developments, such as attack on Western influence among writers, theater and movie producers, and broadcasters, sharp criticism of lack of discipline in party controls, corruption in industrial field, and general apathy all along line, give further indications of serious problems by authorities on internal front.

Nature of Soviet system is such that if party controls break down, whole system will tend to come apart at seams. Other methods having so far not brought about desired results, it now appears that authorities have fallen back on their time-honored method and only one they fully understand—attainment of desired results by threat of force and fear, backed by ideological verbiage and revival of their well-known safety valve—self-criticism. Whether methods of public denunciation now being used will attain desired results or whether in end it might become necessary to carry on fairly large scale purge is probably yet undetermined.

Up to present moment evidence points to fact that authorities hope to bring about desired results without having to revert to a purge, which in itself would further weaken apparatus because of its demoralizing effect. There are too few technicians and experts in country who are capable of running industrial plant, so that authorities cannot afford, if they can attain ends by other means, to lose their services through purge.
There are no indications that these developments, although undoubtedly serious, reflect anything like breakdown of system. Party still retains control, should weather storm, and recoup at least some of ground lost during war. These developments do indicate, nevertheless, that at least for time being and most likely for some time to come Soviet authorities are facing serious internal problems in returning to “normalcy”.

Thus, to still unresolved stresses and problems of Soviet system there have been added additional internal difficulties arising out of war which constitute prime factors in any evaluation of Soviet strength.

DURBROW

861.111/8-3146: Telegram

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

RESTRICTED

Moscow, August 31, 1946—9 a.m.
[Received August 31—7:34 a.m.]

3360. Deptel 1533, August 21,40 regarding Soviet wives. Mrs. Elliot Shirks, Mrs. Kemp Tolley and Mrs. Zaccheus Richardson departed Leningrad August 18 for Stockholm. Plans from there unknown. Mrs. Lawrence Eugene left Moscow by plane for Odessa and leaving there by boat on 1 September. Mrs. Byron Uskievich has just left hospital after childbirth and has not yet actually received exit permit. Any future plans will be reported.41

DURBROW

861.2423/9-1346: Telegram

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

TOP SECRET

Moscow, September 13, 1946—11 a.m.
[Received 12:27 p.m.]

3475. Naval Attaché reported September 13, alleged description of Soviet atomic bomb tests reported to have taken place near Chita.

We have discussed this report in detail with Naval and Military Attachés and are in general agreement that circumstances surrounding story suggest that it was inspired for foreign consumption. Furthermore, it appears to fit in context of other recent Soviet atomic rumors and intimations, none of which appear to have substance,

40 Not printed.
41 The Chargé reported in telegram 4022, October 31, 1946, 4 p.m., from Moscow, that Mrs. Uskievich had finally succeeded in obtaining a Soviet passport and exit visa on October 25, and had left Moscow on the following day for the United States by way of Stockholm (861.111/10-3146).
vague statements by agitator at a Moscow factory last spring that USSR had produced atomic bomb, announcement at a variety show in July that first Soviet atomic bomb had been exploded, statement by Soviet observer upon return from Bikini that USSR would soon conduct tests.

This atomic gossip fits in with general pattern of Soviet display of military might most recently exemplified in ostentatious tank parade September 8.

While we are inclined to view with considerable skepticism specific atomic rumors which have come to our attention, we do not feel it would be safe to assume in general that USSR has not yet developed atomic bomb. Until there is pretty conclusive evidence one way or another, it would seem to be sound to proceed on assumption that USSR may have produced and tested or will soon produce and test atomic bombs.

DURBROW

711.00/9-1646 : Telegram

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

Moscow, September 16, 1946.

[Received September 16—6:31 a.m.]

3484. While reproducing lengthy passages from Pepper’s 42 and Robeson’s 43 speeches at Madison Square Garden, Soviet press September 15 carries only following brief allusion Wallace’s speech: 44

“Wallace and Senator Pepper appealed for improvement in Soviet US relations and demanded return Roosevelt’s foreign policy.

Audience loudly applauded those portions Wallace’s speech in which he censured imperialism and speculation on threat of war, and it greeted with shouts of disapproval certain of his statements directed against USSR.”

This is first reference to his speech that has appeared in Soviet press.

Sent to Dept as 3484; repeated AmEmbassy Paris 358, AmEmbassy London 369.

DURBROW

42 Claude Pepper, Senator from Florida.
43 Paul Robeson, Negro singer and leader.
44 Speech given by Secretary of Commerce Henry A. Wallace on September 12, which contained passages critical of the foreign policy being followed by President Truman and Secretary of State Byrnes, especially toward the Soviet Union. For text, see the Washington Post, September 13, 1946, p. 16. For remarks made by President Truman in regard to this speech at his news conference of September 12, see Public Papers of the Presidents of the United States: Harry S. Truman, 1946 (Washington, Government Printing Office, 1962), pp. 426–428 passim; and for remarks at his news conference of September 20 when he announced that he had asked Secretary Wallace to resign from the Cabinet, see ibid., p. 431.
711.61/9–1846: Telegram

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

SECRET

Moscow, September 18, 1946—4 p.m.

[Received September 18—1:20 p.m.]

3503. Paris for Ambassador Smith. Day in day out during past months tom-toms of Soviet propaganda have beat out themes that American and British reactionaries are seeking to foment new war against USSR.46 Purpose of this incessant drumming is to (1) raise and keep alive opposition in USA and Britain to firm policy toward USSR and (2) spur Soviet masses by means of specter of coming war to all out effort on 5-year plan.

This propaganda despite its arrant hypocrisy has apparently been somewhat effective in certain quarters abroad. It has served to excite certain naive and unstable elements in the West to extent that they overlook beam in Soviet eye while denouncing mote in Western eye.

Domestic Soviet reaction, however, is somewhat more complicated. There is no doubt that propaganda line has conjured up widespread fear of new world war. We have received scattered reports indicating this from local sources, from Baltic States, Ukraine, Caucasus, Belo-Russia, and Soviet Far East. Our impression is that while this war talk may have in some measure spurred productive effort and heightened armed forces morale, for most part it has had depressing effect.

Sentiments expressed by average Soviet citizen are those of anxiety and distress over prospects of another war and bewilderment as to why USA and Britain should "want" it. Many say they are so weary they cannot face new conflict. They are anxious to seize any straw of reassurance that our policy is one of peace. We feel these sentiments reflect true attitude of Soviet masses whose emotional and physical exhaustion is a greater factor than is perhaps realized anywhere outside USSR.

Dept please repeat to Nanking and Tokyo.

Durrow

711.00/9–2046: Telegram

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

RESTRICTED

Moscow, September 20, 1946—8 p.m.

US URGENT

[Received September 20—4:52 p.m.]

3532. Wallace speech has received belated but extensive coverage in

46 In the immediately following telegram, No. 3504, September 18, 4 p.m., the Chargé declared: "Growing misapprehension on part of Soviet public that US is seeking to foment world war against USSR underlines importance of our beginning at earliest possible date broadcasting in Russian to Soviet people. As we have often said, radio is only channel through which US can speak daily directly and without censorship to Soviet people." (711.61/9–1846)
Soviet press. Its salient points on foreign policy were accorded column
and half summary September 18. These were accompanied by dis-
patches affirming that President had given speech full approval as in-
line with Byrnes’ policy, that he had later rectified his statement to
indicate he meant approval only Wallace right to speak \(^{46}\) and that
President’s prestige at home and abroad had suffered because Byrnes
had compelled him to withdraw his original approval.

Wallace issue was highlighted September 20 in all Moscow papers
with three column spreads of July 23 letter to President.\(^ {47}\) Also
featured was Wallace press conference announcing friendly conver-
sation with President as result of which Wallace proposed to make no
more speeches until after Paris Conference.

Department please repeat to Paris.

[DURBROW]

761.00/9-2446: Telegram

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

Moscow, September 24, 1946.

[Received September 24—2:20 p.m.]

3562. Translation follows Stalin’s answers in Soviet press Septem-
ber 24 to questions by Sunday Times correspondent Alexander Werth
in his note to Stalin of September 17:

Question: Do you believe in real danger of “new war” about which
there is so much irresponsible talk throughout world at present time?
What steps should be taken for prevention of war if such danger
exists?

Answer: I do not believe in real danger of “new war”.

The furor about “new war” is being raised now mainly by military
political reconnoiterers and their numerous supporters from ranks of
civilian officials. They need this furor if only to: (a) frighten with
spectre of war certain naive politicians from among their partners
and thus assist their governments in wrestling greater concessions
from these partners; (b) hinder for certain length of time reduction of
military budgets in their countries; (c) put brake on demobilization of

\(^{46}\) See footnote 44, p. 782.

\(^{47}\) This long, controversial letter had been written by Wallace to the President
because he had been disturbed by the trend of international affairs since the end
of the war. It had appeared in the press on September 18; for text, see New

In reporting a Pravda appraisal of September 22 of the significance of the
Wallace resignation, the Chargé in telegram 3557, September 24, 1946, from
Moscow, quoted in part from the article: “His resignation which came as result
President’s decisions which followed one another in purely American tempo
naturally means victory for Right Reactionary Wing Democratic Party. But
this victory can be Pyrrhic victory because Democratic Party is clearly frittering
away last remnants Roosevelt’s heritage. In any event l’affaire Wallace graphi-
cally demonstrates that present aggressive US foreign policy is not approved
by broad circles of population despite manner in which monopolistic press, which
least of all reflects US public opinion, describes it.” (711.00/9-2446)
troops and thus prevent rapid growth of unemployment in their countries.

It is necessary to make strict distinction between furor about “new war”, which is being raised at present time, and real danger of “new war” which does not exist at present time.

**Question:** Do you consider that Great Britain and USA are deliberately creating “capitalist encirclement” of Soviet Union?

**Answer:** I do not think that ruling circles of Great Britain and USA could create “capitalist encirclement” of Soviet Union, even if they wanted to, which, however, I cannot assert.

**Question:** Speaking in words of Mr. Wallace’s recent speech, can Great Britain, Western Europe and US be assured that Soviet policy in Germany will not be turned into weapon for Russian designs directed against Western Europe?

**Answer:** I consider use of Germany by Soviet Union against Western Europe and USA out of question. I consider it out of question not only because Soviet Union is bound by treaty mutual aid against German aggression with Great Britain and France, and by decisions of Potsdam Conference of three Great Powers with USA, but also because a policy of utilizing Germany against Western Europe and USA would signify departure of Soviet Union from its fundamental national interests.

In short, policy of Soviet Union on German question amounts to demilitarization and democratization of Germany. I think that demilitarization and democratization of Germany are one of the most important guarantees for establishment of firm and lasting peace.

**Question:** What is your opinion with regard to accusations that policy of Communist Parties of Western Europe “is dictated by Moscow”?

**Answer:** This accusation I consider absurd—borrowed from the bankrupt arsenal of Hitler and Goebbels.

**Question:** Do you believe in possibility of friendly and lasting cooperation between Soviet Union and Western democracies despite existence of ideological divergencies of view, and in “friendly competition” between two systems about which Wallace spoke in his speech?

**Answer:** I unqualifiedly believe this.

**Question:** During visit of Labor Party delegation here, you, as I understand, expressed confidence in possibility of friendly relations between Soviet Union and Great Britain. What would assist establishment of these relations which are so earnestly desired by wide masses British people?

**Answer:** I am really confident of possibility of friendly relations between Soviet Union and Great Britain. Establishment of such relations would be greatly assisted by strengthening of political, trade and cultural ties between these countries.

**Question:** Do you consider that the speediest withdrawal of all American troops from China is a vital necessity for future peace?

**Answer:** Yes, I do.

**Question:** Do you believe that virtual monopolistic possession by USA of atom bomb is one of main threats to peace?
Answer: I do not believe atom bomb to be such a serious force as certain politicians are inclined to consider it. Atom bombs are designed to frighten the weak-nerved, but they cannot determine the outcome of war since for this atom bombs are utterly insufficient. Of course, the monopolistic possession of the secret of atom bomb creates a threat, but there exist at least two remedies against it: (a) monopolistic possession of atom bomb cannot long continue; (b) use of atom bomb will be prohibited.

Question: Do you suppose that with further advance of Soviet Union towards communism possibilities of peaceful cooperation with outside world will not be diminished, so far as Soviet Union is concerned? Is "communism in one country" possible?

Answer: I do not doubt that possibilities of peaceful cooperation not only will not diminish but may even increase. "Communism in one country" is entirely possible, especially in such country as Soviet Union.


Durbrow

761.00/9-2546 : Telegram
The Chargé in the Soviet Union (Durbrow) to the Secretary of State
SECRET
Moscow, September 25, 1946—6 p. m.
US URGENT
[Received 6:14 p. m.]

3572. Stalin’s answers to questions posed by Alec Werth represent in our opinion tactical maneuver rather than pronouncement of strategic policy.

Stalin’s statements seem to have two immediate tactical aims:

1. To strengthen elements in USA advocating appeasement of USSR. Stalin’s release of his exchange with Werth is timed to capitalize on Wallace affair.

2. To tempt British Government elements with prospect of collaboration with USSR in hope that this might develop rift between USA and British which according to Stalinist doctrine must culminate in conflict between two last strongholds of capitalism. This move is a follow up on overtures made to Labor Party representatives who visited USSR some weeks ago.

At the same time Stalin’s comments may have wider connotations. We say this because several of Stalin’s statements, conspicuously his denial of capitalist encirclement, seem to contradict ideological line vigorously plugged since February. We shall not know for some time to come whether Stalin’s replies to Werth signify a broad departure to a new tactical line. We would suggest however possibility of following parallel:

Early this year Soviet policy in Iran utilized tactics of open military intervention and intimidation. Kremlin apparently counted on
post-war demoralization of Western democracies to render UNO ineffective. Early in March it became evident that policy of saber rattling and bluff in Iran was not going to work against aroused conscience and determination of Western Powers. Stalin’s reply to questions posed by AP correspondent Gilmore regarding Soviet attitude towards UNO was one of symptoms of Soviet change of tactics in Iran from overt intimidation to covert political machination.

During past several months USSR has been talking and acting tough to Western democracies. These tactics have failed to intimidate USA and Britain. Rather they have resulted in increased firmness in American and British policy. Final demonstration of resolute American policy was showdown on Wallace. Stalin may now estimate that he had best change his truculent tune. He may feel that his bluff had been called and from now on he would do well to follow a somewhat more circumspect policy. If this is so his replies to Werth are probably indicative of the new line.

There are valid domestic reasons, as well as foreign ones, for possible revision of foreign policy pursued heretofore. Overall reason may be that Stalin is not able to back up, excepting in most immediate terms and only in certain areas, truculent foreign policy. Soviet industry is in comparatively bad shape. Rate of reconstruction and new construction is by American standards unbelievably slow. Difficulties have grown up in collective farm system which is now being radically overhauled. There are symptoms of uneasiness and discontent in armed forces. Intelligentsia, which should be a source of enthusiasm and spiritual vitality, has been considerably demoralized as result of dragooning by Communist Party. This unhealthy situation has been aggravated by anxiety of Soviet public over constant hammering by Soviet propaganda of possibility of new world war. This anxiety, as we have pointed out, has not contributed to Soviet morale.

Whether foregoing foreign and domestic reasons for tactical change in line will be acted upon remains, as stated above, to be seen. Stalin may choose to allow apparent contradiction between his replies to Werth and recent published party line to remain unresolved. Or he may feel that Soviet propaganda should adopt somewhat more conciliatory tone. There are precedents in past Soviet policy for either course.

Whatever tactical course he follows there is no reason to believe that it involves any change in basic long term strategy.

Dept please repeat to Tokyo and Nanking. Also to Paris as Moscow’s 377.

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

RESTRICTED

No. 445

Moscow, October 2, 1946.

[Received October 15.]

The Chargé d’Affaires ad interim has the honor to enclose a full summary prepared by the Joint Press Reading Service of an article entitled “On the Dictatorship of the Working Class in Our Country” published in Komsomol’skaya Pravda for September 28. This article is interesting in the following respects.

1) It asserts the necessity for a continuation of the “dictatorship of the working class” until two conditions are fulfilled. These are the achievement of “full communism” within the USSR and the liquidation of “capitalist encirclement” without.

2) It emphasizes that the dictatorship of the proletariat must be continued because of the existence of “capitalist encirclement” of the USSR. It will be recalled that three days before this article appeared Stalin, in reply to one of Werth’s questions, had expressed doubt that the British and American “ruling circles” could create “capitalist encirclement” even if they wished to.

3) It links the concepts of “survivals of capitalism” and “capitalist encirclement”, stating that the former are “nourished” by the latter. This formulation, to the Embassy’s knowledge, goes further than any other Soviet press statement since before the war in suggesting a system of thought which might rationalize the continued existence in the USSR of attitudes considered harmful or dangerous by the Soviet leaders. These two concepts, usually implied but here bluntly enunciated, are the basis of present Soviet propaganda regarding both domestic and foreign politics.

The concept of “survivals of capitalism” bears a certain resemblance to the doctrine of original sin. The present article suggests this comparison, using the metaphor “the birthmarks of capitalism”. Like sin, capitalism appears to be full of temptation since it is capable of “nourishing” from outside its “survivals” inside the USSR, despite the Party’s careful ideological insulation and disinfection measures.

4) The connecting of “survivals of capitalism” and “capitalist encirclement” in this article is one of many recent manifestations of traditional hostility to capitalism in the Soviet press. Gradually a pattern is being recreated which can be and doubtless is already being used to justify accusations of disloyalty to the USSR on the part of persons whom the authorities consider are under influences emanating from the “capitalist encirclement”.

* Not printed.
Moscow, October 4, 1946—11 a. m.
[Received 5:17 p. m.]

3652. Emb’s 3572, September 25. So far as Soviet press is concerned, Stalin’s answers to Werth has not brought about broad departure to new tactical line. Not only did press fail to comment editorially on Stalin’s statements, but propaganda has continued in contradiction to them. Not a day has passed but that apparition of American and British aggression has continued to be conjured up in Soviet press. Far from playing down dogma of capitalist encirclement there appeared in Komsomolskaya Pravda September 28 most uncompromising statements on this doctrine since 1930:

1. “Remnants of capitalism are fed by capitalist encirclement in which our country finds itself”.

2. “Most important function of dictatorship of working class is defense of Socialist conquests against attacks from outside. While we live in capitalist encirclement danger of military attack from outside exists”.

3. “Even under complete communism, if capitalist encirclement is not abolished, state will be preserved, and consequently dictatorship of working class as well as guiding role of party in this dictatorship”.

4. “But state and dictatorship will wither away under communism, if capitalism encirclement is liquidated”.

Flow of material on capitalist encirclement and forebodings of coming war have continued not because Stalin’s statements were only for export and were overlooked in bulk of Soviet publications. Werth–Stalin exchange had full domestic news coverage. Even journal Soviet Sport (perhaps nervous lest it again be charged with a political interest only in “sport for sport’s sake?”) carried these questions and answers in leading position on front page. And Pionerskaya Pravda, paper published for pioneers (children age 10 to 15), devoted more than half of front page to this historic quiz program. So it is not for lack of knowledge of what Stalin said to Werth that Soviet press has proceeded as though Stalin had never pronounced comparatively conciliatory sentiments to Western democracies.

These developments seem to confirm suggestion that Stalin’s pronouncement was only limited tactical move.

We feel that effect abroad was intended to be that set forth in first part our tel 3572, September 25 to give ammunition and encouragement to those elements in USA and UK, advocating appeasement of USSR so that they can confuse issues for some time to come. We still feel
that domestic reasons for Stalin’s statements were to relieve, however briefly, fear of immediate war which was growing among Soviet masses. In this connection, it is interesting that both Werth and London Times correspondent Parker (a sedulous fellow traveler) have told us they believe statements were designed more for domestic than for foreign consumption. Parker stated that Soviet people had become so alarmed by war talk that they questioned utility of rebuilding that which was about again to be destroyed. Our impression is that popular anxiety has been only momentarily relieved. Increased prices and cuts in bread rations have given rise to fear Government building up war reserves. An example of this anxiety is statement made a few days ago by a Soviet contact that remembering food shortages of last war she has begun to lay aside supplies of food stuffs for forthcoming conflict.

Conclusion on domestic score appears to be that while Stalin felt it desirable to give temporary respite from mounting anxiety of war, he believes Soviet masses must even at risk of inducing despair be goaded to greater production by continuing fear of eventual external attack.

Dept please pass to Paris as Moscow’s 390; repeat to Nanking, Tokyo, and London.

Durbrow

861.761/10-946: Telegram

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

CONFIDENTIAL

Moscow, October 9, 1946—10 p.m.

[Received October 9—4:41 p.m.]

3795. Representatives of American broadcasting companies here, Hottelet of CBS, Magidoff of NBC and Stevens of ABC, were told yesterday that their future broadcasting time on Moscow radio was cancelled. In response to their repeated inquiries, they were told that Soviet broadcasts were being rearranged and that after reshuffle was completed, it was found that no time was available for broadcasts by foreign correspondents. They requested interview with Foreign Office press department which was granted for evening October 9, but was cancelled same day. They are still negotiating for interview in which they will seek to discover whether ban is final or temporary.

Only other radio correspondent is Danish Press Attaché. Americans believe ban also applies to him but are unable to determine conclusive why that such is case because Dane is ill.

Smith
3900. Confirmation that Soviet press is instrument of Communist Party, which can speak only with Party’s voice, and of importance of careful study press in following Soviet policy lines was contained in Culture and Life No. 4, July 30.

Article in that authoritative publication stated that it was pertinent to recall party directive of 1922 re editorials in provincial press. They must give “leadership, guidance and indicate basic line of behavior”. Article stated that inasmuch as editorial is called upon to express point of view of Party, thesis of editorial cannot be subject for debate. “Newspaper editorial must be accepted as directive.”

Above article is further confirmation that “freedom of press” and “self-criticism” in USSR mean only freedom of central authorities to utilize press to criticize those who are not satisfactorily carrying out directives of center.

Repeated to Paris as 410; London 395.

Department repeat to Nanking and Tokyo.

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RESTRICTED

Moscow, October 28, 1946.

No. 504

[Received November 21.]

The Chargé d’Affaires ad interim has the honor to report that the Komsomol* magazine Young Bolshevik, No. 5-6, recently received by the Embassy, contains the most openly anti-religious article to appear in the Soviet press since before the war. The article quotes Stalin to the effect that the Communist Party must be anti-religious since its activity is founded on science, and religion is anti-scientific. However, the article also points out that the struggle against religion must be carried on not by administrative measures but by means of propaganda and education.

Perhaps the most interesting feature of the above item is the sharp distinction which it draws between the relationship of religion with respectively, the state and the Party. It quotes Lenin to the effect

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*All-Union Leninist Communist Union of Youth, founded in October 1918, with membership between ages 15 and 28.

777-752—69—51
that religion is a private matter as far as the state is concerned, but not as far as the Party is concerned. The Party must oppose religion as a prejudice and a "survival of capitalism", best means of struggle against which is a general uplifting of the cultural level of the population.

The above item is the most significant recent Soviet expression on religion. However, there have been several other indications recently of a stiffening of the line in this question. Komsomol Worker, No. 11-12, June 1946 (released in August) quoted Stalin to the effect that it was "necessary patiently to explain the harm of religious superstitions and to carry on the propaganda of a materialistic world outlook, the only scientific world outlook, among youth".

It appears that the foregoing indications mark at least a partial return to the immediate pre-war Party line toward religion. In that period the use of force and administrative measures, and of the cruder forms of anti-religious propaganda had been abandoned. Reliance in the struggle against religion was placed on propaganda and social pressure exerted largely through the Komsomol, and on the teaching of scientific and other subjects in the schools from an anti-religious point of view. During the war all open anti-religious publications ceased to appear and the Society of Militant Godless, while not dissolved, became dormant.

The first harbinger of a revival of anti-religious activity was a flow of articles in 1944 and 1945 on "scientific enlightenment". These articles combatted "superstitions", and offered a materialistic, scientific explanation of natural phenomena. It is interesting to note that the answer given by Young Bolshevik to the above query concluded by recommending a list of works on such subjects as the "origin of life" and "awesome phenomena of nature". This literature it stated would give further information "on the attitude toward religion". It is thus clear that scientific enlightenment is another term in Soviet language for anti-religious propaganda.

However, it is note-worthy that most of the large mass of scientific enlightenment propaganda published since 1944 is not openly anti-religious. Religion and the church are not directly attacked. It is difficult to find in the Soviet press material which may be labeled as anti-religious propaganda. Even the main item discussed herein appeared in a relatively obscure journal, designed, however, for use by the leaders of Soviet youth.

Present indications are that Soviet policy toward religion, while reverting to a relatively mild and disguised anti-religious line in propaganda for the Party and particularly for Komsomol youth, will
also continue the restricted toleration of the Orthodox and some other church groups inaugurated during the war. Recently the Orthodox cathedral at the historic church center of Zagorsk was reopened and redecorated. A seminary is now operating in Zagorsk. Members of the Embassy who attend Moscow churches state that in their opinion church membership has increased during the past year, though it is still concentrated in the age group over forty. A member of the Embassy was told recently by a priest that the Moscow clergy hoped that the number of churches open in Moscow would eventually be increased from its present figure of about twenty-five to about fifty.

The question of religion in the USSR is perhaps as baffling and paradoxical as any internal problem of the country. The church is certainly the only group with a nation-wide organization and a fundamentally un-Soviet, even if politically conformist, outlook, the existence of which is tolerated by the regime. Religion is the only "survival of capitalism" against which a ruthless campaign is not being conducted.

The explanation of this paradox probably is that the Soviet leaders feel that it is both profitable and safe for them to utilize the church. Profitable because a loyal church helps to maintain the morale and loyalty of a part of the population at home, and lends itself to Soviet policy aims abroad. Safe because the regime feels that time is on its side rather than on that of the church, and that a materialistic outlook engendered by urbanization and by the work of school and Komsomol will capture the younger generation. It is probably hoped that religion will eventually die out along with other "survivals of capitalism". In the meantime, it has no economic power on which to build independent political or other power; moreover, even if spiritually un-Soviet it is intensely nationalistic and assists the state in consolidating the Soviet people against the outside world.

However, should it appear to the Soviet leaders that religion could again grow into a force which might menace the regime, there can be no doubt that the precarious toleration afforded the church would be abandoned, and patient methods of persuasion would be supplemented by ruthless techniques of eradication.

[The President of the United Press, Mr. Hugh Baillie, submitted on October 21, 1946, a group of 31 questions to Generalissimo Stalin. Stalin's replies were printed in the Moscow newspapers for October 29, and a translation of the questions and answers was sent to the Department as an enclosure to despatch 516, October 31, from Moscow, not
printed (811.20200(D)/10-3146). The text of these questions and answers is printed in the New York Times, October 29, 1946, page 1. Certain questions and replies of particular interest are the following:

1. Question: Do you agree with the opinion of Secretary of State Byrnes, expressed by him over the radio last Friday, about increasing tension between the USSR and the US?

Reply: No.

6. Question: What, in your opinion, represents the most serious threat to peace in the world at the present time?

Reply: The kindlers of a new war, above all, Churchill and his supporters in Britain and the USA.

7. Question: If such a threat arises, what steps should be adopted by the peoples of the world to avoid a new war?

Reply: The kindlers of a new war must be exposed and restrained.

9. Question: Do you think that the four zones of occupation in Germany should in the near future be united as regards economic administration with the aim of restoring Germany as a peaceful economic unit, and thus lighten the burden of occupation for the four powers?

Reply: Not only the economic, but the political unity of Germany, must be restored.

18. Question: Does Russia consider the western frontiers of Poland permanent?

Reply: Yes.

21. Question: What is the attitude of the Government of the USSR to the presence of US warships in the Mediterranean?

Reply: Indifferent.

25. Question: Is Russia still interested in receiving a loan from the United States?

Reply: Yes.

26. Question: Has Russia already got her own atomic bomb or any similar weapon?

Reply: No.

28. Question: How in your opinion can atomic energy best be controlled? Should this control be established on an international basis and in what degree should the powers sacrifice their sovereignty in the interests of establishing effective control?

Reply: Strict international control is necessary.

29. Question: How long will it take to restore the devastated areas of Western Russia?

Reply: Six-seven years if not more.

761.00/10–3046: Telegram

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

SECRET

US URGENT

Moscow, October 30, 1946—6 p.m. [Received October 30–2:35 p.m.]

4016. While it is hoped that Stalin’s answers to questions from

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59 Report on the Paris Peace Conference, a radio address delivered over a national network from Washington on October 18; for text, see Department of State Bulletin, October 27, 1946, p. 739.
head of United Press may presage a more conciliatory Soviet policy, it is feared that they were largely designed to confuse and deceive the West.

There is no need to analyze all Stalin's statements point by point. In general it can be said that the democracies might be justified in succumbing to soothing strains of Stalin's lullaby were it not for cacophony created by steady glare of martial themes issuing in mounting crescendo from all other official media of propaganda.

Stalin's statement that he did not agree with Secretary's statement that tension between USSR and USA was increasing was wholly disingenuous in light of Kremlin inspired press campaign attributing aggressive intentions not only to American "reactionaries" but also to American Government. This statement takes on qualities of downright dishonesty when it is recognized that under Kremlin direction Party ideologies are publicly declaring day in and day out that American "imperialism" is laying foundations for new world war.

Stalin's diagnosis that Churchill and his supporters in Britain and USA are most serious threat to world peace and Stalin's prescription for avoiding a new war—that Churchill and his supporters be exposed and restrained—are obvious political quackery. Stalin knows as well as American man in the street that most serious threat to peace is Soviet expansionism. Furthermore, according to logic of Leninist-Stalinist doctrine (currently being reemphasized), if not by other forms of logic, there can be no sure avoidance of war so long as USSR is motivated by Leninist-Stalinist doctrine and rest of world remains free.

Stalin's indifference to US warships in Mediterranean and his statements that USSR does not have atomic bomb and atomic energy should be subjected to strict international control are designed to convey an impression of Soviet serenity and "peace loving" intentions. These statements, so in contradiction to bellicose tone of Soviet press on same subject, serve as a background for Stalin's expression of continuing interest in receiving loan from USA. Having implied that the Secretary was an alarmist, having professed an attitude of calm

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"Ambassador Jefferson Caffery reported from Paris in telegram 5464 on October 31, 1946, 8 p.m., that a high official of the French Foreign Office summed up the general consensus of opinion when he said that "Soviet speeches are of little importance as an indication of long-range Soviet policy. They are rather tactical pronouncements which vary according to the existing situation. When Moscow by its acts has proved its good faith, control of atomic energy can be honestly discussed but until that time it would be a world disaster to destroy your atom bombs or give the secret to the Soviets". (761.00/10-3146) From Vatican City, Franklin C. Gowen, a Foreign Service Officer, stated in his telegram 105 on November 4, 1946, 3 p.m., that the Pope had remarked to him the previous day at his country residence: "We cannot have faith in Stalin's statements to the United Press, but some people will believe him. Like Hitler did, he frequently gives assurances of his peace-loving intentions." (761.00/11-446)
confidence and atomic impotence and having genuflected in direction of international authority he announced that "you can do business with Stalin". It is difficult to believe that these assurances did not have in Stalin’s mind relation to one another and that they were not made with an eye to current American political scene. Recently Soviet press has displayed considerable interest in forthcoming elections and in a public lecture it was made plain that USSR favored “progressives” in Democratic Party. Foregoing points made by Stalin could scarcely have been better designed to undercut present American policy towards USSR by giving political ammunition to element critical of a firm policy.

Being “most faithful” disciple of Lenin, Stalin has not only in answers discussed above but throughout his series of replies to Hugh Baillie, followed injunctions of his master who said, “we have to use any ruse, dodge, trick, cunning, unlawful methods, concealment, veiling of the truth”.

Department repeat to London, Nanking and Tokyo.

861.00/10–3146: Telegram

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

SECRET

URGENT

Moscow, October 31, 1946—10 a.m. [Received October 31—6:15 a.m.] 91

4017. Since despatch Embtel 3354 of August 30 evaluating situation home front, considerable more evidence has come to hand from official and unofficial sources and travellers tending to confirm general discontent, production below prewar level, and patent desire of people for easier life. Drastic decrees on collective farming, attacking intelligentsia, and Party activity coupled with all-out Party campaign to increase production and canalize public thinking back into well-worn Leninist-Stalinist groove, are further evidence of seriousness with which authorities are attacking internal situation. These developments have been subject of separate reports.

Situation may be summed up as follows: people are tired, disillusioned, they do not resist tightening up of Marxist straight jacket when they had expected peace to bring better life and continuance of wartime relaxation of ideological pressures.

Soviet economic and political system although 29 years old still required complex and drastic control machinery. Party and Govt endeavoring to use all methods to tighten these controls, although in so doing they tend to unsettle already low morale. While authorities still using “imperialist” war scare to spur people to further efforts,

91 Printed from corrected copy received October 31, 8 p.m.
this spectre was apparently pushed too far, necessitating Stalin's fleeting assurance in letter to Werth that war not imminent.

While considerable number of arrests and some publicly announced executions on criminal charges have taken place, they are so far primarily of "horrible example" type rather than anything resembling a purge similar to that of 1936–38. These difficulties in their present magnitude do not, however, constitute threat to stability of regime or serious obstacle to carrying out of its chartered policies which authorities will endeavor to carry out on internal and external front notwithstanding internal hardships or conciliatory tone of Stalin's replies to Baillie. Unless this is understood, aggressive foreign policy pursued by Soviet authorities, particularly during the year, might at first glance appear to be inconsistent with home front difficulties. Following reasons may further explain this apparent contradiction.

1. While authorities realize Western World will make determined effort to prevent further Soviet expansion, they apparently are also convinced that West will not, at least for time being, go to war to force Soviet withdrawal from any area already under their control.

2. Having learned on basis of experience after first World War that they could not count on spontaneous revolutions, Soviet leaders seek at this time to accomplish what they were unable to do then, namely, extend their control and introduce their type of Marxian political and economic system as far as possible while Soviet Army is in control in these areas. They hope that by continuing pressure all along line they can at least consolidate these gains now (Eastern Europe, Balkans) by obtaining reluctant acquiescence of other powers to their position in these areas. In event of another world war, which according to their continually emphasized Marxian theory is inevitable, they hope to be strong enough to extend their system yet further.

3. Their continuing diplomatic offensive coupled with seemingly conciliatory attitude in Werth and Baillie replies are designed to confuse and disrupt West, prevent rest of world forming solid front which would oppose consolidation of their present gains and future Soviet expansion. They apparently expect that by continuing diplomatic offensive eventually people of other countries will tire and lose interest in situation in Soviet periphery. Furthermore, they hope that economic crisis in capitalist world, which they believe to be inevitable and will do all possible to expedite, will do [so?] distract attention and weaken other powers that Soviets can further consolidate their position and gain time in which to strengthen their war potential. Emphasis given in Soviet press to inevitable economic difficulties in US and elsewhere given [give] credence to this belief, and it is probable that through their influence in trade union groups outside Soviet Union they are actively fostering economic difficulties abroad.

4. Since new Soviet postwar prestige is at stake in all peace settlements which are not favorable to them or their clients, it is natural for Soviet authorities to "throw their weight around" in order to maintain that prestige.

Durbrow
Telegram

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

SECRET

Moscow, November 2, 1946—11 a.m.
[Received November 2—7:40 a.m.]

4046. With considerable gratification Soviet press has been reviewing American reaction to Stalin’s and Molotov’s recent statements. Possibly revealing Soviet wish as father to American thought, Pravda October 30, quoted [“] a well-known American correspondent” who was alleged to have stated “with feeling ‘I am now convinced that we can collaborate with Soviet Union’”.

It may be of interest at this juncture to review fundamental Soviet attitude toward those elements in USA who “feel” that USA can collaborate with USSR, those groups to whom Soviet press refers as “progressives”.

For months now Kremlin mouthpieces have been asserting that only obstacle to amicable USA-USSR relations are monopolist capitalists and other reactionaries in USA and their tools in American Government. They have gone so far in this connection as to cite names: Hoover, Hearst, Vandenberg, Baruch, Lippmann and Harriman. Elimination of those “malevolent forces” and their replacement by “progressives”, Soviet press implies, would smooth way for friendly co-existence. With regard to this group, too, names have been given: Wallace, Morgenthau, Pepper and representatives DeLacy and Patterson.

Were those persons designated by Soviet press as “progressives” to assume administrative authority in USA, would USSR alter its attitude toward USA and consent to “increasingly broad and friendly cooperation and mutual help” described by Molotov in his speech before General Assembly several days ago? Answer to this question turns on basic issue of whether Kremlin has abandoned fundamentals of Communist ideology or whether it still adheres to basic Leninist-Stalinist tenets. If rulers of Russia have abandoned dogma of Communist infallibility and Party dictatorship, then it might be possible for USSR and an American Government of “progressives” to exist in same world on live and let live basis. If, however, Leninist-Stalinist doctrine still has validity as motivating force of USSR, then an American “progressive” administration could hope in long run for scarcely more favorable attention than present administration.

Post-war events in USSR and pronouncement by Soviet leaders (excepting Stalin’s to Werth and Baillie) combine to create positive impression that Kremlin has hit sawdust trail in revival of old-time Leninist religion. There is no need to repeat here evidence of these phenomena which we have been reporting during past months. Fact
that Soviet people view this Marxist evangelism with exhausted apathy (an experienced observer having close contact with Russian people told us today that morale is now lowest he has ever seen) has for present at least slight bearing on formulation of Soviet foreign policy. Therefore, it is logical to assume that in this most schematic of states a return to a revival of Communist orthodoxy involves a revival of historic attitudes and tactics of communism.

This in turn means that current Kremlin view of American “progressives” is in all likelihood patterned on historical Marxist-Leninist-Stalinist attitude toward bourgeois Liberals. From the conspiratorial period when Lenin used and then destroyed Mensheviks until full flower of Soviet power when Stalin sought to use and now seeks to destroy German Social Democrats, Russian communism has viewed bourgeois Liberals as tactical allies—allies to be temporarily exploited when possible and always to be liquidated when Communists gained ascendency over common foe and Liberals lost their usefulness.

It consequently seems evident that it is not for love of mass of American “progressives” that Kremlin has bestowed kind words upon them. It is simply that they can be currently useful to Kremlin. Were Stalin to have his wish and most outspoken American resistance to Soviet expansionism eliminated, Kremlin would thereupon set about eliminating next most active group. Reduced to ultimate, only elements in USA genuinely acceptable to Kremlin are not those willing to collaborate with USSR, but those willing to subject USA to Soviet domination.

There is no reason to believe that Stalin now entertains any more tolerant attitude toward non-Soviet world than that of Lenin who said, “We cannot live peacefully—either one side or the other will eventually win out. We have not forgotten that war will come back. We cannot live in peace—memorial services will be sung either over the Soviet Republic or over world capitalism.” But until this takes place, the principal rule is “to dodge and maneuver”.


Durbrow

861.415/11-246: Telegram

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

RESTRICTED

Moscow, November 2, 1946—6 p.m.
[Received November 2—12:25 p.m.]

4055. All Soviet newspapers November 2 devote full front-page spread to Communist Central Committee slogans on occasion 29th Anniversary October Revolution.
Content of slogan differs on number of points from those published on last anniversary. Last year's greetings to "Allies of Soviet People" are supplanted by new greetings (Nos. 2 and 3) to "Freedom-Loving Peoples in Struggle for Firm and Last[ing?] Peace" and to "Liberated Peoples Building National Life on Democratic Principles", and by "Brotherly Greetings" (No. 4) to "Inviolate Friendship of Slavic Peoples". Further innovation is appeal (No. 5) to "Toilers of all countries" and to "expose and suppress instigators of new war sowing hostility among peoples". Of marked interest this year is substitution in final slogan of exhortation to move forward "to complete victory of Communism in our country" for last year's theme of "further successes of Socialist construction".

Emphasis is placed as usual on slogans praising Soviet Armed Forces who are called on to "constantly improve their military and political knowledge" and to "familiarize themselves with experience of great patriotic war". Bulk of remaining slogans appeal characteristically to workers in all categories to achieve greater production in meeting 5-year plan and problems of reconstruction.

Durbrow

861.458/11–646: Telegram

President Truman to the Chairman of the Presidium of the Supreme Council of the Soviet Union (Shvernik)

WASHINGTON, November 6, 1946.

The people of the United States join me on the national anniversary of the Union of Soviet Socialist Republics in expressing to Your Excellency and to the people of the Soviet Union congratulations and best wishes.

Harry S. Truman

711.61/11–746

Memorandum of Conversation, by the Acting Secretary of State

[WASHINGTON,) November 7, 1946.

Participants:  The President
  The Acting Secretary, Mr. Acheson
  Mr. Molotov, Foreign Minister of the USSR
  Mr. Novikov, Soviet Ambassador
  Mr. Pavlov (Mr. Molotov's interpreter)
  Mr. Stevens, Division of Eastern European Affairs

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63 Mr. Molotov was in the United States attending the sessions of the General Assembly of the United Nations, October 29–December 16, and the Third Session of the Council of Foreign Ministers, November 4–December 11, 1946, being held at New York.
Mr. Molotov paid a courtesy visit on the President at 4 o'clock this afternoon. After inquiring about the President's health and expressing appreciation for American hospitality to the members of the United Nations Assembly and the Council of Foreign Ministers, he said that any objective observer would have to admit that Americans were hospitable and kindhearted people.

Mr. Molotov then referred to the momentous events of the past few days and expressed the hope that the results of the elections would not adversely affect the good relations between the two countries. The President replied that there would be no change as a result of the elections insofar as our good relations with our neighbors were concerned.

The President paid tribute to Russian hospitality at the Potsdam Conference, to which Mr. Molotov replied that Potsdam had been a joint undertaking in which all the participants had cooperated. The President then asked Mr. Molotov to tell Generalissimo Stalin that he would still be pleased to welcome him on a visit to the United States. Mr. Molotov replied that this was a wish which we shared in common.

Prior to calling on the President Mr. Molotov made a courtesy visit on Mr. Acheson, during which the conversation related principally to Mr. Hull and his historical interests and to the arrangements made in New York to accommodate the Soviet delegation.

Dean Acheson

861.00/11-846 : Telegram

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

CONFIDENTIAL

PRIORITY

[Received November 8—1:45 p.m.]

4096. Embassy offers following comments on Zhdanov November 7 [October] speech.

Most striking feature of dreary but revealing oration was attention devoted to home front difficulties. About two-thirds of speech dealt with problems or defects of industry, agriculture, rationing, trade, ideology and other domestic problems. Much of what Zhdanov said regarding these subjects was stale rehash of previous pronouncements. Nevertheless, total effect added up to frankest official admission yet of difficulties confronting Soviet Govt and hard times being experienced by masses. One of most significant problems touched on by Zhdanov was political education of youth. His statement that this had special significance and must be organized in spirit of Bolshevik ideas implies that disillusionment on part of youth with Marxian ideology is disturbing Soviet leaders.
General tone of parts of speech dealing with domestic problems appeared to be defensive. Zhdanov admitted that people must make “serious sacrifices” in restoring economy. He explained postponement abolition of ration card system by reference to drought and, cryptically, reduction of state provision stocks. In concluding section he emphasized that such large part of history of regime had been years of war that it had had little time for peaceful work.

But if somewhat defensive in argument, speech held out no hope to Soviet people or world of relaxation of pressure or abandonment of Bolshevik principles or methods. To solace weary and discouraged Soviet people it painted a black picture of plight of toilers in UK and particularly USA, where Zhdanov claimed there were 3 million unemployed, whose countries were gripped by “great political and economic crises”. It is doubtful if criticism of USA, to most Russians fabulous land of plenty, will give much psychological lift to millions of Soviet citizens living in austerity in comparison with which American unemployed enjoy undreamed of luxury.

Zhdanov reference to labor shortages, caused in part by inflated bureaucracy, and necessary measures to relieve it must sound ominous to many Soviet people. Sections of speech on prices and rationing sounded particularly cold-blooded. Reason given for what amounts to belt tightening for millions of people was abstract fiscal goal of unified price system. Tightening up in collective farms was justified on grounds of adhering to “Bolshevist line”, not by reference to any possible effect on food production.

Above all it was emphasized that regime expects sacrifices by people for “common cause” and relies heavily on inculcation of ideological zeal to inspire cooperation on part of public. Regime’s attitude might almost be said to be “let them eat slogans”.

Foreign affairs section of speech continued line recently set by Stalin, a somewhat confused blend of olive branches and brickbats. USSR was presented as injured innocent which had striven and yearned for “democratic” peace and international collaboration only to be deeply disappointed by machinations of international reaction. Speech contained one particularly neat example of contrast between demagogic assurances intended for gullible at home and abroad and ideological fire and brimstone dished out to Party faithful. Zhdanov quoted Stalin to effect that peoples of world do not want war. He conveniently neglected to mention, however, that in recent issue of Agitator’s Companion very same quotation was followed by another from Stalin asserting that “wars are rooted in very nature of capitalism”.
A fuller analysis of speech from economic view will follow in later telegram.\textsuperscript{64}

Department repeat to London, Paris, Nanking and Tokyo.

\textbf{Durbrow}

811.91261/11-846 : Telegram

\textit{The Acting Secretary of State to the Chargé in the Soviet Union (Durbrow)}

\textbf{CONFIDENTIAL} \hspace{1cm} \textbf{WASHINGTON, November 8, 1946—8 p. m.}

1972. \textit{New York Times} this A. M. carries story Hottelet, Magidoff, Stevens refused use Soviet short-wave facilities to relay broadcasts to U.S. Networks concerned cited as source. Refusal facilities, according story, attributed by Soviet authorities to heavy winter schedule of shortwave programs which precluded allotment of time to correspondents. According networks time consumed at most 30 mins day often less. Refusal facilities, story adds, surprising view fact Soviet known to have world’s most elaborate short-wave operations second only to that Great Britain. Adds 18 hours 40 mins, predominantly political talks beamed each week N. Am, additional 8 hours 45 mins beamed UK N. Am.\textsuperscript{65} Suggested several quarters, according story, Soviet officials might feel could effectively control written word while could not control inflection broadcaster’s voice. American wire services, papers picking up story. Dept’s only comment confirm facts of story state watching developments.

At request CBS, other two networks, Dept. earlier today was preparing instructions suggesting, at your discretion, exploratory conversations with FonOff as to reasons for ban, if necessary formal representations in behalf correspondents in effort have ban lifted.

Later in day, however, Ed Murrow CBS dispatched and gave to press following telegram to Stalin: “Our correspondent in Moscow Richard C. Hottelet advised us on Oct. 8 that facilities for broadcasting from Moscow had been withdrawn. Repeated efforts to secure reconsideration of this decision have been unavailing. It is our desire to report the news of Russia by radio but the denial of facilities makes this impossible. Therefore unless your Government’s decision is reconsidered we shall withdraw our correspondent forthwith.” You may inform Hottelet of cable sent by Murrow.

\textsuperscript{64} Telegram 4105, November 10, noon, from Moscow, p. 804.

\textsuperscript{65} The \textit{New York Times} article makes clear that of the total output of Soviet short wave operations, 18 hours and 40 minutes of programs, predominantly political talks, are directed specifically each week to North America, and an additional 8 hours and 45 minutes of programs are beamed to the United Kingdom and North America.
View dispatch of cable by Murrow you may at your discretion wish to postpone taking matter up with FonOff for several days on off-chance Murrow cable may work. Please report any developments.

ACHESON

861.50/11-1046: Telegram

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

CONFIDENTIAL

Moscow, November 10, 1946—noon.

PRIORITY

[Received November 10—11:10 a.m.]

4105. As indicated in Embtel 4096, November 8, Zhdanov’s speech November 6 is one of most revealing pronouncements made by Soviet leader represent[ing?] economic plight of country despite its obvious sophistry and Bolshevik double-talk.

Audience at Bolshoi Theater received speech with marked lack of enthusiasm which gave impression they fully realize real significance black picture as painted directly or between lines. General tenor of speech in text as well as emphasis given by speaker may be summed up as follows: You may think that life is most difficult here but you ought to see how bad life is in capitalist countries and how much the people are suffering in those countries; your Govt doing something to help, others are not.

Zhdanov emphasized the “political and economic crises” in US and UK and other capitalist countries and claimed that in contrast Soviet Union had no such crises. In order to prove this point he used such tricks as a false comparison between production in US and USSR, stating that total US production 1946 was one-third less than total production 1943, while in USSR civilian (underlined) production during first three quarters 1946 compared to same period 1945 had increased 19 percent and average daily carloadings during same period had risen by 12 percent. It will be noted that for American figures total production is used and that cited for USSR is only civilian production.

Despite Zhdanov’s effort to prove that crises only arise in capitalist states, entire speech is admission of grave economic, political and ideological crises now taking place in Soviet Union.

He makes it clear that severe hardships face Soviet people in overcoming difficulties brought about by the war, that they all must tighten belts for indeterminate time, all must work harder, and makes it clear that tens of thousands of people who are either not now working or have white collar jobs will be forced into factory work in order to try fulfill 5-year capital investment plans. While Zhdanov did not say so, it was clearly implied that recent measures of depriving
various categories of adults, particularly women, of ration cards unless they were engaged in useful work were measures taken to force these persons into factories. Furthermore, his reference to redistribution of manpower was confirmation of fact that many white collar workers in bureaucracy, including that of collective farms, are being dismissed, thereby deprived of ration cards, and thus forced to seek employment in factories. These admissions tend confirm low productivity of labor, failure of production in many industries to come up to plan, and lack of enthusiasm on part of masses to enter factories and get behind 5-year plan to produce goods which in general will not alleviate their individual plights.

As indication of hard pull ahead, he reiterated Stalin’s recent statement that restoration of devastated areas will take at least 6 or 7 years. Zhdanov attempts to explain difficulties and hardships as an economy measure necessitated by tremendous expenditures which state must make under 5-year plan. Without saying so, he makes it clear by this argument and others, as well as by admission that local and cooperative industries particularly must increase consumers’ goods production, that one of principal reasons for increased ration prices was to drain off surplus rubles from masses so that they would not be in position to create run on consumers’ goods and foodstuffs markets if, as and when derationing takes place. Increased ration prices, of course, will also tend to force workers to overfulfill their norms to attain sufficient rubles to make ends meet after their surplus rubles have been drained off by high prices.

It is interesting to note that for first time it has been officially admitted in connection with cut in rations and increase in ration prices that this was necessary because of “reduction of state stocks”. This tends confirm not only that stocks low but that because of sales on free markets etc., state does not control sufficient amount of available stocks.

In this connection it is significant that Zhdanov thought it necessary again to refer in detail to recent measures taken to stamp out survivals of capitalism in the economy, particularly in agriculture. His further reference to serious efforts now being made by Govt to put entire machine back on ideological track, indicates extent to which individualistic tendencies have grown up in recent years and how, despite 29 years of Marxian inoculations, the serum has not cured basic trait of human nature to look out for oneself first.

Speech as regards internal economic situation was most defensive in tone and was obviously given for purpose of trying to quell discontent and disillusionment of masses caused by recent decrees and actions of Govt by trying to give them some solace in thought that despite hard times they were better off than anybody else in world. Despite expla-
nations given, it is not felt that speech which emphasizes sacrifices ahead will raise morale to any extent.

In the international section of speech, the principal economic fabrication was the reiteration of Soviet opposition to the internationalization of Danube and “unjust principle of equal opportunity” which Zhdanov stated signified in reality desire of economically powerful countries to enslave small countries. He, of course, made no mention of heavy Soviet reparations or establishment of 50–50 Soviet-satellite companies which in fact are endeavoring to monopolize principle industries and “enslave” former enemy countries.

Department repeat to Paris, Nanking, Tokyo and London.

Durbrow

Moscow Embassy Files: 713 Atomic Energy

The First Secretary of Embassy in the Soviet Union (Davies) to the Ambassador in the Soviet Union (Smith)

TOP SECRET

[Moscow,] November 18, 1946.

Subject: Comment on Memorandum dated October 21 to Mr. Bernard Baruch from Mr. Franklin A. Lindsay regarding a Meeting with Sobolev. 65a

The conclusions reached by Mr. Lindsay as a result of the meeting with Mr. Sobolev appear to be eminently sound. The political officers of this Embassy had reached the same general conclusions from close study of public pronouncements by Soviet officials, the position assumed by Soviet representatives at various international conferences, the authoritative statements of Communist Party ideologues and the line followed by the Soviet press.

The Soviet attitude toward American production of atomic bombs and the more general issue of adequate control and inspection is based upon and directly derives from the Soviet world outlook. This outlook is inspired by and inextricably bound up with the Leninist-Stalinist interpretation of historical materialism—a predetermined and dogmatic explanation of all human phenomena. The political philosophy of the men who rule Russia, despite its confusing tactical flexibility, is as intolerant and dogmatic as that which motivated the zealots of Islam or the Inquisition in Spain.

65a The memorandum by Mr. Lindsay, who was in the office of the United States Representative, Mr. Bernard M. Baruch, on the United Nations Atomic Energy Commission, regarding a conversation with Arkady Alexandrovich Sobolev, the Assistant Secretary General of the United Nations, on October 19, is printed in vol. 1. See also the remarks contained in the letter of November 19, from Ambassador Smith to H. Freeman Matthews, the Director of the Office of European Affairs, ibid.
By the terms of the Soviet outlook, the world is an arena of struggle between the forces of “progress” led by the Soviet Union and the forces of reaction led by the United States and the British Commonwealth. According to Leninist-Stalinist dogma, there can be no compromise between the two camps. One or the other must be destroyed. Because the USSR is advancing along the “scientific” path of historical materialism, the Soviet system is the one predestined to survive. But it is not likely to survive without a struggle. The decaying forces of capitalism are likely, by the same “scientific” rule, to attempt to crush the Soviet Union.

Because the western world is regarded as organically hostile, because there can be no compromise with the western world excepting for temporary tactical maneuvers, and because there is every likelihood of a war between the imperialist west and the Soviet system, Sobolev was speaking a Stalinist truth when he stated that the USSR was seeking to pursue its own policies in complete freedom and without control from the outside. For the same reason it may be assumed that Sobolev accurately reflected Kremlin thinking when he stated that the world was not ready for world government. The Stalinist doctrine preaches that the Soviet state must grow in strength and authority so long as “capitalist encirclement” continues and that it can not wither away until “capitalist encirclement” has been eliminated. It is clear from the pronouncements of Soviet ideologues that “capitalist encirclement” will not even diminish until the relative strength of the United States and the British Commonwealth has been drastically reduced below that of the Soviet empire.

With the foregoing in mind, it is evident that the USSR will not voluntarily cooperate in any effective international scheme for inspection and control of atomic energy. If under pressure it consented as a matter of tactics to pro forma inspection and control, it would still employ every ruse and stratagem to prevent such inspection and control from fulfilling the purposes for which they were designed.

As basic Soviet strategy is to weaken its “enemies”, it is wholly logical that the USSR should exert every effort to bring about the cessation of atomic bomb production in the United States. If the USSR succeeds in this, it will certainly attempt to prevent the resumption of American bomb production. It would, of course, be utterly naive to assume that the cessation of bomb production in the United States would induce the USSR either to abandon its own gigantic atomic research project or to participate sincerely in an effective program for atomic control and inspection. The Kremlin creed is one of implacable hostility, not collaboration; unremitting preparation for war with the democratic west, not conciliation; the existence
of two worlds now and the establishment of one world only when it will assuredly be a Soviet world.

Mr. Lindsay's final conclusion, that the proposal for discussion between Molotov and Byrnes was probably prompted by the hope that the USSR might obtain concessions from the United States, would seem to be accurate, for reasons stated above.

Having said the foregoing, the question arises—what should our future policy with regard to the control of atomic energy be? It is felt that nothing is to be lost and a good deal to be gained by continued pressure for genuine control and inspection. At the same time, production of atomic bombs should, of course, be continued. It might be well to broaden the proposals for control and inspection to include reduction, control and inspection of all armaments (as was suggested in the Embassy's telegram 2013, June 26).

From a security point of view, the United States probably has little to lose in the unlikely event that the USSR accepts such a proposal. The USSR presumably already has extensive information regarding American military strength, while the United States has comparatively slight information regarding the Soviet military position.

It is essential, however, in undertaking such a program that the United States attempt to regain from the USSR the moral initiative and leadership in the whole question of armaments reduction, control and inspection. If this is done and non-Soviet world opinion is mobilized behind the United States, we should be able to put the Russians on the spot sufficiently, if not to force adequate control and inspection measures, at least to place our own good faith indelibly on record and expose Soviet "peaceful intentions" for what they are worth and thereby awaken the non-Soviet world to the peril which now threatens it.

J[ohn] D[avies]

361.11/11-1946: Airgram

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

SECRET

Moscow, November 19, 1946.
[Received December 27—8:54 a.m.]

A–788. Dept's airgram 368, October 30. The Embassy is presently pressing for exit visas for the following Soviet wives of American citizens:

Mrs. Louis Hirshfield
Mrs. William Wallace
Mrs. George Atkins

*Not printed.
Mrs. Michael Shabon
Mrs. Antonia Richardson
Mrs. Sergei Guden
Mrs. Serge Dankevich
Mrs. Frank Ross
Mrs. John Biconish
Mrs. Alan Yaross
Mrs. Leon Patlach
Mrs. Nina Barton
Mrs. Robert Tucker

Mrs. Barton’s name was inadvertently omitted from the group of eleven Soviet wives for whom the Embassy was currently trying to obtain exit visas and mentioned in the Embassy’s despatch No. 390 of September 13, 1946. At that time the Embassy had not taken up with the Foreign Office the case of Mrs. Robert Tucker.

Smith

711.61/11-1946

The Ambassador in the Soviet Union (Smith) to the Director of the Office of European Affairs (Matthews)

SECRET

Moscow, November 19, 1946.

[Received January 20, 1947.]

Dear Doc: Yesterday I had a lengthy discussion with Mr. Dekanozov during which I covered a number of the matters which have been hanging fire between this Mission and the Soviet Foreign Office. I will summarize these in the following paragraphs.

A. Radio Broadcasting Facilities for American Broadcasters. Although I discussed at length the result of arbitrary action in breaking this link between the Soviet Union and the United States and its effect on outside public opinion, it was quite obvious that Dekanozov was not in a position to make any statement, and equally obvious, I am afraid, that there will be no change in the point of view of the Soviet Government. All that Dekanozov would say was that the position of the Soviet Government in this matter would be clarified in more detail within a few days, and he reiterated several times that those who referred to an iron curtain or who believed that the Soviet

67 In telegram 4172, November 19, 1946, 11 a.m., from Moscow, Ambassador Smith requested that Robert Kintner, Vice President of the American Broadcasting Company, be told that a long conversation had been held with Dekanozov over the withdrawal of radio facilities for American broadcasters. Ambassador Smith summed up the prospects: “In spite of pointing out all of the disadvantages which would result from elimination of this contact between Soviet Union and United States and bad effect on American public opinion, best I could get from him was statement that position of Soviet Govt would be clarified in more detail within few days. He obviously is not in any position to make either definite or favorable statement, and I am not optimistic that these facilities will be restored much as I regret to say so.” (811.42700(R)/11-1946)
Government did not give out all newsworthy information were not friends of the Soviet Union. No amount of argument would produce anything else. There will probably be no more radio broadcasting although it is possible that radio-telephone facilities, if they can be made adequate, will be permitted.

B. Soviet Wives. I confined my conversation to the two oldest cases on our docket, Hirshfield and Wallace. Dekanozov promised to take these cases in hand himself, and I think will do what he can in the matter.

C. Consulate at Leningrad. I fired the opening gun of what I hope will be the final engagement on this question by reminding Dekanozov of our previous requests and quoting to him a statement made by Zhdanov before the Supreme Soviet of the U.S.S.R. in 1938 to the general effect that it was inconceivable that a great state like the Soviet Union should not have as many consulates in foreign countries as the Soviet Foreign Office allowed in the Soviet Union, and reminding him that the United States took exactly the same point of view. His reply was that the Soviet Government had no inclination whatever to limit the number of consulates which the United States had in the Soviet Union except as this limit was enforced by lack of facilities and housing. I think he got the point that either we get a consulate or they lose one or two, although I handled this as tactfully as possible. I really do not expect a decision on the matter until Molotov returns, but we will continue the pressure.

D. Housing. The question of consulates naturally led to a review of our housing situation which has been most discouraging. However, Dekanozov stated that he was carrying on an active war with the head of the Repatriation Commission which is occupying the Kropotkinski Building, and that he expected to win. He referred again, however, to the displaced persons question, and I was surprised at the bitterness which he showed on this subject. I really believe we can, without weakening our position, do something to relieve the tension, and I strongly recommend that Soviet representatives be authorized again to visit camps which house individuals whose origin is in territory now a part of the Soviet Union, whether we consider these people to be Soviet citizens or not.

The Soviet official who makes this visit should be authorized to present the Soviet case, and should be given facilities, such as a small office or desk space, where he can receive prospective immigrants and answer their questions. At the end of his visit, those who wish to return to or immigrate to the Soviet Union should be moved to a staging area in preparation for their return trip.

I know this has been done once before, but I believe that even though it constitutes an annoyance to the occupation authorities it
should be repeated. Capital is being made here of statements that it is anti-Soviet propaganda which is discouraging these individuals, particularly persons from the Baltic States, from returning to their country of origin. Unquestionably there is a certain amount of this propaganda, most of it well founded and some of it emanating from individuals who have gone back to their homes and have subsequently returned because of the conditions which they found there. It is also very possible, as Dekanovozov alleges, that a few of our local officers discourage the return of Balts who might be disposed to take advantage of the Soviet offer. I really do not think that further proffers by Soviet representatives would produce much result, but it would place us in a stronger position if they were permitted to repeat the effort. The same applies to Austria. Will you let me know at the earliest opportunity what you decide to do about this?

E. Imports of Food. We had a rather acrimonious discussion on this subject, and it is quite obvious that the Soviet attitude is due to their belief, undoubtedly well founded, that there is some leakage of commissary stores to the open market. They also have been suspicious because of the large size of our last two shipments. We did not spare each other’s feelings while talking this over, but his final statement was that he thought we [he?] would have no further reason to complain if I would assure him that I would take personal action to keep our imports down to the amount which we actually require.

Incidentally, I asked to see Stalin, and Dekanovozov told me that he had not yet returned to Moscow. I think this is true as we picked up an item in the Soviet press putting the communications people on the back for having in an incredibly short time completed the construction of a telecommunications network between Sochi and Moscow.

Other than the above, there is nothing further interesting here except that one of the boilers at Spaso House has collapsed and we have no hot water, we are out of laundry soap and the laundry is at a standstill, it is cold as Hell and snowing.

Sincerely,

BEDELL

811.42700(R)/11–2146 : Telegram

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

CONFIDENTIAL

WASHINGTON, November 21, 1946—4 p. m.

2016. FonOff's reply to Hottelet,68 your reply to Kintner (Embtel 4172, Nov 19 68) caused great agitation officials networks concerned.

68 See telegram 4208, November 22, from Moscow, p. 813.
69 Not printed; but see footnote 67, p. 809.
Altho no final decision among them they considering urging reprisals against all Russian correspondents in US. View this agitation and requests for guidance from Dept part networks, please report urgently:

1. Results Emb’s inquiries as to reasons lying behind action Sov Govt (Dept’s 1972, Nov 8).
2. What steps, formal or informal, taken by Emb effort to lift ban (other than that reported Embtel 4172).
3. Emb’s opinion of what further steps can now be taken.
4. Emb’s suggestions for interim Dept statement to press re matter as now stands.

ACHESON

125.0061/11-2146 : Telegram

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

SECRET

Moscow, November 21, 1946—6 p. m.
[Received November 21—12:53 p. m.]

4202. In a conversation on various subjects I spoke to Dekanozov on 18 November regarding our requests for establishment of a Consulate at Leningrad and quoted to him statement made by Zhdanov before Supreme Soviet of USSR in 1938 to general effect that it was inconceivable that a great state like Soviet Union should not have as many Consulates in foreign countries as Soviet FonOff allowed in Soviet Union. I informed him US Govt took same point of view regarding establishment of US Consulates in Soviet Union. His reply that Soviet Govt had no inclination whatever to limit number of Consulates of US in USSR except as this limit was enforced by lack of facilities and housing. I mentioned fact that Soviet Union had three consular establishments in US, whereas, we had only the small one at Vladivostok.

I subsequently had phone call from his secretary and interpreter asking for exact wording of quotation from Zhdanov’s speech which I supplied. I do not expect anything definite on the matter until Molotov returns. However, I wish to be absolutely certain that if this matter comes to a definite issue Dept is prepared to ask Soviet Union to close one or more of its own establishments in US in case we are refused permission to establish a Consulate at Leningrad.

SMITH

70 These were located at New York, San Francisco, and Los Angeles.
71 The Department replied in its telegram 2061, December 2, 1946, 7 p. m., to Moscow, that it was prepared to close a Soviet Consulate in the United States if there was persistent refusal to grant permission to establish an additional American Consulate in the Soviet Union (125.0061/11-2146).
RESTRICTED URGENT

Moscow, November 22, 1946—10 a.m.

[Received November 22—6:11 a.m.]

4203. Following is Embassy’s translation of Soviet reply to telegram from Murrow of CBS to Stalin.72 Text was handed to Hottelet night of November 19 and made available to Embassy by Foreign Office:

“In connection with your telegram of November 8, 1946, regarding the radio broadcasting from Moscow by your correspondent, R. Hottelet, the press section of the Ministry of Foreign Affairs of the USSR has been instructed by the authorities of the Ministry to communicate to you the following:

(1) Formerly foreign correspondents could not broadcast from Moscow but sent their despatches by telegraph.

(2) At the time of the war, two or three correspondents were accorded the possibility, as a temporary measure, to transmit news by radio in connection with the fact that other forms of communication were rendered difficult by the war.

(3) The recent termination of these radio broadcasts means the abolition of this temporary measure under the conditions of the normal function of usual communication facilities. In addition the making available of time for such radio broadcasts is rendered difficult owing to the overloaded conditions of the radio stations.

Correspondents who temporarily enjoyed the possibility of radio broadcasting may, if they wish, continue their work as formerly and send their despatches in the usual way as was formerly done before the war.”

SMITH

811.42700 (R) /11-2346 : Telegram

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

CONFIDENTIAL

Moscow, November 28, 1946—1 p.m.

[Received November 28—7:32 a.m.]

4212. Deptel 2016. 1. Embassy had had official discussion with Soviet Govt on broadcasting question in my long conference with Dekanozov (Embtel 4172”) and in subsequent conversation between

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72 For text of Mr. Murrow’s telegram, see the third paragraph in telegram 1972, November 8, 8 a.m., to Moscow, p. 903.
73 Not printed; but see footnote 67, p. 809.
Durbin and Tsarapkin when FonOff provided Embassy with text of its reply to Murrow's telegram to Stalin (Embtel 4208). On both occasions American reaction to Soviet action was clearly pointed out and undesirability of Soviet move stressed. Soviet position, however, is explicitly stated in above-mentioned document from which it is apparent that Soviet Govt has no intention of permitting radio news broadcasting by foreign correspondents from Soviet territory. Question has been kept alive by correspondents and ourselves for over 6 weeks. This is clearly a top level decision.

2. I do not believe there are any grounds on which I can usefully make further representations. There is no question of reciprocity involved since there are no Soviet broadcasters in US nor of most-favored-nation treatment since American newscasters are alone here (apart from Danish Press Attaché who in past has done some broadcasting for Radio Denmark now terminated) and there are no other foreign broadcasters in Moscow.

3. Department will have noted that Soviet Govt made point of not withdrawing accreditation of broadcasters but stated they could remain as correspondents “and send their despatches in the usual way as was formerly done before the war”.

4. Soviet Govt has presumably not given real reasons lying behind its decision since excuse of limited technical facilities is difficult of acceptance. Embassy believes that among probable reasons are desire to avoid encroachments on censorship made possible by expression of broadcasters voice and intention to keep radio Moscow as pristine oracle of the faithful both with respect to Soviet as well as foreign audiences. For it must be remembered that American broadcasters' transmissions from Moscow although beamed to US can be heard by local population with short wave receivers.

5. To conclude I believe that no further steps can appropriately be taken here in the matter and I suggest that the Department base any statement to the press on the substance of the Soviet reply to CBS which was communicated officially to this Embassy (Embtel 4208).

861.012/11-2946

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

CONFIDENTIAL

Moscow, November 29, 1946.

No. 567

[Received December 27.]

Subject: Civus Sovieticus Sum

The Ambassador has the honor to enclose a full translation prepared

Semën Konstantinovich Tsarapkin, Chief of the American Division of the Ministry for Foreign Affairs of the Soviet Union.
by the Joint Press Reading Service of an article entitled “On Soviet Citizenship” published in Izvestiya for November 20, 1946. The article paints a bright picture of the rights and freedoms of Soviet citizens and of the welcome awaiting repatriated Soviet citizens upon their return to the USSR. It also refers to the “great desire” on the part of former subjects of Russia for Soviet citizenship.

It is clear that this article is intended primarily for use as propaganda among former Russian citizens abroad as well as others abroad who have acquired Soviet citizenship by territorial transfer (Balts, Poles, Bessarabians) in an effort to persuade them that if they return to the Soviet Union, they will not only receive extra rations, cash loans and other advantages, but that all of the freedoms of the democratic west are practiced to the full in the Soviet Union. This type of pure propaganda was used very effectively at the time (1936) of the promulgation of the present Soviet Constitution to give the false impression abroad that the Four Freedoms were fully practiced in the Soviet Union.

On the contrary the Soviet Union is a secret-police ridden, one party dominated state. While Article 125 of the Soviet Constitution states in part as follows: “In conformity with the interests of the toilers, and in order to strengthen the socialist state, the citizens of the USSR are guaranteed by law (a) freedom of speech, (b) freedom of press, (c) freedom of assembly and of holding mass meetings, (d) freedom of street processions and demonstrations”, in practice none of these freedoms is permitted unless in the eyes of the authorities it is being practiced in what they consider to be “the interests of the toilers”, or unless such freedoms are permitted by the police in order “to strengthen the socialist system” (the current politburo interpretation of socialism).

The fact that despite the promulgation of the constitution ten years ago, there are no public organizations or workers societies except those sponsored, approved and completely controlled by the state or the Party, is eloquent evidence to refute allegations that Soviet citizens freely have the right to organize such societies, etc. In this connection the article points out that “the most active and aware citizens” are united in the Communist Party. No mention, of course, is made of the fact that the Soviet Constitution confers upon this party a monopoly of political leadership. Furthermore, no mention is made of the fact that the statutes of the party explicitly state that the party

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76 Not printed.
77 The Four Freedoms were set forth by President Roosevelt in his State of the Union message to the Congress on January 6, 1941. For text, see Congressional Record, vol. 87, pt. 1, p. 44, or Department of State, A Decade of American Foreign Policy, Basic Documents, 1941–1949, p. 1.
is the leading center of all organizations of workers both public and state.

Apart from the misleading statements regarding freedoms contained in the article, it will be noted that it fails to mention certain democratic rights and freedoms which are fundamental such as freedom of religion, right to trial by jury, habeas corpus, and the right to strike.

Not only is the article misleading but evidence available to the Embassy indicates that the treatment accorded repatriated citizens is quite different from that described in the article. Soviet citizens who have spent long periods in foreign surroundings, particularly returned war prisoners, are apparently regarded with suspicion by the authorities and are carefully screened. Members of the Embassy staff once in Murmansk witnessed the arrival of a shipload of Soviet repatriates who were effusively greeted by a band and reception committee, then led around a corner and marched off under heavy armed guard to an unknown destination.

To a certain degree, of course, the article may have some influence on the internal front in that it echoes the current propaganda theme that life is as free if not freer in the Soviet Union than in the outside world.

In general, the article is a rather crude version of the old Soviet device of using words and phrases which have one meaning in the outside world and a completely different meaning inside the Soviet Union.

811.42700(R)/12-646 : Telegram

The Acting Secretary of State to the Ambassador in the Soviet Union

(Smith)

SECRET

WASHINGTON, December 6, 1946—7 p. m.

2096. Dept proceeding plans start Russian language broadcasts New York beamed on Soviet Union and relayed over Munich transmitters, which are ready operate soon as frequency allocation has been made. Frequency allocation matter being referred to quadripartite discussion Berlin for political reasons but decision will be taken on tripartite basis if quadripartite discussion threatens serious delays. Dept plans start Balkan language relays over Munich Dec 15 or soonest after and expects start Russian language relays Jan 15 or soonest after. Dept will advise you approx 10 days before actual start Russian language broadcasts so that you may advise Soviet Gov date and times.

Sent to Moscow as 2096; repeated Paris for Benton as 6357.

Acheson
SECRET

Moscow, December 28, 1946—6 p. m.
[Received December 28—1:58 p. m.]

4488. Recently released stenographic report of second session Supreme Soviet USSR October 1946 gives hitherto unreleased figures which apparently indicate that budgets of Soviet security organs, Ministry Internal Affairs (MVD) and Ministry State Security (MGB) have risen sharply in 1946 as compared with 1945.

Figures are inferential and partial rather than specified and all-inclusive. Embassy will submit report by pouch in near future explaining these figures and basis for this conclusion. It is sufficient here to point out that that portion of MVD-MGB budget which can be detected on basis of budget figures rose from about 6 billion rubles in 1945 to almost 15 billion in 1946 in other words more than doubled.

Several explanations are possible for this very rapid rise. In first place it may be accounted for in part by possible transfer of MVD army formations from Armed Forces budget in war year 1945 to MVD budget in 1946.

In second place increase probably indicates that number of security personnel has been considerably increased since last year, perhaps in order to permit replacement of regular army troops in occupied areas abroad by MVD formations, and probably in order to enable Party and Govt to carry out drastic measures on home front, such as price-ration measures of September-October 1946 and measures to curtail “capitalist remnants” in collective farm system, without fear of effective protest from population. In addition, of course, increased security personnel have undoubtedly been necessary in order to combat post-war crime wave and widespread speculation.

It has been rumored that Soviet atomic energy development is in jurisdiction of MVD. Embassy considers it improbable that atomic energy development, however, is included in 13 billion rubles of MVD-MGB funds which are identifiable as such in budget, and feels that atomic energy budget, whether under MVD or other jurisdiction, is hidden elsewhere in published budget, if it indeed appears there at all.

Smith
ATTEMPTS TO OPEN NEGOTIATIONS FOR A LEND-LEASE SETTLEMENT AGREEMENT WITH THE SOVIET UNION, AND CONSIDERATION OF THE GRANTING OF LOANS AND CREDITS

861.24/1-446

Mr. Willard L. Thorp, Deputy to the Assistant Secretary of State for Economic Affairs, to the Chairman of the Government Purchasing Commission of the Soviet Union in the U.S.A. (Rudenko)

WASHINGTON, January 4, 1946.

My Dear General Rudenko: On October 15, 1945 Mr. Leo J. [T.] Crowley, Foreign Economic Administrator, wrote you concerning the preparation of an inventory of Lend-Lease supplies in the possession of the Union of Soviet Socialist Republics or subject to its control at the end of hostilities. The inventory was requested as a part of the information believed to be desirable in preparation of a Lend-Lease settlement with your Government, under the terms of the Master Agreement of June 11, 1942. Mr. Crowley asked that the data be presented at the earliest possible opportunity.

I understand that Mr. Crowley’s communication was transmitted to Moscow. Since more than two months have elapsed without a response, I would be glad to know when such an inventory might be expected.

In the preparation of an inventory estimate, it has been found convenient in the case of other countries to divide supplies into two groups: (1) those destined for direct use by the armed forces, or in their actual possession, and (2) those destined for use or consumption by other agencies. It has proved desirable to arrange the information in accordance with the following separation into three basic categories of supplies, allocating to each of the two groups the categories or parts of categories concerned: (a) durable capital equipment, whether distributed to the ultimate user or not; (b) non-durable goods, such as raw materials which require further fabrication (an inventory of goods in category (b) is desired only for goods not distributed to the ultimate user or processor by the end of hostilities); (c) equipment or materials transferred in finished form, other than durable capital equipment. This last category would include weapons, airplanes, trucks, vessels, food, petroleum products, etc. An inventory of category (c) goods is desired only of such equipment or materials as was

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77 For previous documentation on the conclusion of wartime assistance from the United States to the Soviet Union, the agreement of October 15, 1945, and related questions, see Foreign Relations, 1945, vol. v, pp. 937 ff.
79 Department of State Executive Agreement Series No. 253, or 56 Stat. (pt. 2) 1500.
still in central distribution centers or en route to them at the time of the end of hostilities.

All inventories are desirable in terms of units, rather than rubles or dollars, and it is not necessary that they should be stated in great detail.

I should appreciate hearing from you in the near future as to when inventory estimates may become available. If this request should be transmitted to an official other than yourself, please advise me to that effect.

Sincerely yours,

WILLARD L. THORP

861.24/1-1746: Telegram

The Acting Secretary of State to the Secretary of State, at London

SECRET

WASHINGTON, January 17, 1946—6 p.m.

NIACT URGENT

520. For the Secretary from Acheson. Representatives of the USSR have inquired as to the credit terms available to them for purchase of U.S. surplus property abroad.

If you approve the Dept would reply that it is willing to sell to the USSR up to a maximum of 100 million dollars of U.S. surplus property abroad on credit terms which are identical with those contained in the 3(c) Lend-Lease agreement with the USSR, with interest at 2½ percent and principal payments to begin after 8 years.

It would be made clear to the USSR that no allocation of surplus of this amount is to be made and that the 100 million dollar maximum is only an upper limit on the amount they can buy if they can find surplus which they want up to this amount.

May we know your wishes on the proposal and on whether we should negotiate on any other questions with the USSR in connection with this transaction.

Acheson

50 Secretary of State James F. Byrnes was in London attending the sessions of the United Nations. This telegram was repeated to Moscow as 83.

51 For text of the agreement relating to the disposition of lend-lease supplies in inventory or procurement in the United States (the "Pipeline" agreement), signed at Washington on October 15, 1945, see United States Treaties and Other International Acts Series (TIAS) No. 3662, or United States Treaties and Other International Agreements (UST), vol. 7, (pt. 3), p. 2819.

52 The Secretary, in telegram 677, January 19, 1946, 3 p.m., from London, gave approval to this proposed credit arrangement for purchase by the Soviet Union of United States surplus property abroad. He also wished to know what other questions the Acting Secretary had in mind which should be negotiated with the Soviet Union in connection with this transaction. (861.24/1-1946)
The Ambassador in the Soviet Union (Harriman) to the Secretary of State

SECRET

Moscow, January 19, 1946—4 p. m.
[Received January 19—9:48 a. m.]

184. Re Deptl 93, January 17, 6 P. M. 83 We here feel strongly that our Government should not make any more isolated economic arrangements with the Soviets until we have an over-all understanding with them about outstanding economic matters. This applies to such matters as the satisfaction of American complaints concerning seizures of American property in areas under Soviet control and Soviet refusal to collaborate [in the rehab?] litigation of Europe as well as to consult or inform us on their unilateral economic actions in areas under their control. I also have in mind general lend-lease settlement and conduct of economic discussion under article VII, which Russians have thus far evaded.

I feel, therefore, that Russians in Washington should be told that we have no objection in principle to making available to them surplus property on 3(c) terms but that we can consider this only when an understanding has been reached regarding at least the manner in which outstanding economic questions between the two countries are to be adjusted.

HARRIMAN

Memorandum by the Chief of the Division of Eastern European Affairs (Durbrow) to the Under Secretary of State (Acheson)

[WASHINGTON,] January 21, 1946.

MR. ACHESON: While I understand from Mr. Collado 84 that you indicated your desire for a reply to the Secretary along the lines of the attached draft telegram, 85 I believe that I must indicate to you the reasons why EE considers that it would be inadvisable from a long-range point of view to grant an unconditional credit of $100,000,000. to the Soviet Government for the purchase of surplus property. We realize, of course, that it is in the short-range interests of the United States Government to get rid of as much surplus property as possible.

Despite our many protests and requests for coordinated action re-

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83 The same as telegram 520 to London, supra.
84 Emilio G. Collado, Deputy on Financial Affairs to the Assistant Secretary of State for Economic Affairs.
85 Not attached to file copy of memorandum; for the telegram as sent, see infra.
garding the economic blackout in Eastern Europe and other related questions, the Soviet Government has consistently refused to accept any of our views on this point. It has been our firm feeling that the only real lever we had to bring about any semblance of economic and political stability in Eastern Europe was through the withholding of credits. We have already weakened our bargaining position on this score by granting them approximately $400,000,000. of materials under the 3(c) agreement and over $250,000,000. of UNRRA benefits, a large proportion of which is to be given in agricultural and industrial equipment. While it was perhaps in our interest to give these two amounts, if we now add to it another $100,000,000. in surplus property, the amount of goods which we are making available to the Soviet Union will come not far below the original credit envisaged of $1,000,000,000.

If the Soviet authorities realize that by getting us to grant them credits on a piecemeal basis they can fulfill a substantial part of their needs, it immediately gives them the idea that the stands we have taken with regard to the economic blackout in Eastern Europe and any attempts to tie strings to Export-Import Bank credits which we grant them do not represent our firm position and that we are willing to compromise on these matters without attaining our announced aims. In this connection I suggest that you read the marked passages in the attached memorandum #6 which contains significant points from Moscow relevant to this question.

It may be stated in this connection that Soviet and Soviet-inspired propaganda is now taking a strong line to the effect that in the not distant future the United States will suffer a crisis of overproduction which will oblige it to seek markets everywhere in the world, and that the Soviet Government therefore can afford to play a waiting game with respect to its desire for credits from the United States.

We therefore feel that in general the position taken by Mr. Harriman in his attached telegram No. 184, January 19, #7 indicates the best long-range policy to attain our announced and desired aims.

E[LBRIDGE] D[URBROW]

861.24/1-1946: Telegram
The Acting Secretary of State to the Secretary of State, at London #8
SECRET Washington, January 22, 1946—5 p. m.
686. For the Secretary from Acheson. Reurtel 677, January 19.#9
I repeat Harriman’s reply re sale of surplus to U.S.S.R.

#8 Not printed.
#7 Supra.
#9 Repeated to Moscow as No. 120.
#9 Not printed; but see footnote, 82, p. 819.
[Here follows text of telegram 184, January 19, 4 p. m., from Moscow, page 820.]

I agree, of course, with Harriman’s general analysis with respect to economic arrangements with the U.S.S.R. I question whether surplus property disposal is an apt case. I recall your conversation with Messrs. Clayton, McCabe and myself after signing the British arrangement in which you indicated the most important thing was to get rid of surplus as quickly as possible and get it off our hands, also your desire not to raise at this time the question of a loan through Eximbank to the Soviets. In view of the extremely difficult nature of the problem of surplus disposal throughout the world and of the pressure by the Army to be relieved of the necessity of guarding and otherwise taking care of U.S. property abroad so that the troops may come home, foreign governments, including the Soviets, know that we are at a tactical disadvantage in the sale of surplus which increases with the passage of time. Therefore I believe that surplus property is the poorest type of economic arrangement with the Soviets to which to attempt to tie satisfaction of any or all of our own desiderata. They would, I think, want to tie in a loan to such broad negotiations.

I did not have any specific problems in mind and my reference in Deptel 520, January 17, to other questions was merely to give you an opportunity to instruct us. Perhaps you would wish to consult Bohlen. As I see it the question is whether or not we wish to sell to the Soviets who apparently want to buy.

Please indicate to me and Harriman whether you agree with the views above so that McCabe can take appropriate action.

ACHESON

The Chairman of the Government Purchasing Commission of the Soviet Union in the U.S.A. (Rudenko) to Mr. Willard L. Thorp, Deputy to the Assistant Secretary of State for Economic Affairs

WASHINGTON, January 22, 1946.

DEAR MR. THORP: With reference to your letter of January 4, 1946, I wish to state that the question raised in your letter is beyond the competence of the Government Purchasing Commission of the Soviet Union in the U.S.A.

Sincerely yours,

L. RUDENKO

90 William L. Clayton, Assistant Secretary of State for Economic Affairs.
91 Thomas B. McCabe, Special Assistant to the Secretary of State and Foreign Liquidation Commissioner.
92 Charles E. Bohlen, Assistant to the Secretary of State.
Memorandum by Mr. Emilio G. Collado, Deputy on Financial Affairs to the Assistant Secretary of State for Economic Affairs

SECRET


U.S.S.R. Economic Matters:
1. Lend-Lease Settlement—Inventory
2. Credit Negotiations—NAC Statement

1. Lend-Lease Settlement

A lend-lease pipeline arrangement of $400 million was entered into by General Rudenko for the Soviets and Mr. Crowley on October 15, 1945. On the same day Mr. Crowley sent General Rudenko a letter requesting an inventory of lend-lease goods in the hands of the U.S.S.R. on September 2, 1945. On January 4 Mr. Thorp sent a follow-up, and on January 22 General Rudenko replied that his Purchasing Commission was not competent in these matters.

There is attached a note for the signature of the Secretary to the Soviet Embassy requesting an inventory of lend-lease goods for settlement purposes.

2. Credit Negotiations

There is attached a copy of a full statement of U.S.-U.S.S.R. credit conversations. It will be noted that on August 28, 1945 General Rudenko in writing requested a credit of $1 billion at 2 3/8 percent interest. Except for a telephone conversation with Durbrow (October 1945) in which Kapustin wished to know to whom he should speak about the loan and Stalin’s and Mikoyan’s discussion of the subject in interviews with members of the Colmer Committee (September 1945) neither government agencies in Washington nor Ambassador Harriman, nor the Secretary of State during his attendance at the meetings of Foreign Ministers in London and Moscow were approached by the Russians on the subject of U.S. loans.

The Department's view is that when credit discussions take place, they should involve a full discussion of all economic matters between the two governments, including economic problems relating to the Eastern European countries. A full documentation on economic mat-

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861.24/2-446

93 Addressed to H. Freeman Matthews, Director of the Office of European Affairs; William L. Clayton, Assistant Secretary of State for Economic Affairs; and to the Under Secretary and the Secretary of State.

94 No attachments were found with this copy of the memorandum.


96 For comment on discussions with members of the House of Representatives Special Committee on Postwar Economic Policy and Planning, headed by Representative William M. Colmer, see telegram 3277, September 15, 1945, 2 p.m., from Moscow, Foreign Relations, 1945, vol. v, p. 881.
ters affecting the U.S.S.R. was prepared for the Secretary in December. 87

The present problem is one of timing—in relation to the Soviets and in relation to British loan legislation.

The Department early in January notified Ambassador Harriman that it proposed to await a Soviet advance on credits as well as on joining the Bretton Woods 88 institutions. We have sent to the Soviets the same invitation to participate in the March 8 meeting of the Boards of Governors at Savannah that we have sent to other countries which were at Bretton Woods but failed to sign the Agreements.

We have no direct evidence regarding the Soviet failure to press for credits and to sign the Bretton Woods Agreements. It has been suggested that the Soviets believe the U.S. is going to have to press loans in order to support exports as a measure of preventing unemployment and depression, and that, following their interpretation of the British arrangements, we shall make a large credit on special terms in order to obtain Soviet participation in the Bretton Woods Agreements.

It would of course be difficult for the U.S. to extend a reconstruction loan to the U.S.S.R. if that nation fails to join the Bretton Woods institutions.

The pressing problem is how to handle possible credits to the Soviets in the British loan hearings in the Congress. The NAC is preparing a paper on overall loan program in reply to many questions which have been and will continue to be asked.

It is recommended that loans to the U.S.S.R. be handled in Congressional hearings as follows:

a. Last summer provision was made for possible credits of $1 billion to the U.S.S.R.

b. Last fall the Soviets requested such a credit but no discussions have taken place recently.

c. In making up the NAC forecast of possible Eximbank needs to take care of interim emergency reconstruction demands prior to the full operation of the International Bank, the figure of $1 billion for the U.S.S.R. has been retained.

d. If the U.S.S.R. requests aid beyond that which the Eximbank could extend, we shall refer them to the International Bank.

e. Whether or not the Eximbank will actually grant a loan to Russia will, of course, depend on a great number of factors. It would be premature, however, to discuss these factors now since they will be determined by the overall situation which will obtain at the time of the negotiations.

87 For portion of a report “The Soviet Union in 1945—An Economic Review” given to the Secretary of State on December 24, 1945, while in attendance at the Moscow meeting of Foreign Ministers, see Foreign Relations, 1945, vol. v, p. 993.
It is further recommended that the Department continue its position of a month ago which places the initiative for any further discussions upon the Soviets. It is of course possible that the sending of our note on lend-lease inventory and settlement to the Soviet Embassy, may precipitate loan and general economic negotiations.

861.24/2-1146

The Special Assistant to the Secretary of State and Foreign Liquidation Commissioner (McCabe) to the Chargé of the Soviet Union (Orekhov)

CONFIDENTIAL

WASHINGTON, 11 February 1946.

DEAR MR. OREKHOV: Inasmuch as representatives of your Government have expressed an interest in the purchase of United States surplus property located overseas, I am glad to inform you that such property may be acquired by your Government from the Government of the United States, to the extent to which it may be made available for sale to your Government prior to January 1, 1948, but in any case in an aggregate amount not in excess of $100,000,000, subject to the following terms of payment:

(1) A sum stated in United States dollars, equal to the total purchase price of individual sales of overseas surplus (as made by Field Commissioners of the Office of the Foreign Liquidation Commissioner to the Government of the Union of Soviet Socialist Republics), shall be paid by the Government of the Union of Soviet Socialist Republics, on or before July 1, 1976, in twenty-two annual installments, the first of which shall become due and payable on July 1, 1955. The amounts of the annual installments shall be as follows: each of the first four installments shall be in an amount equal to 2.5 percent of the amount determined as set forth above; each of the second four installments shall be 3.5 percent of said determined amount; each of the third four installments shall be 4.5 percent of said determined amount; each of the fourth four installments shall be 5.5 percent of said determined amount; and each of the last six installments shall be 6 percent of said determined amount. Nothing in this paragraph shall interfere with the right of the Government of the United States to declare the entire sum, or any part thereof, immediately due and payable in currency of the Union of Soviet Socialist Republics, as provided in paragraph (6).

(2) Nothing herein shall be construed to prevent the Government of the Union of Soviet Socialist Republics from anticipating the payment of any installments, or any part thereof, set forth above.

(3) If by agreement of both Governments it is determined that, because of extraordinary and adverse economic conditions arising during the course of payment, the payment of a due installment would not be in the joint interest of the United States and the Union of Soviet
Socialist Republics, payment may be postponed for an agreed upon period.

(4) Interest shall accrue from the respective dates specified in the individual sales contracts for the taking of delivery by the Government of the Union of Soviet Socialist Republics, and shall be paid on the outstanding balance of the total purchase price from time to time unpaid. The rate of interest shall be two-and-three-eighths percent (2.375%) per annum, payable on July 1 of each year, the first payment to be made on July 1, 1947.

(5) Except as otherwise provided herein, all payments shall be made in United States dollars to the Treasurer of the United States, through the Federal Reserve Bank of New York.

(6) In the event the Government of the United States wishes to receive local currency of the Government of the Union of Soviet Socialist Republics for the payment of any or all expenditures, in the Union of Soviet Socialist Republics, of the Government of the United States and its agencies, including, but not limited to, expenditures for leaseholds, construction, materials, and labor for buildings and residences to meet the needs of the United States Embassy in Moscow and of United States Consulates, the Union of Soviet Socialist Republics agreeing to supply the same in accordance with detailed arrangements to be negotiated without delay, the Government of the United States may request at any time or times, and the Government of the Union of Soviet Socialist Republics agrees to furnish at such time or times, currency of the Union of Soviet Socialist Republics at the exchange rate most favorable to the Government of the United States current at the time when such currency is furnished in any amount not in excess of the total unpaid balance of all sums (both principal and interest) payable under the terms of this letter, whether or not then due in United States dollars. In such event, the United States dollar equivalent of the amount received by the Government of the United States shall be credited either to the installment or installments of principal in the inverse order of their maturity, or to any interest then due and unpaid, in the sole discretion of the Government of the United States.

If these terms are agreeable to you it is requested that you indicate your acceptance thereof by signing and returning to me the enclosed duplicate original of this letter. When this has been done I shall inform my Field Commissioners as to the terms in order that they may be appropriately incorporated or referred to in any sales contracts executed between my Field Commissioners and representatives of your Government.

As we have explained informally to representatives of your Government, the quantities and types of surpluses to be made available, the prices thereof, and other terms of sale are a matter for agreement between the Field Commissioners of the Office of the Foreign Liquidation Commissioner and the representatives of your Government. The purpose of this letter is to facilitate such agreements by arriving at
an overall understanding as to credit terms and as to a maximum line of credit.\textsuperscript{\textcopyright}

Sincerely,

THOMAS B. McCABE

Dear Mr. McCabe:

The terms of the foregoing letter are hereby accepted.

861.24/1-2246

The Secretary of State to the Chargé of the Soviet Union (Orekhov)

WASHINGTON, February 18, 1946.

Sir: On October 15, 1945, Mr. Leo T. Crowley, Foreign Economic Administrator, wrote Lieutenant General L. G. Rudenko, Chairman, the Government Purchasing Commission of the Soviet Union in the United States of America concerning the preparation of an inventory of Lend-Lease supplies in the possession of the Union of Soviet Socialist Republics or subject to its control at the end of hostilities. The inventory was requested as a part of the information necessary in preparation of a Lend-Lease settlement with your Government, under the terms of the Master Agreement of June 11, 1942. Mr. Crowley asked that the data be presented at the earliest possible opportunity. A copy of Mr. Crowley’s letter is enclosed.\textsuperscript{\textcopyright}

After more than two months had elapsed without a response, a second letter was addressed to General Rudenko, by Mr. Willard L. Thorp, Deputy to the Assistant Secretary of State for Economic Affairs dated January 4, 1946. A copy of Mr. Thorp’s letter is enclosed.\textsuperscript{1}

A response has now been received from General Rudenko, dated January 22, 1946, a copy of which is enclosed.\textsuperscript{2}

In view of the terms of Ambassador Litvinov’s Note of February 4, 1942,\textsuperscript{3} it had been the understanding of this Government that the authority of the Soviet Purchasing Commission extended to all matters in this country affecting Lend-Lease. It now appears from General Rudenko’s letter, however, that the authority of the Commission has been changed without this Government’s having been informed. It would therefore be appreciated if the Department of State could

\textsuperscript{\textcopyright} For the response to this proposal containing some suggested modifications, see the letter from the Chargé of the Soviet Union Nikolay Vasilyevich Novikov dated 13 April 1946, p. 833.

\textsuperscript{1} \textit{Foreign Relations}, 1945, vol. v, p. 1043.

\textsuperscript{2} \textit{Ante}, p. 518.

\textsuperscript{3} \textit{Ante}, p. 822.

\textsuperscript{\textcopyright} Not printed; but see memorandum of a conversation with Litvinov on March 2, 1942, and footnotes 71 and 72, \textit{Foreign Relations}, 1942, vol. iii, p. 696.
be supplied with a statement indicating the present scope of the Commission’s authority.

It would be appreciated if the Department of State can be supplied with inventory estimates, as requested in the letters to General Rudenko dated October 15, 1945 and January 4, 1946, so that settlement negotiations may proceed in Washington without delay.

Accept [etc.] JAMES F. BYRNES

861.51/2-2146

The Secretary of State to the Chargé of the Soviet Union (Orekhov)

WASHINGTON, February 21, 1946.

Sir: Reference is made to the memorandum of August 28, 1945 transmitted to this Government by Lieutenant-General Rudenko, Chairman of the Government Purchasing Mission of the Soviet Union in the United States of America, requesting that a credit of one billion dollars be made to the Government of the U.S.S.R. by the Export-Import Bank of Washington.

This Government considers the requested credit one among a number of outstanding economic questions the settlement of which is necessary to provide a sound basis for the mutually-beneficial development of economic relations between the United States and the U.S.S.R.

Accordingly, this Government proposes that negotiations be initiated forthwith between the Government of the United States and the Government of the U.S.S.R. directed to a general settlement of these issues, including the question of the requested credit. It is proposed, in particular, that negotiations should cover, in addition to the terms of the credit in question, such of the following outstanding economic issues as may not already have been settled separately:

(1) Claims of American nationals against the Government of the U.S.S.R., including claims arising from actions of the U.S.S.R. in occupied and liberated areas.

(2) Determination of concerted policies to be followed by the U.S. and the U.S.S.R. together with the U.K., under the terms of the agreement reached at the Crimea Conference, 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 economic problems.

(3) Arrangements to guarantee that navigation on rivers of international concern should be free and open on terms of entire equality to nationals, vessels of commerce, and goods of all members of the United Nations.

(4) Preliminary discussions of a comprehensive treaty of friendship, commerce, and navigation between the U.S. and the U.S.S.R.

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5 For text of the Declaration on Liberated Europe, see Foreign Relations, The Conferences at Malta and Yalta, 1945, p. 971.
and agreement to enter into negotiations in the near future for the conclusion of such a treaty.

(5) Arrangements to assure adequate protection of the interests of inventors and of writers and other holders of copyrights.

(6) Methods for giving effect to the terms of Article VII of the Soviet Master Lend-Lease Agreement of June 11, 1942, such as are suggested in this Government's "Proposals for Expansion of World Trade and Employment," which were transmitted to the Government of the U.S.S.R. on December 21, 1945.

(7) General settlement of lend-lease obligations in accordance with the provisions of the Soviet Master Lend-Lease Agreement, concluded on June 11, 1942 between the Governments of the United States and the U.S.S.R., on the basis of an inventory of lend-lease supplies in the possession of the Union of Soviet Socialist Republics or subject to its control at the end of hostilities, as indicated in the note on this subject addressed by this Government to the Government of the U.S.S.R. on February 18, 1946.

(8) Civil aviation matters of mutual interest to the two countries.

(9) Discussion of other economic questions, the settlement of which in the opinion of either government, would be conducive to the attainment of the general aims of the negotiations as herein proposed.

It is the hope of this Government that the Government of the U.S.S.R. will avail itself of the invitation to send observers to the first meetings of the Boards of Governors of the International Monetary Fund and the International Bank for Reconstruction and Development to be held at Wilmington Island, near Savannah, Georgia, on March 8, 1946, where the United States intends to suggest the adoption of a resolution by the Board of Governors of each institution permitting the admission to membership, during a limited period of time, on the same terms as those enjoyed by members which signed before December 31, 1945, of those countries which participated in the Bretton Woods Conference, but failed to sign before December 31, 1946.

The Government of the United States feels that negotiations should be initiated in Washington as soon as possible, and hopes to receive from the Government of the U.S.S.R. an early reply to the proposals as contained in this note.

Accept [etc.]

JAMES F. BYRNES

861.51/3-1546

The Chargé of the Soviet Union (Novikov) to the Secretary of State

[Translation]

WASHINGTON, March 15, 1946.

SIR: In connection with your note of February 21, 1946 I have been

*Department of State publication No. 2411 (Washington, Government Printing Office, 1945).
instructed to inform you that the Soviet Government agrees to discuss with the United States Government the following questions:

1. The amount and conditions of a long-term Governmental credit of the United States Government to the Government of the Union of Soviet Socialist Republics.
2. The conclusion of a treaty of friendship, commerce and navigation between the Union of Soviet Socialist Republics and the United States of America.
3. Methods for giving effect to the terms of article VII of the Soviet Master Lend-Lease Agreement of June 11, 1942, such as are suggested in the United States Government's "Proposals for Expansion of World Trade and Employment" and question of Lend-Lease supplies mentioned in the item 7 of your note.

The Soviet Government does not consider it expedient to connect the discussion of any other questions, except above mentioned, with the discussion on credit.

At the same time the Soviet Government expresses the readiness to discuss also other questions enumerated in your note at the time and in the place to be agreed upon by the both parties.

Accept [etc.] N. NOVIKOV

861.24/3-1846

The Secretary of State to the Chargé of the Soviet Union (Novikov)

WASHINGTON, March 18, 1946.

SIR: During the course of the war, the Government of the United States transferred to the Government of the Union of Soviet Socialist Republics a substantial number of dry-cargo vessels, tankers, and other merchant watercraft. These transfers were made under the authority of the Lend-Lease Act, and subject to the provisions of the Master Agreement executed by our Governments on June 11, 1942, on the understanding that the vessels in question were required for the effective prosecution of the war. The records of the Government of the United States indicate that thirty-nine Liberty ships, including three Liberty tankers, five T-2 tankers, forty-eight dry cargo or passenger-cargo ships constructed prior to the war, one tanker constructed prior to the war, and three tugs, two of which were built during the war, remain in the custody of the Government of the Union of Soviet Socialist Republics. A list of the vessels, by their present and former names, together with the transfer dates, is appended hereto.7 It will be noted that vessels which are known to have been lost or which were retransferred to the Government of the United States are excluded from this tabulation.

7 Not printed.
Legislation has now been enacted relating to the disposition of war-built merchant vessels by this Government. In view of this legislation and the termination of the wartime requirement for the vessels enumerated above, this Government will shortly be prepared to entertain applications for purchase of certain of the vessels enumerated which your Government may wish to retain. A copy of this law relating to the war-built merchant vessels is attached hereto for your information.\(^8\) Merchant vessels other than of wartime construction are not covered by this statute, and would have to be sold under the pertinent provisions of other statutes.

Should your Government not be interested in purchasing any or all of the enumerated vessels, will you please arrange for their return within the next sixty days to United States ports, in accordance with the provisions of Article V of the Master Agreement of June 11, 1942. The specific ports will be designated upon notification to the effect that the vessels are to be returned. Since you will note from the text of the statute enclosed that Liberty tankers are not eligible for sale, it is therefore requested that your Government arrange for the return of the three vessels of this type within the next 60 days.\(^9\)

The provisions of this note do not relate to the S.S. Charles Gordon Curtis, renamed the S.S. Sergei Kirov, and the S.S. John Langdon, renamed the S.S. Tbilisi, which were transferred to your Government in connection with an understanding relating to the employment of certain categories of the Italian fleet and certain tonnage of the Italian merchant marine.\(^10\) These vessels will be made the subject of a separate communication.

Accept [etc.]

JAMES F. BYRNES

861.24/3-1946

Captain D. J. Sinnott of the Office of Naval Operations to Mr. John N. Hazard of the Office of Foreign Liquidation

CONFIDENTIAL

WASHINGTON, 18 March 1946.

Dear Mr. Hazard: There is attached hereto a list of ships, boats, barges, and floating drydocks of the Navy \(^11\) transferred to the U.S.S.R. under the provisions of the Lend Lease Act; Section 4, Public Law 1-

\(^8\) The Merchant Ship Sales Act, approved March 8, 1946; 50 Stat. 41.

\(^9\) In his answer to this note, dated April 22, 1946, Chargé Novikov stated (in translation) “the Government of the Union of Soviet Socialist Republics is prepared to consider the question of the vessels . . . simultaneously with the consideration of the question mentioned in the item 7 of your note of February 21, 1946, in accordance with the item 3 of our note of March 15, 1946.” (861.24/4-2246)

\(^10\) These two vessels were not transferred to the Soviet Union under lend-lease but in connection with the distribution of the Italian Fleet.

\(^11\) Not printed; the list totaled 577.
78th Congress (H.R. 1446); Article V of the Soviet Master Agreement; and "Acceptance Agreement" Article 3056 of the Bureau of Supplies and Accounts Memoranda, Chapter 30 which agreement is quoted herewith for your convenience:

[The form of the Acceptance Agreement is not reproduced.] The approximate value of vessels transferred as of February, 1946, is $394,481,994.73.

It should be noted that Public Law 1 requires the return to the United States of all ships, boats, barges, and floating drydocks of the Navy transferred under the provisions of the Lend Lease Act. No commitment should be entered into with the Soviets which will not obligate the Soviets to return the ships, boats, barges, and floating drydocks to ports in the Continental United States designated by the United States Navy.

All transfers were made between the period of 7 June 1943 and 2 September 1945 and were effected within the United States territorial waters.

Very truly yours,

D. J. Sinnott

861.24/3-1946

The Chargé of the Soviet Union (Novikov) to the Secretary of State

[Translation]

WASHINGTON, March 19, 1946.

Sir: I acknowledge receipt of your note of February 18, 1946 in which, in connection with the preparations for the forthcoming negotiations with the Government of the Union of Soviet Socialist Republics for the Lend-Lease settlement, you request that an inventory be submitted to the State Department of Lend-Lease supplies in the possession or under the control of the Union of Soviet Socialist Republics at the end of the war, and also ask for information concerning the powers of the Soviet Purchasing Commission at the present time in connection with the letter of the Chairman of the Soviet Purchasing Commission, General Rudenko, of January 22, 1946 to the Deputy of the Assistant Secretary of State, Mr. Willard Thorp.

The reply of the Soviet Government on the question of the settlement of Lend-Lease obligations is contained in my personal note to you of March 15, 1946 concerning a number of questions raised in your note of February 21, 1946.

With reference to the question of the powers of the Soviet Purchasing Commission at the present time which arose in your mind in connection with General Rudenko's letter of February [January]

12 Approved February 19, 1943; 57 Stat. 3.
22, 1946 to Mr. Thorp, I wish to point out that a misunderstanding has apparently arisen here because of the brevity of this letter which, by virtue thereof, was not properly understood.

It was General Rudenko's intention to communicate the following in this letter:

Since the complete settlement of the question raised in Mr. Thorp's letter of January 4, 1946 will undoubtedly require the participation not only of the Soviet Purchasing Commission but of other competent organs of the Soviet Government, in a similar manner to the procedure which was followed at the time of the conclusion of the supplementary Lend-Lease protocols, which supplemented the basic Lend-Lease Agreement of June 11, 1942, the respective proposals from the American side should have been transmitted through diplomatic channels and not through the Purchasing Commission. In connection with the foregoing, I wish to bring to your attention that the previous proposals of the Government of the United States of America for the conclusion of the Lend-Lease protocols were submitted through the Embassy of the Union of Soviet Socialist Republics in Washington.

It is self-evident that the competence and status of the Soviet Purchasing Commission have not been changed and continue up to the present time on the same scale as they were defined in Ambassador Litvinov's note of March 4, 1942 and confirmed in the reply of the Acting Secretary of State, Mr. Sumner Welles, of March 5, 1942.\(^\text{13}\)

Please accept [etc.]

N. Novikov

861.24/4-1346

The Chargé of the Soviet Union (Novikov) to the Special Assistant to the Secretary of State and Foreign Liquidation Commissioner (McCabe)

[Translation]

WASHINGTON, 13 April 1946.

SIR: I am authorized to advise you that the Government of the U.S.S.R. agrees to accept the conditions of credit for the purchase of surplus property of the U.S.A., set forth in your letter of 11 February, 1946 to the Chargé d’Affaires ad interim Orekhov, but it wishes to introduce a change in Article 6, which it proposes be formulated, as follows:

\[^{13}\]In the event the Government of the U.S.A. wishes to receive local currency of the U.S.S.R. for the payment of expenditures of the Embassy and Consulates of the U.S.A. in the U.S.S.R., (including expenses for construction agreed to with the responsible agencies of the U.S.S.R.) the Government of the U.S.S.R. will make available to

\[^{13}\]Neither printed; but see memorandum of a conversation with Litvinov on March 2, 1942, and footnote 72, Foreign Relations, 1942, vol. III, p. 696.
the Government of the U.S.A. Soviet rubles within the limits existing at the present time of 10 million rubles a year, at the most advantageous rate of exchange, which shall be current at the moment the currency is made available. If the Government of the U.S.A. requires a larger sum for the expenses referred to above, the limit of 10 million rubles per year may be raised with the agreement of both parties.

The dollar equivalent to the amount of Soviet rubles received by the Government of the U.S.A. shall be credited to the regular installment or installments of principal and interest on the credit then due and unpaid by the Government of the U.S.S.R."

In connection with the proposed change in the wording of Article 6 the last sentence of Article 1, beginning with the words "Nothing in this paragraph shall interfere, etc." should read as follows:

"Nothing in this paragraph shall interfere with the right of the Government of the United States to receive interest and payments in the principal of the credit in Soviet rubles to the extent and on the conditions provided in paragraph (6)."

N. Novikov

861.51/3-1546

The Secretary of State to the Chargé of the Soviet Union (Novikov)

WASHINGTON, April 18, 1946.

Sir: In reference to your note of March 15, 1946 the Government of the United States is pleased to learn that the Government of the Union of Soviet Socialist Republics is prepared to discuss with the Government of the United States all the economic questions specified in this Government’s note of February 21, 1946, and in particular to discuss at once the following questions:

(1) The request of the Government of the Union of Soviet Socialist Republics for a credit of one billion dollars.

(2) Preliminary discussions of a comprehensive treaty of friendship, commerce, and navigation between the United States and the Union of Soviet Socialist Republics and agreement to enter into negotiations in the near future for the conclusion of such a treaty.

(3) Methods for giving effect to the terms of Article VII of the Soviet Master Lend-Lease Agreement of June 11, 1942, such as are suggested in this Government’s "Proposals for Expansion of World Trade and Employment," which were transmitted to the Government of the Union of Soviet Socialist Republics on December 21, 1945.

(4) General settlement of lend-lease obligations in accordance with the provisions of the Soviet Master Lend-Lease Agreement, concluded on June 11, 1942 between the Governments of the United States and the Union of Soviet Socialist Republics, on the basis of an inventory of lend-lease supplies in the possession of the Union of Soviet Socialist Republics or subject to its control at the end of hostilities, as indicated in the note on this subject addressed by this Government to the Government of the Union of Soviet Socialist Republics on February 18, 1946.
The Government of the United States is pleased to note that the Government of the Union of Soviet Socialist Republics is ready to discuss at the time and place to be agreed upon the other economic questions referred to in the aforementioned note of February 21, 1946.

The Government of the United States considers that in the case of civil aviation matters of mutual interest to the two countries, this procedure is entirely expedient, and accordingly proposes that negotiations on these questions be begun in Washington on June 1, 1946.

This Government also considers that with regard to arrangements to guarantee that navigation on rivers of international concern should be free and open on terms of entire equality to nationals, vessels of commerce, and goods of all members of the United Nations, the same procedure is entirely satisfactory. In view of the importance of these questions it is deemed desirable that negotiations be begun in Washington on June 1, 1946.

In connection with these two questions, this Government wishes to state that it regards them as of no less importance than the other questions specified in this Government's note of February 21, 1946.

Subsequent to the aforementioned note of February 21, 1946, this Government has set forth its policy with respect to its foreign credit program in a statement of March 1, 1946, on the "Foreign Loan Policy of the United States Government", a copy of which is attached to the present note.14

In accordance with the principles outlined in this statement, it is considered that the extension by the Government of the United States to the Government of the Union of Soviet Socialist Republics of a credit of one billion dollars should assist the Soviet Union in the restoration of the productive capacities destroyed by the war, and should, at the same time, be directed towards the creation of an international economic environment permitting a large volume of trade and expanding mutually beneficial economic relations among nations. Accordingly, this Government considers that certain of the questions which might stand in the way of the sound development of these relations should be freely discussed at the same time that the requested credit is considered, and in particular that the questions specified in Paragraphs 1, 2 and 5 of this Government's note of February 21, 1946 are so closely interrelated with, and to a large extent concern implementation of, the questions to the immediate discussion of which the Government of the Union of Soviet Socialist Republics

14Published in House Document 489 (79th Cong., 2d sess.). This document by the National Advisory Council on International Monetary and Financial Problems, dated February 21, 1946, was transmitted by President Truman in a special message to Congress on March 1, 1946.
has agreed in its note of March 15, 1946, that it would be virtually im-
possible to discuss the one group of questions without the other. For
these reasons it is the position of this Government that, in addition to
the four issues referred to in the first paragraph of this note, it is
essential that the following economic questions be discussed con-
currently therewith:

(a) Claims of American nationals against the Government of the
Union of Soviet Socialist Republics including claims arising from
actions of the Union of Soviet Socialist Republics in occupied and
liberated areas.

(b) Determination of concerted policies to be followed by the
United States and the Union of Soviet Socialist Republics together
with the United Kingdom, under the terms of the agreement reached
at the Crimea Conference, 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
economic problems.

(c) Arrangements to assure adequate protection of the interests of
inventors and of writers and other holders of copyrights.

(d) Discussions of other economic questions, pertinent to the scope
of negotiations as herein proposed, the settlement of which questions
in the opinion of either government would be conducive to the attain-
ment of the aims of these negotiations.

It is proposed herewith that negotiations on the subjects specified
in the present note, except as otherwise indicated, should begin in
Washington on May 15, 1946. It is further proposed that preliminary
discussions with respect to the technical details of the lend-lease settle-
ment should begin on May 5, 1946.

The Government of the United States wishes to make known its
view that agreement to discuss in Washington the matters enumer-
ated herein should not preclude or postpone the separate discussion
and settlement elsewhere of the same or related questions.

The Government of the United States noted with pleasure the
attendance of an observer representing the Government of the Union
of Soviet Socialist Republics at the first meetings of the Boards of
Governors of the International Monetary Fund and International
Bank for Reconstruction and Development held at Savannah, Georgia
in March of this year. It desires to express the hope that the Gov-
ernment of the Union of Soviet Socialist Republics will shortly avail
itself of the opportunity provided by the Boards of Governors to
accept membership in and participate in these institutions. It also
desires to indicate its view that successful conclusion of the financial
and economic discussions referred to in this note will be facilitated by
cooperation of the two Governments in these two of the principal
The Secretary of the Navy (Forrestal) to the Secretary of State

WASHINGTON, 6 May 1946.

Sir: This letter proposes for your consideration certain aspects of the Lend-Lease account with the U.S.S.R. The question of recovery of the vessels transferred under Lend-Lease to the Soviets must eventually be taken under consideration for decision. It is not my purpose at this time to propose immediate full recovery but rather to indicate certain details in connection with this problem which are of prime importance to the Navy.

The U.S.S.R. declined to conclude "charter party" agreements with the Navy Department for vessels received under the Lend-Lease Act, as was done by the United Kingdom and other lessees. In lieu thereof Soviet representatives signed for each vessel an "Acceptance Agreement" which described the vessel as leased pursuant to the Act of Congress of 11 March 1941 and other applicable laws and regulations of the United States of America and the applicable agreements between the two governments, and "is to be covered by a formal lease executed or to be executed by such governments". Presumably the formal lease referred to is the Soviet Master Lend-Lease Agreement signed 11 June 1942.

In the Master Agreement signed 11 June 1942, return of defense articles (which include vessels) is covered by Article V which provides as follows:

"The government of the U.S.S.R. will return to the United States of America at the end of the present emergency, as determined by the President of the United States of America, such defense articles transferred under this agreement as shall not have been destroyed, lost or consumed and as shall be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States of America".

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A notation by Mr. Collado at the end of this document stated that this paragraph had been "added at the request of & approved by" Secretary of the Treasury Fred W. Vinson, and had been agreed to in the Offices of Financial and Development Policy, International Trade Policy, and the Division of Eastern European Affairs of the Department of State.

Although the Soviet Union had participated in the Bretton Woods Conference, it had not become a member either of the International Bank for Reconstruction and Development or the International Monetary Fund. Accordingly, the Soviet Union was not at this time entitled to credits from the International Bank nor to the privileges of the Fund. The Soviet Union remained eligible for membership in these two institutions until December 31, 1946, on the same terms as those enjoyed by members who had signed the Bretton Woods Agreement by December 31, 1945.
From the above it appears that the following are conditions precedent to the recovery of United States owned vessels now in Soviet possession:

(a) The present emergency must be formally ended;
(b) The vessels concerned must be determined by the President to be useful in the defense of the United States of America or of the Western Hemisphere or to be otherwise of use to the United States.

It follows that recovery cannot be implemented through ordinary lend-lease procedure nor through naval channels alone, but that preparatory negotiations must be conducted on governmental level.

A summarized list of vessels which have been transferred to the U.S.S.R. is appended. Of particular importance are the three CR's or ice-breakers identified as:

<table>
<thead>
<tr>
<th>U.S. Name</th>
<th>U.S.S.R. Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwind</td>
<td>Severny Veter</td>
</tr>
<tr>
<td>Southwind</td>
<td>Admiral Makarov</td>
</tr>
<tr>
<td>Westwind</td>
<td>Severny Polus</td>
</tr>
</tbody>
</table>

These are high-powered ice-breakers of the most modern design, sister ships (except in armament) of the two now in commission in the U.S. Coast Guard and of two others under construction and completing for the Navy. The importance of an adequate number of high capacity ice-breakers in supporting any operations in the frigid zones cannot be over-emphasized. Three sevenths of the total war production of this type are held by the U.S.S.R.

It is therefore requested, in view of projected U.S. naval requirements, that the general subject of lend lease returns from the U.S.S.R. be explored and that plans be made to institute recovery proceedings with respect to the three ice-breakers immediately upon the ending of the present emergency or earlier if an acceptable alternative basis for their return can be formulated.

JAMES FORRESTAL

894.515/5-1446

Memorandum of Conversation, by the Acting Secretary of State

[Extract]

[WASHINGTON,] May 14, 1946.

Mr. Novikov then brought up the question of news reports to the effect that the United States Government was no longer earmarking a billion dollars for the possible credit to the Soviet Government. He

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38 Not printed.
37 Elbridge Dubrow, Chief of the Division of Eastern European Affairs, was present at the conversation and drafted the memorandum.
asked me whether this was correct. I explained that at the time the capital of the Export-Import Bank was increased last year Mr. Crowley had indicated that it was possible that a billion dollars of the $3,500,000,000 capital of the Bank might be used for a credit to the Soviet Government but that this sum was not specifically set aside for this purpose since the Bank did not set aside sums until after the completion of concrete negotiations regarding credits.

I then explained that during the past few months several credit negotiations have been completed which depleted the capital available in the bank so that at the present time there was not actually a billion dollars available for further credits. I added, however, that the President had asked the Congress for $1,250,000,000 additional capital for the bank, which it is anticipated would be approved by the Congress before its adjournment this year and that there would then be a billion dollars available in the event that the projected negotiations with the Soviet Government should bring about an agreement regarding the granting of a billion dollar credit.  

DEAN ACHESEON

[At intervals during 1946, discussions arose about intentions to increase the lending authority of the Export-Import Bank, and whether any part of this might be used for a loan to the Soviet Union. In his special message to Congress on March 1 transmitting a Report of February 21 on foreign loan policy prepared by the National Advisory Council on International Monetary and Financial Problems, wherein it had been stated that the Export-Import Bank would require additional lending authority of $1,250,000,000 during the next fiscal year, President Truman declared: “I endorse this conclusion and at a later date I will discuss further with the Congress the need of appropriate legislation.”

During the President’s news conference of June 14, he was reminded of this statement and was asked whether he still planned to recommend this increase in the lending authority of the Bank to the present session of Congress. President Truman replied: “I have not yet got to the point where I can consider that.”

38 The Export-Import Bank Act, approved July 31, 1945, 59 Stat. 526, provided for increasing the lending authority of the Bank. Section 4 stated that it “shall have a capital stock of $1,000,000,000 subscribed by the United States.” Section 7 placed a limitation on outstanding loans and guarantees by specifying that the Bank “shall not have outstanding at any one time loans and guaranties in an aggregate amount in excess of three and one-half times the authorized capital stock of the Bank.”

39 See bracketed note, infra.


41 Ibid., p. 301.
This subject was raised again in greater detail in the President’s news conference on July 18. The President was asked whether he had any plans for asking Congress for more funds for foreign loans, and he answered that “I have no such intention.” Then the following exchange took place:

“Q. Mr. President, in saying you have no such intention for asking for more money for loans, does that mean you do not intend to ask for the one and a quarter billion more capital for that Export-Import Bank, that has been mentioned in the past?

The President. No. I think that will come up in the next Congress automatically.

Q. Specifically there is no plan at all for an early request for a loan to Russia?

The President. Not that I know of. I haven’t heard about it.”

Once more at the news conference on the review of the 1947 budget held on August 2, President Truman was asked whether the figure of $1,250,000,000 was included that he said he would ask Congress for at a later date. The President replied that this figure was “not included, because it was not asked for.” Shortly afterwards the question was asked whether the President expected “to ask the next Congress for the billion and a quarter for the Export-Import Bank?” To this President Truman answered: “We’ll see what the situation—how the situation develops, and if it’s necessary, I will ask for it, and if it isn’t, I won’t.”

There were no further developments during 1946.]

861.24/5-1546

Brigadier General D. G. Shingler, General Staff Corps, Deputy Director of Procurement, War Department, to Mr. John N. Hazard of the Office of Foreign Liquidation

WASHINGTON, May 15, 1946.

Dear Mr. Hazard: Reference is made to your 15 April 1946 letter wherein you request confirmation of the fact that vessels procured with funds appropriated to the War Department do not necessarily have to be returned to the Government of the United States. Also whether or not the return of any or all of these vessels will be desired for other than legal reasons.

There appear to be no legal restrictions with regard to any vessels procured from funds appropriated to the War Department, similar

23 Ibid., pp. 381, 382-383.
24 Not printed.
to those applicable to vessels procured from funds appropriated to the Navy, which require return of such vessels to the United States.

The War Department has no requirement for the vessels and barges previously made available to the U.S.S.R. 25

As you know, the War Department has consistently adhered to the position outlined in a letter of the Acting Lend-Lease Administrator to the Secretary of War dated 16 June 1942, that the responsibility for the determination of the terms and conditions upon which war materials are lend leased to a foreign government and the benefit to be received by the United States therefrom rest with the State Department. Pursuant to your request for the recommendation of the War Department in this connection, however, it is the firm recommendation of the War Department that final disposition of vessels procured from funds appropriated to the War Department should be made under the same terms and the same restrictions as are applicable to vessels procured from funds appropriated to the Navy Department.

Sincerely yours,

D. G. Shingler

The Appointed Ambassador of the Soviet Union (Novikov) to the Acting Secretary of State

[Translation]

WASHINGTON, May 17, 1946.

Sir: In connection with the note of the Secretary of State dated April 18, 1946 I am instructed to communicate to you the following:

The Soviet Government, as it was already indicated in my note of March 15, 1946, is prepared to start negotiations with the United States Government on the questions: of the amount and conditions of a long-term Governmental credit of the United States of America to the Government of the Union of Soviet Socialist Republics, of the conclusion of a treaty of friendship, commerce and navigation between the Union of Soviet Socialist Republics and the United States of America, of methods for giving effect to the terms of Article VII of the Soviet Master Lend-Lease Agreement of June 11, 1942, such as are suggested in the United States Government's "Proposals for Expansion of World Trade and Employment" and on the question of Lend-Lease supplies.

The Government of the Union of Soviet Socialist Republics does not object to the proposals by the United States Government to start

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25 A total of 29 vessels were involved: 9 tankers, 1 freight vessel, 2 machine shop barges, and 17 crane barges. The Army had figured their cost at point of transfer to be $9,757,352.56.
the negotiations on the above mentioned questions in May 1946 in Washington.

As to the other economic questions mentioned in the Secretary of State’s note the Government of the Union of Soviet Socialist Republics, seeing no direct relation between these questions and those mentioned above, nevertheless is prepared to exchange in a preliminary fashion opinions on these questions during negotiations mentioned above.

The Government of the Union of Soviet Socialist Republics also agrees to enter into negotiations on the questions of civil aviation and navigation on rivers of international concern. The exact date of the negotiations on these questions can be named during the negotiations which should be started in the second part of May 1946.

Accept [etc.]

N. Novikov

861.51/5-1746

Memorandum by Mr. George F. Luthringer of the Office of Financial and Development Policy to the Assistant Secretary of State for Economic Affairs (Clayton)

[WASHINGTON,] May 23, 1946.

1. A draft reply to the Soviet note of May 17th that has been approved by the interested divisions maintains the previous American position that we will discuss a $1 billion loan only in connection with an overall consideration of economic and financial policies.

2. At the present time the Eximbank has only about $200 million that has not been committed, either formally or in effect. It seems clear that even though the proposed request to Congress for $1 1/4 billion of additional lending power for the Bank is made on grounds of general foreign loan policy, Congress will regard this as authorization for a loan to the U.S.S.R. as long as present negotiations continue. The Congressional hearings and debates will almost certainly be, in effect, on a $1 billion loan to the Soviet Union.

3. The British Financial Agreement 26 secured senatorial approval only after an acrimonious debate and it appears that part of the support for this loan came from those who felt that it would strengthen the political position of the United States in relation to the U.S.S.R. In the case of a credit to the U.S.S.R. the opposition to foreign loans in general will be strengthened and not allayed by our current political relations with the U.S.S.R.

26 The Financial Agreement with the United Kingdom was signed at Washington on December 6, 1945. Provision was made in it for extension of a line of credit of $3,750,000,000 until December 31, 1951. A joint resolution by Congress authorizing the Secretary of the Treasury to carry out the agreement with the United Kingdom was approved July 15, 1946; 60 Stat. 535. For text of agreement, see Department of State Bulletin, December 9, 1945, p. 907, or 60 Stat. (pt. 2) 1841.
4. There is a reasonable doubt whether Congress would approve additional funds for the Eximbank that were clearly intended for the U.S.S.R. Regardless of the final action of Congress, the debates would undoubtedly result in charges and counter-charges in regard to Soviet policy, both in Congress and in the press, that might well worsen our relations with the U.S.S.R. It is probable that such a debate would give wide publicity to many Soviet actions in recent months, including ones that up to the present have not received much public attention. There is a strong possibility that the U.S.S.R. will reject the terms in our proposed reply, and in that case the result would be a needless airing of anti-Soviet opinion in this country.

5. There are two possible alternative actions open to this Government whose advantages and disadvantages should be weighed by higher officers of the Department before we embark on a step that is almost certain to lead to a free-for-all debate in Congress on the U.S.S.R., without any assurance that funds will be available for a loan to the U.S.S.R. or that the U.S.S.R. will be interested in a loan on our terms. These alternatives are:

a) to take advantage that the Soviet reply of May 17th gives to break off gracefully loan negotiations with the Soviet Union;

b) to postpone the $1\frac{1}{4}$ billion request for additional lending power until we have a clearer picture of the likelihood of successful negotiations with the U.S.S.R. This would involve now asking for a sum of $250$–$500 million with an understanding with Congressional leaders that an additional sum will be requested in case we wish to proceed with loan negotiations with the U.S.S.R.

861.24/6-1246 : Telegram

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

SECRET

WASHINGTON, June 12, 1946—11 a.m.

1067. From Hazard. Your 1767 June 5.¹⁷ No agreement yet reached on surplus property disposal to USSR. Principal difference is clause relating to expenses of Embassy for which USSR proposes restrictive provisions as to annual amounts of currency available and uses permitted. Delay also occasioned by inability to reach agreement on what specific surplus items meet Soviet specifications. European surpluses now nearly exhausted and Pacific area surpluses are principal source. Soviets request inspection tour of Pacific presenting security problems. Anticipate slow developments toward signature and deliveries.

Summary of May operations report following later. [Hazard.]

BYRNES

¹⁷ Not printed.
The Secretary of State to the Ambassador of the Soviet Union  
(Novikov)

WASHINGTON, June 13, 1946.

EXCELLENCY: Reference is made to your note of May 17, 1946. The Government of the United States has noted that the Government of the Union of Soviet Socialist Republics is now prepared to extend the scope of the negotiations so as to include a preliminary exchange of opinions on the questions specified under (a), (b) and (c) of this Government’s note of April 18, 1946. At the same time the Government of the United States must reaffirm the view, expressed in its note of February 21, 1946, that the settlement of all the questions enumerated in that note is necessary to provide a sound basis for the mutually beneficial development of economic and financial relations between the United States and the Union of Soviet Socialist Republics. Accordingly, while the Government of the United States welcomes the willingness of the Government of the Union of Soviet Socialist Republics to widen the scope of the negotiations, it is unable to agree to a merely preliminary exchange of opinions on some of the questions to be included in the negotiations.

Taking account of the views of the Government of the Union of Soviet Socialist Republics as set forth in your note of May 17, 1946, the Government of the United States makes the following proposals with regard to the procedure to be followed in arriving at a comprehensive settlement of these questions.

(1) Negotiations on the following questions to begin at an early date, preferably July 10, 1946:

a. The request of the Government of the Union of Soviet Socialist Republics for a credit of one billion dollars.

b. Preliminary discussions of a comprehensive treaty of friendship, commerce, and navigation between the United States and the Union of Soviet Socialist Republics and agreement to enter into negotiations in the near future for the conclusion of such a treaty.

c. Methods for giving effect to the terms of Article VII of the Soviet Master Lend-Lease Agreement of June 11, 1942, such as are suggested in this Government’s “Proposals for Expansion of World Trade and Employment”, which were transmitted to the Government of the Union of Soviet Socialist Republics on December 21, 1945.

d. General settlement of lend-lease obligations in accordance with the provisions of the Soviet Master Lend-Lease Agreement, concluded on June 11, 1942, between the Governments of the United States and the Union of Soviet Socialist Republics, on the basis of an inventory of lend-lease supplies in the possession
of the Union of Soviet Socialist Republics or subject to its control at the end of hostilities, as indicated in the note on this subject addressed by this Government to the Government of the Union of Soviet Socialist Republics on February 18, 1946.

e. Claims of American nationals against the Government of the Union of Soviet Socialist Republics including claims arising from actions of the Union of Soviet Socialist Republics in occupied and liberated areas.

f. Determination of concerted policies to be followed by the United States and the Union of Soviet Socialist Republics together with the United Kingdom, under the terms of the agreement reached at the Crimea Conference, 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 economic problems.

g. Arrangements to assure adequate protection of the interests of inventors and of writers and other holders of copyrights.

h. Discussions of other economic questions, pertinent to the scope of negotiations as herein proposed, the settlement of which questions in the opinion of either Government would be conducive to the attainment of the aims of these negotiations.

(2) Negotiations on civil aviation matters of mutual interest to the two countries to begin two weeks after the commencement of the negotiations referred to in item (1) above.

(3) Negotiations on the following question to be held at a time to be fixed in the course of negotiations referred to in item (1) above:

"Arrangements to guarantee that navigation on rivers of international concern should be free and open on terms of entire equality to nationals, vessels of commerce, and goods of all members of the United Nations."

(4) It is further proposed that the negotiations herein referred to be held in Washington.

The Government of the United States wishes to reiterate its view that neither the present correspondence, nor such negotiations in Washington as may result from this correspondence, nor the outcome of these negotiations should in any way preclude or postpone the separate discussion and settlement of the matters enumerated in this note. In particular, nothing in the present note should be so interpreted as to preclude or postpone negotiation and settlement of these matters at the forthcoming Conference of Foreign Ministers.

The Government of the United States begs to call the attention of the Government of the Union of Soviet Socialist Republics to the last paragraph of this Government's note of April 18, 1946, referring to the adherence of the Government of the Union of Soviet Socialist Republics to the International Monetary Fund and the International Bank for Reconstruction and Development. The Government of the United States wishes to reaffirm the view expressed therein that suc-
cessful conclusion of the proposed financial and economic discussions will be facilitated by cooperation of the two Governments in these two of the principal United Nations organizations designed to further international economic progress.

The Government of the United States would appreciate an early reply to the present note.

Accept [etc.]

JAMES F. BYRNES

861.24/6-2746

Revised Draft of Proposed Agreement Between the Governments of the United States and the Soviet Union on Settlement of Lend-Lease and Reciprocal Aid and War Claims

CONFIDENTIAL

[WASHINGTON,] June 27, 1946.

Pursuant to the agreement of June 11, 1942 between the Governments of the United States of America and the Union of Soviet Socialist Republics on the principles applying to mutual aid in the prosecution of the war against aggression, the undersigned being duly authorized by their respective Governments have agreed as follows:

1. The following shall be a complete and final settlement for lend-lease and reciprocal aid, not otherwise provided for under the Agreement of October 15, 1945\(^{28}\) or under such agreements as were concluded in accordance with the terms set forth by the Government of the United States of America on May 30, 1945.\(^{29}\) It shall also be a complete and final settlement of all claims of each Government against the other arising during World War II. In making this settlement both Governments have taken full cognizance of the benefits already received by them in defeat of their common enemies. They have also taken full cognizance of the general obligations assumed by them in Article VII of the agreement of June 11, 1942 and the understandings reached this day with regard to commercial policy. (Pursuant to this settlement both Governments will continue to discuss arrangements for the attainment of the economic objectives referred to in Article VII of the Agreement of June 11, 1942.) In the light of the foregoing, both Governments concur that no further benefits will be sought as consideration for lend-lease and reciprocal aid and for claims arising from the conduct of World War II.

2. \((a)\) The term "Lend-Lease Article," as used in this agreement, means any article \((a)\) transferred prior to September 20, 1945 by the Government of the United States under the Act of March 11, 1941\(^{30}\) to the Government of the Union of Soviet Socialist Republics or


\(^{29}\) Ibid., p. 1009.

\(^{30}\) 55 Stat. 31.
(b) transferred to any other government under that Act and retransferred prior to September 20, 1945 to the Government of the Union of Soviet Socialist Republics.

(b) The term “reciprocal aid article” as used in this agreement means any article transferred by the Government of the Union of Soviet Socialist Republics to the Government of the United States during the period June 22, 1941 to September 20, 1945 without specific arrangements for payment.

3. (a) The Government of the Union of Soviet Socialist Republics hereby acquires and shall be deemed to have acquired on September 20, 1945, without qualification as to disposition or use, full title to all lend-lease articles transferred on or before September 20, 1945, other than those covered by paragraphs 6 and 8 hereof.

(b) The Government of the United States hereby acquires and shall be deemed to have acquired on September 20, 1945, without qualification as to disposition or use, full title to all reciprocal aid articles transferred on or before September 20, 1945.

(c) As consideration for the acquisition of title to lend-lease and reciprocal aid articles by the two governments as set forth above there shall be due to the Government of the United States from the Government of the Union of Soviet Socialist Republics a net sum of $ . . . . . . .

4. The two Governments hereby agree that all financial claims whatsoever of one Government against the other which arose out of lend-lease or reciprocal aid or otherwise arose, on or after June 22, 1941 and prior to September 2, 1945, out of or incidental to the conduct of World War II, and which are not otherwise mentioned in this agreement, are hereby waived and neither Government will hereafter raise or pursue any such claims against the other. As consideration for the waiver of claims by the two Governments there shall be due from the Government of the . . . . . . . . . to the Government of the . . . . . . . . . . a net sum of $ . . . . . . .

5. (a) The total amount due under this agreement shall be the total of the net sums specified in paragraphs 3 and 4 above, namely: $ . . . . . . . due from the Government of the Union of Soviet Socialist Republics to the Government of the United States. Payment of this total amount shall be made by the Government of the Union of Soviet Socialist Republics in dollars except as provided in paragraph 7 of this agreement on or before July 1976 in twenty-two annual installments, the first of which shall become due and payable on July 1, 1955. The amounts of the annual installments shall be as follows: each of the first four installments shall be $ . . . . [an
amount equal to 2.5 percent of the total amount]; each of the next four installments shall be $ . . . . . [an amount equal to 3.5 percent of the total amount]; each of the next four installments shall be $ . . . . . [an amount equal to 4.5 percent of the total amount]; each of the next four installments shall be $ . . . . . [an amount equal to 5.5 percent of the total amount]; and each of the last six installments shall be $ . . . . . [an amount equal to 6 percent of the total amount]. Interest on the unpaid balance of the total amount as set forth above shall be paid by the Government of the Union of Soviet Socialist Republics at the fixed rate of 23\% per annum accruing from July 1, 1946. Interest shall be payable annually, the first payment to be made July 1, 1947.

(b) The obligation of the Government of the Union of Soviet Socialist Republics may be discharged by the delivery of gold at points as may be designated by the Government of the United States. Such gold will be valued at the buying price of gold as specified in the regulations issued under the Gold Reserve Act of 1934 in effect at the time of each delivery.

(c) If by agreement of both Governments it is determined that, because of extraordinary and adverse economic conditions arising during the course of payment, the payment of a due installment would not be in the joint interest of the United States of America and the Union of Soviet Socialist Republics, payment may be postponed for an agreed upon period.

(d) The Government of the Union of Soviet Socialist Republics may anticipate the payment of any installment of principal, or any part thereof, provided that this right of anticipation may not be exercised when any installment of principal or interest is past due and unpaid.

6. (a) The Government of the United States of America reserves the right to recapture at any time after September 1, 1945 any lend-lease articles in the categories listed in Appendix I hereto which, as of the date upon which notice requesting return is communicated to the Government of the Union of Soviet Socialist Republics, are not destroyed, lost, consumed or disposed of in accordance with this agreement. The Government of the United States does not intend to exercise generally this right of recapture. Whenever the Government of the United States notifies the Government of the Union of Soviet Socialist Republics that it desires the return of any lend-lease articles under this paragraph, the Government of the Union of Soviet Socialist Republics will make the necessary arrangements for effecting

\[\text{Brackets in this paragraph appear in the original.}\]

\[\text{Not printed.}\]
the physical return of such articles to the custody of the Government of the United States at such points as the latter may designate and will use its best endeavors to see that all reasonable care is exercised in order to prevent loss of or damage to such articles during the process of return. Full responsibility in connection with any lend-lease articles covered by this paragraph not recaptured or accepted for return by the Government of the United States shall lodge with the Government of the Union of Soviet Socialist Republics. The Government of the United States may decline to accept any lend-lease articles covered by this paragraph which may be offered for return. Except as provided in paragraph 6(b) hereof the Government of the Union of Soviet Socialist Republics shall not be required to notify the Government of the United States before disposing of or abandoning any lend-lease articles covered by this paragraph which become surplus to the requirements of the Government of the Union of Soviet Socialist Republics.

(b) Re-transfers of lend-lease articles in the categories listed in Appendix I hereto shall not be made by the Government of the Union of Soviet Socialist Republics without the prior consent of the Government of the United States.

7. (a) The Government of the Union of Soviet Socialist Republics agrees to transfer to the Government of the United States local currency of the Government of the Union of Soviet Socialist Republics as follows:

(1) An amount not to exceed the equivalent of 10,000,000 United States dollars to be transferred in annual installments beginning on July 15, 1947 if and when requested by the Government of the United States but any one installment not to exceed an amount equivalent to 300,000 United States dollars. The amounts so transferred will be used to defray the expenses of United States citizen students who may be selected by the Government of the United States with the approval of the Union of Soviet Socialist Republics for study at centers of learning in the Union of Soviet Socialist Republics. Such expenses may include the cost of passage of such students to and from the United States on Soviet operated vessels. It is agreed that the Government of the Union of Soviet Socialist Republics will render all possible assistance to the Government of the United States and to the selected students in providing for their welfare while studying in the Union of Soviet Socialist Republics.

(2) Such other amounts as the Government of the United States may request at any time or times for the payment of any or all expenditures in the Union of Soviet Socialist Republics of the Government of the United States and its agencies.

The dollar equivalent of local currency of the Union of Soviet Socialist Republics transferred under this sub-paragraph shall be
credited to the amounts payable under the terms of paragraph 5 hereof: first to past due interest, if any, and then pro rata to all remaining unpaid installments of principal in amounts adjusted to the proportionate size of such installments. This dollar equivalent shall be computed on a basis of such exchange rate (par value) as may be established by the International Monetary Fund provided that both countries are members thereof when such rate is used. If there is no such rate, the rate shall be that rate most favorable to the United States which was used in any transaction of the Union of Soviet Socialist Republics with any party during the twelve months period preceding the transaction under the terms of this agreement for which an exchange rate is required. Any amounts so transferred shall not be in excess of the balance of principal then outstanding, plus matured interest as provided in paragraph 5 hereof. Except by mutual agreement between the two Governments, the Government of the United States shall not be entitled to receive in any single calendar year local currency of the Union of Soviet Socialist Republics under the terms of this sub-paragraph or other benefits under the terms of sub-paragraph 7 (b) the combined total value of which is in excess of the equivalent of . . . . . United States dollars.

7. (b) When the Government of the United States wishes to acquire any interest in property, real or personal, tangible or intangible, or to improve any property in which it has an interest, the Government of the United States will request at any time or times and the Government of the Union of Soviet Socialist Republics agrees at any such time or times to enter into negotiations with the Government of the United States and to use its best efforts to consummate without any undue delay appropriate contracts by mutual agreement wherein the Government of the Union of Soviet Socialist Republics will furnish to the Government of the United States the interest in properties or improvements which it desires or which its representatives have selected, at fair terms and prices. With reference to properties required for the housing of official activities of the Government of the United States, such as the diplomatic and consular services and their attached personnel in the Union of Soviet Socialist Republics, and with reference to a student hostel in Moscow for the housing of United States citizen students it is mutually agreed that the responsible agencies of the Government of the United States and the Government of the Union of Soviet Socialist Republics shall cooperate in the selection of suitable sites and the preparation of plans and specifications for appropriate buildings to be constructed as soon as possible thereon by the Government of the Union of Soviet Socialist Republics under joint supervision. The use of such land and buildings shall be for a long term of years. When
performance of any such contract is made by the Government of the Union of Soviet Socialist Republics the United States dollar equivalent of the fair value received, computed at an exchange rate as provided in sub-paragraph 7 (a) hereof, shall be credited to the amounts payable under the terms of paragraph 5 hereof: first to past due interest, if any, and then pro rata to all remaining unpaid installments of principal in amounts adjusted to the proportionate size of such installments. The total value of property to be delivered by the Government of the Union of Soviet Socialist Republics in any calendar year shall be subject to the annual limitation of . . . . . . specified in sub-paragraph 7 (a) hereof.

8. (a) Ships, boats, barges and floating drydocks of the United States Navy transferred to the Government of the Union of Soviet Socialist Republics under the provisions of the Act of March 11, 1941 as supplemented by the Act of February 19, 1943 and not destroyed or lost shall be returned by the Government of the Union of Soviet Socialist Republics at places to be designated by the Government of the United States. Such returns shall be effected not later than 90 days following the signing of this agreement. A list of such vessels transferred is set forth in Appendix IIA.²³

(b) Dry cargo vessels, tankers and other merchant watercraft listed in Appendix IIB ²² and not destroyed or lost shall be returned forthwith to the custody of the Government of the United States at United States ports.

861.24/8-1346

Memorandum by the Under Secretary of State (Acheson) to Thomas B. McCabe, Special Assistant to the Secretary of State and Foreign Liquidation Commissioner

[WASHINGTON,] June 29, 1946.

I have your letter of June 13 ²⁴ in which you state that you are now prepared to negotiate further the terms of the agreement with the Soviet Government covering the $100,000,000 credit for the purchase of surplus property and request advice as to the course to pursue. It is my understanding that you are now ready to make counter proposals to the terms suggested by the Soviet representatives on April 13.

I believe it would be in order for you to proceed with these negotiations and to make the counter proposal which you have in mind.

If the Department can be of assistance in any respect in connection with these negotiations, please do not hesitate to call upon the appropriate officers.

²² Lists not attached to file copy.
²³ Not printed.
Memorandum by the Under Secretary of State (Acheson) to the Deputy Director of the Office of European Affairs (Hickerson)

[WASHINGTON,] July 24, 1946.

Mr. Hickerson: I discussed the matter of reviving the project to sell surplus property to the Soviet Union as set forth in your memorandum, with special reference to the need for using some of the proceeds for the betterment of our Embassy staff facilities in Moscow. After going over the matter thoroughly, the Secretary instructed me that he did not wish to raise the matter at this time.

I have given this information to Mr. McCabe. For your information, Mr. McCabe says that this conclusion accords with the necessities of the case in that (a) the Soviet Union has not accepted the terms of the credit; (b) it does not wish to acquire any of the property presently declared surplus in Europe; (c) it wishes us to declare additional property surplus; and (d) it wishes to inspect surplus property in the Pacific.

[Dean] A[cheson]

The Secretary of State to the Chargé of the Soviet Union (Orekhov)

Washington, July 26, 1946.

Sir: Among the ships transferred to the Soviet Government under lend-lease arrangements by the United States Navy Department are the following three ice-breakers: CR-96 North Wind, CR-98 South Wind, and CR-99 West Wind.

In view of the United States Government's pressing need for these vessels, the Soviet Government is requested to make them immediately available for return. Upon receipt of advice from your Government that these vessels are ready for return, the United States Government will designate a port of delivery.

Accept [etc.]

James F. Byrnes

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26 No copy of a memorandum by Mr. Hickerson found in Department files.
27 Secretary of State Byrnes in a letter on this same day informed Secretary of the Navy Forrestal that a note was being sent to the Soviet Union asking for the return of three ice-breaker ships, as had been requested in Mr. Forrestal's letter of May 6. The Secretary of State also wrote: "Officers of your department will of course be consulted whenever any action is contemplated with respect to the vessels in question." (861.24/5-646)
Memorandum by the Acting Chief of the Division of Lend-Lease and Surplus War Property Affairs (Mailoch) to the Director of the Office of Financial and Development Policy (Ness)

[WASHINGTON,] September 3, 1946.

The Department has taken the position heretofore that the negotiation of a loan to the Soviet Government should be coupled with discussions of a number of outstanding economic questions such as a comprehensive treaty of friendship, commerce, and navigation; methods of giving effect to the terms of Article VII of the Soviet Master Lend-Lease Agreement of June 11, 1942 (including the Department's "Proposals for Expansion of World Trade and Employment ["]) and the general settlement of lend-lease obligations in accordance with the provisions of the Master Agreement.

In view of recent developments which preclude the immediate possibilities of a loan to the Soviet Union either through the Export-Import Bank or by direct Congressional action feeling has grown among those familiar with the Soviet situation that it might be advisable to initiate a Lend-Lease settlement independently of a loan and other economic matters. The attached memorandum to Mr. Truesdell from Mr. Truesdell to me sets forth the advantages and disadvantages of following this course.

As Mr. Havlik mentioned in his memorandum to you dated August 23, 1946, Mr. Clayton has given his opinion that a lend-lease settlement with the Soviet Union should be attempted independently of other economic questions. Accordingly a note to the Soviet Government proposing the commencement of negotiations in the near future is being prepared by this Division for clearance within the Department.

740.00119 Council/9-1146: Telegram

The Acting Secretary of State to the Secretary of State, at Paris

TOP SECRET WASHINGTON, September 11, 1946—noon. US URGENT

4738. Secdel 865. Clayton to Secretary. If you approve we plan request within few days that USSR begin lend-lease settlement dis-

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26 Memorandum of August 29, 1946, not printed.
29 George E. Truesdell of the Division of Lend-Lease and Surplus War Property Affairs.
30 Hubert F. Havlik, Acting Chief of the Division of Investment and Economic Development.
31 Not printed.
32 See the note of September 14, 1946, p. 854.
33 The Secretary of State was chairman of the U.S. delegation to the Paris Peace Conference, held July 29–October 15, 1946.
cussions here early date say 15 October apart from any discussion billion dollar loan and from other questions heretofore mentioned in correspondence USSR as part of group of related economic questions. Proposed note to USSR will mention only lend-lease matters. Discussions would cover matters under Soviet Master Lend-Lease Agreement, including Article VII thereof extent feasible, and including matter of vessels to be returned or purchased in accordance United States law. Remoteness of loan prospect and other considerations of which you are aware commend this course. May we proceed.  

CLAYTON

The Acting Secretary of State to the Chargé of the Soviet Union (Orekhov)

WASHINGTON, September 14, 1946.

Sir: The Government of the United States, recognizing the outstanding contribution of the Union of Soviet Socialist Republics in the prosecution of the war against the common enemy, rendered assistance to the Government of the Union of Soviet Socialist Republics in the form of military supplies, raw materials, industrial equipment, food and services under the terms of the Moscow Protocol of October 1, 1941 and subsequent Protocols, and under other arrangements which accorded with the changing war situation. The Government of the United States provided lend-lease aid to the Government of the Union of Soviet Socialist Republics in accordance with the terms and conditions of the “Master Lend-Lease Agreement” executed by the two Governments on June 11, 1942. In this agreement it was declared to be “expedient that the final determination of the terms and conditions upon which the Government of the Union of Soviet Socialist Republics receives such aid and of the benefits to be received by the United States of America in return therefor should be deferred until the extent of the defense aid is known and until the progress of events makes clearer the final terms and conditions and benefits which will be in the mutual interests of the United States of America and the Union of Soviet

44 The Secretary of State replied in telegram 4588, Delsec 939, September 12, 5 p. m., from Paris, that he concurred fully in this proposed procedure, and hoped that the question would be pressed vigorously (740.00119 Council/9-1246).
45 The Department advised the Embassy in Moscow by telegram 1658 on September 16, that this note had been dispatched to the Embassy of the Soviet Union in Washington. It pointed out that there was a change in approach to negotiations, by limiting discussions to topics connected with the settlement of lend-lease, while reaffirming the position taken in the note of March 18 on the purchase or return of vessels lend-leased during the war, and restating the demand of July 26 for the return of 3 ice-breakers to the Navy. The text of this note was sent to the Embassy in Moscow in telegram 2170 on December 23. For extracts from this telegram, see p. 860.
Socialist Republics and will promote the establishment and maintenance of world peace."

The Government of the United States considers it appropriate that discussions be initiated in the near future for the purpose of making the final determination referred to in the Master Lend-Lease Agreement of June 11, 1942 and proposes that such discussions be held in Washington and commence on or before October 15, 1946. It is further proposed that these discussions be limited to the topics covered by the Master Lend-Lease Agreement of June 11, 1942. If the above meets with the approval of your Government, it is requested that an indication be made to the Government of the United States at an early date of the names of those persons authorized to represent the Government of the Union of Soviet Socialist Republics in these discussions.

The Government of the United States reaffirms the position set forth in its note of March 18, 1946 that the purchase of dry-cargo vessels, tankers and other merchant vessels, use and custody of which were transferred to the Government of the Union of Soviet Socialist Republics under the Lend-Lease Act, is governed by existing statutes of the United States and those vessels not purchased must be returned to the Government of the United States in conformity with such statutes. The Government of the United States desires that the discussion of the disposition of these vessels also commence on or before October 15, 1946.

With regard to the note of the Secretary of State dated July 26, 1946 concerning the return to the Government of the United States of three icebreakers of the United States Navy, use and custody of which were transferred to the Soviet Government under the Lend-Lease Act, the Government of the United States reiterates its need for these vessels and requests that it be advised as soon as possible when these vessels will be ready for return.

Accept [etc.]

WILLIAM L. CLAYTON

The Department of State to the Embassy of the Soviet Union

AIDE-MÉMOIRE

On September 14, 1946 the Acting Secretary of State addressed a note to the Embassy of the Union of Soviet Socialist Republics proposing that discussions commence in Washington on or before October 15, 1946 for the purpose of arriving at a final determination of the obligations of our two Governments in accordance with the terms of the Master Lend-Lease Agreement of June 11, 1942. This note further proposed that these discussions be limited to the topics covered by the Master Lend-Lease Agreement of June 11, 1942 and
requested that, if this proposal met with the approval of the Government of the Union of Soviet Socialist Republics, an indication be made to the Government of the United States at an early date of the names of those persons authorized to represent the Government of the Union of Soviet Socialist Republics in these discussions.

This note reaffirmed the position of the Government of the United States, as set forth in its note of March 18, 1946, that the purchase of dry-cargo vessels, tankers and other merchant vessels, use and custody of which were transferred to the Government of the Union of Soviet Socialist Republics under the Lend-Lease Act, is governed by existing statutes of the United States and that those vessels not purchased must be returned to the Government of the United States in conformity with such statutes. The Government of the United States expressed its desire that discussion of the disposition of these vessels also commence on or before October 15, 1946.

This note requested advice from the Government of the Union of Soviet Socialist Republics as to when three ice-breakers of the United States Navy, use and custody of which were transferred to the Soviet Government under the Lend-Lease Act, would be ready for return to the Government of the United States as previously requested in the note of the Secretary of State dated July 26, 1946.

The Government of the United States desires to be informed as to when it may expect a reply to its note of September 14, 1946.

WASHINGTON, October 31, 1946.

861.24/11-2746

_The Lend-Lease Administrator (Lane) to the Chairman of the Government Purchasing Commission of the Soviet Union in the U.S.A. (Eremin)_

WASHINGTON, November 27, 1946.

_DEBUG Mr. EREMIN: This will confirm the substance of our conversation of Saturday morning, the 16th, concerning the shipment to the Soviet Union of lend-lease pipeline goods after December 31, 1946.

The Agreement of October 15, 1945, which relates to these goods, provides that they shall be made available subject to the Act of Congress of March 11, 1941, as amended, and acts supplementary thereto. Such a supplementary act was passed in July of this year making available a sum of money for the administrative expenses of this Government in connection with the procurement and delivery of lend-lease goods, but providing that no part of the appropriation was to be used for expenses incident to the shipment of such goods abroad_
after December 31, 1946. It was thought by this office that the intent of the Congress was to place a limitation only upon the use of the particular funds appropriated in July, but we have recently been advised by the Comptroller General that in his judgment of [the?] language of the appropriation act has the effect of prohibiting the use of any appropriated funds whatsoever for the stated purposes after December 31.

Present information indicates that there will be some material requested for delivery under the Agreement of October 15, 1945 remaining unshipped at the end of the year.

In order to meet the difficulties created by this situation, I propose that the practices which have been followed under the Agreement of October 15, 1945, be modified in the respect that the Soviet Union will take over at factory all goods which cannot be shipped prior to December 31, 1946, and will handle all storage, transportation, shipment, etc., from that point on. This course will remove the difficulty with respect to the unavailability of funds to meet accessorial expenses. Administrative expenses for the activities of the Treasury connected with the procurement of the materials involved will still have to be met; and to this end I propose that the Soviet Union make available to the United States not later than December 15th of this year a sum in cash equal to 2½% of the procurement cost of the materials involved. This sum of 2½% will be deducted from the amount which will be billed to your Government under the Agreement of October 15, 1945.

If in any particular instances it is impracticable for the Soviet Union to take over materials at factory, the Treasury will be prepared to continue to handle transportation, with its incidental operations, to shipside, but for this purpose will need, likewise by December 15th, an additional cash payment equivalent to 10% of the procurement cost of the goods involved. It is hoped that no such instances will arise, and that in any event they will be kept to the minimum. Of course, to the extent that the Soviet Union thus supplies the funds for handling goods to shipside, no charge for such handling will be included in the bill under the Agreement of October 15, 1945.

If the course outlined above is in general agreeable to your Government, I will be pleased to arrange prompt conferences to work out the detailed mechanics involved. In the course of these conferences I propose, as indicated to you in our discussion, that every effort shall be made to reach mutual agreement on the cancellation of as many contracts as possible where it appears that delivery cannot be secured in the reasonably near future.

*Third Deficiency Appropriation Act, approved July 23, 1946; 60 Stat. 600, 604.*
I wish to assure you that we have carefully considered every aspect of the rather unfortunate situation which presents itself, and feel that the only alternative to the foregoing proposal is the cancellation on December 15 of those contracts under which delivery cannot be anticipated before the first of next year.

It is understood that you are presently communicating with your Government at Moscow and will advise me of its acceptance or rejection of this proposal as soon as possible.47

Sincerely yours,

Chester T. Lane

Memorandum by the Under Secretary of State for Economic Affairs (Clayton) to the Secretary of State

TOP SECRET

[WASHINGTON,] December 3, 1946.

Our proposals to the Soviet Government for initiation of lend-lease settlement discussions remain unanswered. I bring this matter to your attention as you may wish to discuss it with the Soviet Foreign Minister 48 while he is in this country.

On September 14, 1946 a note, copy of which is enclosed,49 was forwarded to the Soviet Chargé d'Affaires ad interim, Mr. Fedor T. Orekhov, proposing that discussions be initiated in Washington on or before October 15, 1946 for the purpose of reaching a final settlement of U.S.-U.S.S.R. lend-lease obligations. The proposal limited such discussions to topics covered by the Lend-Lease Agreement of June 11, 1942. This note contained separate reference to our note of March 18, 1946 which requested the purchase or return of all U.S. merchant vessels transferred under lend-lease and reiterated that the purchase of merchant vessels transferred under lend-lease is governed by U.S. statutes and those vessels not purchased must be returned. It also reiterated the United States request of July 26, 1946 for the return of three Navy icebreakers transferred under lend-lease.

Having no reply to the note of September 14, I called in the Soviet Chargé d'Affaires ad interim, Mr. Vavilov,50 on October 31 and in the course of conversation handed him an aide-mémoire which reviewed the note of September 14 and asked when a reply might be expected.

No reply has been received.

Original United States proposals for lend-lease settlement discussions were made in a note dated February 21, 1946. This was in the

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47 Chairman Eremin, in a telegram to Mr. Lane on December 16, confirmed by letter on the same day, stated that the answer of his Government would be made known to Mr. Lane on December 23 or 24 (861.24/12-1646).

48 Vyacheslav Mikhailovich Molotov.

49 See p. 854.

50 Mikhail Sergeyevich Vavilov, First Secretary of Embassy of the Soviet Union.
form of a reply to a memorandum of August 28, 1945 from Lieutenant General L. G. Rudenko, Chairman of the Government Purchasing Commission of the Soviet Union in the U.S.A., requesting an Export-Import Bank credit of one billion dollars. The original proposals coupled the settlement of lend-lease obligations, claims of American nationals, assistance to peoples of liberated areas, freedom of navigation on international waterways, preliminary discussions of a treaty of friendship, commerce and navigation, a copyright convention, civil aviation and other economic matters to the question of the one billion dollar credit. Subsequent correspondence regarding the agenda of credit discussions resulted in a lack of agreement. The note of September 14 in effect departed from previous policy by proposing discussion of lend-lease matters independently of credit discussions.

Total lend-lease aid rendered to the Union of Soviet Socialist Republics amounted to approximately $11 billion, the second largest amount rendered to any nation.* Reverse lend-lease aid was negligible amounting to about $8,000,000. Settlements have been effected with the United Kingdom, France, India, Belgium, Australia, New Zealand, and Turkey. Negotiations are now in progress for settlements with the Netherlands, Norway, and the Union of South Africa. Soviet failure to indicate its intent to discuss the settlement of our second largest lend-lease account is not yet public knowledge. However, the press is aware of our attempts to initiate discussions and failure in this regard may cause considerable public comment in the near future. The use by the Soviet Government of U.S. merchant vessels without charge in competition with the U.S. merchant marine and the merchant marines of other countries which have purchased or returned U.S. vessels may require a public statement in the near future.

*WILLIAM L. C[LAYTON]*

861.24/12-1746

The Lend-Lease Administrator (Lane) to the Chairman of the
the Government Purchasing Commission of the Soviet Union in
the U.S.A. (Eremin)

WASHINGTON, December 17, 1946.

DEAR MR. EREMIN: Your letter of December 16, 1946, is in reference
to mine of November 27th, has just been received.

As you are aware, the request of my letter of November 27th was that your Government make available the necessary funds not later

*The amount shown represents aid rendered to V-J Day, September 1945. Disposition of most of the residual materials in the U.S.S.R. lend-lease “pipeline” ($244,000,000) was effected under an agreement dated October 15, 1945. [Footnote in the original.]

**Not printed; but see footnote 47, p. 858.
than December 15, 1946. This was not a casually selected date, but bore no direct relation to the very acute problems of the Treasury Department in working out a method of making possible continued delivery of pipeline goods after December 31st. For your information, each of the other governments concerned has already given its answer to my proposal, and made the deposit of the necessary funds.

In any further consideration given to the matter by your Government, either here or in Moscow, there should be kept clearly in mind the fact that no further deliveries whatsoever of these pipeline goods can be made after December 31, 1946, unless and until the Treasury Department has been furnished with the necessary deposit of 2½% of the procurement cost of the goods to be delivered. This applies even to goods of which your government is prepared to take delivery at factory or warehouse, and of course includes any portion of the refinery equipment which may still be undelivered as of that date.

Also, in order to enable the Treasury Department to make plans for the number and type of personnel which will be retained after December 31, 1946, we will have to begin immediately a careful consideration of the question of cancellation of contracts on which production is not expected to be completed by that date.

You will of course understand from my letter of November 27th that entirely apart from the 2½% of procurement cost required to be deposited to cover Treasury administrative expenses, the Treasury Department must also be put in funds in advance for any accessorial expenses which it may be called on to incur after December 31, 1946. One such expense which, from a practical point of view, it appears necessary for the Treasury to handle on your behalf is the expense of storage; and present Treasury estimates are that storage charges, during the initial period, will run in the neighborhood of $50,000 a month. Funds to cover storage for a period of two months should be put up with the Treasury Department, on the understanding that upon determination of actual charges appropriate adjustments will be made, either by refunds to your Government or by additional payments by your Government to the Treasury, as the case may be.

Yours sincerely,

CHESTER T. LANE

861.24/12-2346 : Telegram

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

TOP SECRET  WASHINGTON, December 23, 1946—6 p. m.

2170. From Clayton. USSR having failed to respond our note of September 14 and aide-mémoire of Oct 31 proposing early initiation negotiations Washington regarding lend-lease settlement and dis-
position of lend-lease merchant vessels, and requesting return three
naval ice-breakers, unless you perceive good reason to contrary Sec-
retary desires you make vigorous representations these matters earliest
opportunity with highest level Foreign Office.\(^{\text{a2}}\)

[Here follows text of the United States note of September 14, 1946,
printed on page 854.]

Aide-Mémoire handed Soviet Chargé by Clayton on Oct 31 reviewed
note of Sept 14 and asked when a reply might be expected.

[Here follows the fifth paragraph of the memorandum of December
3, 1946, by Under Secretary of State for Economic Affairs Clayton,
printed on page 858.]

Presently impossible to revert to previous position since loan of a
billion dollars to USSR a remote prospect. We must insist on separate
discussion lend-lease settlement.

Total lend-lease aid to USSR amounted approximately $11 billion,
second largest amount rendered any nation. This amount represents
aid rendered to V-J Day, September 1945. Disposition of most of
residual materials in USSR lend-lease “pipeline” ($244,000,000) was
effected under an agreement dated October 15, 1945. Reverse lend-
lease aid from USSR was negligible, amounting to about $3,000,000.
Settlements have been effected with the UK, France, India, Belgium,
Australia, New Zealand, and Turkey. Negotiations are now in pro-
gress for settlements with Netherlands, Norway, and Union of South
Africa.

USSR has never provided inventory of lend-lease articles as of V-J
Day notwithstanding our several requests, but we have not insisted
since US estimates regarded here as adequate for settlement purposes
and we do not want preparation of inventory statement to provide
USSR with excuse for delaying settlement.

If your representations of no avail, full publicity would be given to
the details of our efforts to arrange the initiation of settlement dis-
cussions under agreement of June 11, 1942, and to lack of cooperation
of USSR regarding merchant vessels and the ice-breakers.

Return of both merchant and naval vessels is a statutory require-
ment, although sale of merchant vessels can be effected after their con-
structive return pursuant to applicable statutes. Certain naval vessels
also can be sold if declared surplus by US Navy after return. If
representations of no avail the President would be requested to declare
the emergency ended for purposes of article V of the Soviet Master
Agreement so that the legal position would be perfected for demand-

\(^{\text{a2}}\) Ambassador Smith replied in telegram 4472, December 27, noon, from Moscow,
that he had asked for an appointment with Foreign Minister Molotov and would
advise the Department as early as possible of the result. He agreed on the need
for pressing for an answer. (861.24/12-2746)
ing the return of lend-lease naval and merchant vessels. The right of recapture by US extends technically to all lend-lease articles not lost, consumed, or destroyed. General exercise of this right would of course be impracticable.

The Amer press is generally aware of US invitation of Sept 14 to begin lend-lease settlement discussions and is expected shortly to press for statement of progress.

Additional background is contained in economic section of policy and information statement for USSR as of Sept 16, forwarded to Durbrow by Hilton on September 19, 1946. More complete background and copies of documents are being forwarded by air pouch.

The Foreign Office may confront you with some comment about undelivered "pipeline items" under the agreement of October 15, 1945. Department regards failure of last deliveries under Pipeline Agreement irrelevant to initiation of lend-lease settlement discussions, but following information given you as background.

Congress in appropriating funds for lend-lease purposes last July included a proviso prohibiting use of any funds so appropriated for any expenditure incident to shipment abroad of any lend-lease articles after Dec 31, 1946. In order to continue deliveries USSR was asked by letter dated Nov 27 to provide funds for accessorial charges and administrative expenses and informed that unless these funds are provided deliveries must cease on Dec 31 and outstanding contracts will be cancelled. USSR representatives have indicated that their reply will be made known on Dec 23 or 24. You will be advised. The value of articles expected to remain undelivered on Dec 31 is estimated at between 20 and 30 million dollars including refineries now in the process of delivery. The cessation of deliveries may be construed by USSR as a violation of the Oct 15 agreement. However, agreement provides that "All articles and services undertaken to be provided by the Govt of the US under this Agreement shall be made available under authority and subject to the terms and conditions of the Act of Congress of March 11, 1941, as amended, and any acts supplementary thereto." Also door remains open for additional action by next Congress. Also any damages to USSR claimed as result of cessation of deliveries may be taken into account in settlement negotiations. We regard the Nov 27 proposal to USSR as reasonable and free of hardship on USSR. [Clayton.]

Byrnes
The Chairman of the Government Purchasing Commission of the Soviet Union in the U.S.A. (Eremin) to the Lend-Lease Administrator (Lane)

WASHINGTON, December 24, 1946.

Dear Mr. Lane: In connection with your letters of November 27 and December 17, 1946, I am authorized to communicate to you that, in accordance with instructions, the Government Purchasing Commission of the Soviet Union in the USA is prepared to meet the request of the American party as outlined in the letters mentioned above and to deposit for administrative expenses of the Treasury Department the fund of 21.5% of the procurement cost of the goods and equipment which are incompletely in production or undelivered from factories after December 31, 1946. Provided that such sum deposited will be deducted from the sum billed to my Government for the first payment of the interest under Agreement of October 15, 1945, payment of which is due on July 1, 1947.

The Government Purchasing Commission of the Soviet Union in the USA is also prepared to furnish the Treasury Department with the fund of $100,000.00 to cover the storage charges for goods and equipment, with the understanding that, upon the determination of actual charges, appropriate adjustment will be made, either by refunds to my Government or by additional payments to the Treasury Department, as the case may be.

It is understood that the Treasury Department will continue after December 31, 1946, as it has to the present, to fulfil its functions in connection with the delivery to the Soviet Union of the goods and equipment provided for in the agreement of October 15, 1945, and the Government Purchasing Commission of the Soviet Union in the USA will pay upon presentation of invoices for the actual storage expenses, transportation and accessorial charges incident thereto.

The Government Purchasing Commission of the Soviet Union in the USA deems it necessary that the Treasury Department will take the required steps to expedite the dates of completion of production and shipment of the goods and equipment, and that the specified dates of the deliveries will be agreed upon with the Purchasing Commission.

Yours sincerely,

I. A. Eremin
The Lend-Lease Administrator (Lane) to the Chairman of the Government Purchasing Commission of the Soviet Union in the U.S.A. (Eremin)

WASHINGTON, December 26, 1946.

DEAR MR. EREMIN: I am pleased to note that your letter dated December 24, 1946 indicates that your Government is prepared to meet the request contained in my letters of November 27 and December 17, 1946, in connection with payment of administrative and accessorial expenses incident to delivery and shipment of material under agreement of October 15, 1945. We cannot however accept the proviso that the sum deposited by your Government for this purpose will be deducted from the sum due for the first payment of interest under the October 15 agreement, payment of which is due on July 1, 1947. We are willing to discuss with you at a later convenient date the exact method of readjusting the charges to your Government for the material covered by this arrangement. If you agree to such later discussion of this point, please mail immediately to the Lend-Lease Fiscal Operations Office, Treasury Department, Washington 25, D.C., a check payable to the Treasurer of the United States in the amount of $725,000. This amount represents (a) $100,000 to cover the cost of storage charges for two months plus (b) 2 1/2 percent of $25,000,000 which our records indicate is the cost of material procured by the Treasury Department that will not have been delivered to your Government from factory or warehouse before January 1, 1947. Under this arrangement your Government will make payment of transportation and accessorial charges (other than for storage on material in warehouse on December 31, 1946) directly to railroads and other parties. We are advising the railroads and other parties accordingly.

As pointed out in my previous letter, immediate payment is essential.

Sincerely yours,

For Chester T. Lane

ALDEN W. BOYD

The Chairman of the Government Purchasing Commission of the Soviet Union in the U.S.A. (Eremin) to the Lend-Lease Administrator (Lane)

NEW YORK, December 28, 1946.

DEAR MR. LANE: With reference to your letter of December 26, 1946, I wish to inform you that a check in the sum of $725,000.00 will be mailed on December 30, 1946, to the Lend-Lease Fiscal Operations
Office, Treasury Department, Washington, 25, D.C., payable to the Treasurer of the United States.  

The aforementioned amount represents: (a) $100,000.00 to cover the cost of storage charges for two months; and (b) 2 1/2 percent of $25,000,000.00 as the cost of material procured by the Treasury Department that will be incompletely and undelivered from the factory, or warehouse as point of origin, after December 31, 1946.  

We are willing to discuss with you, at your earliest convenience, the exact method of readjusting the charge to our Government for the material covered by this arrangement. We should appreciate your advising us of the date when we may meet for this discussion.  

Sincerely yours,  

I. A. Eremin

Moscow, December 31, 1946.

DEAR MR. MOLOTOV: Confirming our conversation of yesterday evening and because of considerations which I mentioned at that time, my Government considers it of the first importance that negotiations be initiated in Washington by the representatives of the Soviet Union and those of the United States on the final settlement contemplated by the master Lend-Lease agreement executed by the two Governments on June 11, 1942, the disposition of Lend-Lease merchant vessels and the return of United States naval vessels now in the custody of the Soviet Union. I must mention that no reply has yet been received to the Note from my Government of September 14 and Aide-Mémoire of October 31 on the above subject, and I have accordingly been instructed to request your consideration as a matter of urgency. I will be very grateful if you will inform me at the earliest possible moment of the decision of the Soviet Government.

I am, my dear Mr. Molotov,

Sincerely yours,

W. B. Smith

The American Ambassador in the Soviet Union (Smith) to the Minister for Foreign Affairs of the Soviet Union (Molotov)

861.24/12-3146

Telegram

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

TOP SECRET

Moscow, January 2, 1947—5 p. m.

[Received January 2—8:56 a. m.]

6. I talked with Molotov on lend-lease settlement before receiving

Ambassador Smith was informed in telegram 2198, December 31, 1946, 5 p. m., to Moscow, that "our November 27 proposal regarding remaining deliveries under pipeline agreement of October 15, 1945" had been accepted, and therefore was no longer an issue (861.24/12-2746).
your 2198 on pipe line. However he stated that he understood that this was proceeding satisfactorily. His general attitude toward lend-lease settlement was of course noncommittal as it is impossible for Soviet official, even of status of Molotov, to make direct decision in Moscow without other consultations. I presented the US point of view as vigorously as possible and followed my conversation with an aide-mémoire confirming my discussion and asking for the earliest possible decision from Soviet Govt. I would hardly expect reply from Molotov before 2 weeks at best but I will follow up my aide-mémoire in about 10 days. We will be alert for any premature news break.

SMITH

AGREEMENT ON THE ORGANIZATION OF COMMERCIAL RADIO TELETYPE COMMUNICATION CHANNELS BETWEEN THE UNITED STATES OF AMERICA AND THE UNION OF SOVIET SOCIALIST REPUBLICS

[For text of the agreement signed at Moscow May 24, 1946, see Department of State, Treaties and Other International Acts Series (TIAS) No. 1527, or 60 Stat. (pt. 2) 1696.]

Editorial Note

There is a report entitled “American Relations with the Soviet Union” included as Appendix A in the book by Arthur Krock, Memos: Sixty Years on the Firing Line (New York: Funk and Wagnalls, 1968), pages 419–482.

President Truman had directed his Special Counsel, Clark M. Clifford, to have prepared for him a summary of American relations with the Soviet Union. In the preparation of this report, Mr. Clifford consulted several persons, among whom were the Secretary of State, the Secretary of War, the Secretary of the Navy, the Attorney General, the Director of Central Intelligence, and the Joint Chiefs of Staff. The contributions received from these sources who had special knowledge in this field were assembled and summarized in the final report submitted to the President. Mr. Krock states that this report was placed on the President’s desk on September 24, 1946 (page 223). A copy of the report has not been found in the files of the Department of State.

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64 Not printed, but see footnote 53, p. 885.

65 Supra.

66 In reply the Department informed the Embassy in telegram 6, January 2, 7 p.m., that it proposed to tell the press on January 3 that the Embassy had taken up the question of a lend-lease settlement with the Soviet Government, and that no further announcements were contemplated before receipt of the Soviet reply. (861.24/1-247) Concerning the Department’s announcement, see New York Times, January 4, 1947, p. 5, col. 8.