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DIRECTOR

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Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.

September 19, 1941

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PERSONAL AND ~~CONFIDENTIAL~~  
SPECIAL MESSENGER

Major General Edwin M. Watson  
Secretary to the President  
The White House  
Washington, D. C.

File  
JAMN-

Dear General Watson:

I am transmitting herewith for your information and the attention of the President, if you feel he might be interested, a memorandum prepared by a Special Agent of this Bureau who recently returned from a European trip.

The observations contained in the memorandum are, of course, the personal views of the Special Agent who prepared it and I might also call attention to the fact that the memorandum was prepared on the basis of conditions as they existed at the time the Special Agent was in Europe. Naturally, subsequent events will have altered the situation in some instances.

Much of the matter contained in the memorandum may already have come to your attention, but I thought you might be interested in the impressions reported in it.

With assurances of my highest regards,

Sincerely yours,

J. Edgar Hoover

Inclosure

September 19, 1941

MEMORANDUM SUBMITTED BY A SPECIAL AGENT  
WHO RECENTLY RETURNED FROM A EUROPEAN  
TRIP

*By train*

I arrived in Moscow, U.S.S.R., on August 2, 1940, en route from Riga. After crossing the Soviet Frontier, I saw large groups of ragged, unkempt peasants at each dilapidated station, waiting for permission to travel from one village to another. In Russia, each citizen must have a passport and must secure a propus from the GPU before he may leave his particular locality. Along the way there were no signs of building activity or of improvements until we came within view of Moscow itself. The brown, water soaked fields stretched for miles, broken only by a few dirt roads deep with mud. The villages that could be seen from time to time were composed of ancient, unpainted log houses decorated with ornate carvings. There were no automobiles, only horse drawn carts. Such work as was being done in the fields was being done with the help of horses. I saw none of the magnificent community farms operated with modern tractors and labor saving devices such as are described in Soviet propaganda. For a hundred miles before entering Moscow, one travels largely through forest lands which show no signs of development whatsoever.

On the outskirts of the city of Moscow one sees a maze of brick, cement and iron factories, many of them surrounded by high wooden walls topped with barbed wire. These are prison or concentration camps. At the corners of each enclosure and on top of the main buildings, one can see small wooden guard houses. Soldiers with rifles stand on guard at each station or pace back and forth outside the enclosure. A considerable percentage of the Soviet Union's manufactured products are produced in these camps which were to be seen throughout the country.

In Moscow the train drew into an old railroad station, a relic of Czarist Russia. Ragged, unshaven porters with dirty white aprons were at the station to assist travelers with their luggage and an Intourist official sold rubles to foreigners at the official rate of five rubles thirty kopecks to \$1.00. For carrying three bags a short distance from the train to the line where people were waiting to enter taxis, the porter demanded ten rubles - \$2.00 at the official rate. There were only a few battered taxis available and each driver filled his car with several passengers and their

odd assortment of bundles and then arranged his travel so as to drop each passenger at his destination. After waiting in line for fifteen minutes, I secured a taxi in which the rear seat was missing and the driver took me down what I later learned was Gorki Avenue. For the short taxi ride, the driver demanded twenty rubles or the equivalent of \$4.00! I soon learned from other Americans in Moscow that no one, not even the American Government, buys rubles at the official rate. The practice was to import rubles from abroad at rates varying from forty-five to three hundred to the \$1.00. At the official rate of exchange, living in Russia is so expensive that one would be unable to remain in the country.

Gorki Avenue is a wide thoroughfare lined with recently erected eight to ten story apartment houses, in the ground floors of which are to be found gastronomes, bakeries and wine shops. The street was alive with swarming masses of people and automobiles. Traffic was regulated by traffic lights and uniformed police stood in patrol boxes at each intersection. One was immediately impressed, however, by the vast numbers of poorly clad men, women and children who thronged the street; soldiers in drab khaki uniforms, men in shabby, unpressed suits of cheap material, women in ragged clothes and worn shoes. Everyone seemed to be carrying a bundle of some kind: officers a brief case, others something wrapped in a newspaper or in cloth. The people seemed depressed and preoccupied. The poorest people in the slums of New York are better dressed and present a better appearance than the throngs that moved along the streets of Moscow.

The Soviets were poorly dressed, I learned, because it was practically impossible to buy a decent suit of clothes in all of Russia. New cloth could sometimes be bought at Mostog, the Moscow trading store, but it was of poor quality and the choice was limited, usually only black cloth being available. There were one or two tailoring shops in the city, but they could not begin to provide suits for everyone and their charges were far beyond what the average citizen could pay. Most Moscovites bought their clothes in the commission shops, which carried second hand clothing. These commission shops were large Government owned stores which bought all kinds of clothing and household articles and sold them for a commission. Americans soon found that a suit which would be worthless in the United States might sell for 1,000 rubles in the commission shops.

The citizens of Moscow, in turn, bought these suits and it was probably because the Soviets were wearing second or third hand clothes that their appearance was so drab. For a short time after the Baltic States were taken over, there was an improvement in the appearance of the people, for much cloth was secured from these States. However, the supply was soon exhausted.

I was told that during the past year there has been more and better food available in Moscow than at any time since the Revolution. The gastronoms were filled and the citizens needed only the rubles to pay for what they wanted. The crops have been good for several years and this year they were expected to be better than ever. The prices for food, however, were rather high, considering the fact that Soviet salaries average between three hundred and six hundred rubles per month. The Soviets have prided themselves on not having a food rationing system. As a matter of fact, rationing is effected through price control. As the Government owned everything, it was free to raise prices whenever it wished to control sales. Prices sometimes varied as much as 500%. When the Government wanted food for the Army, it withdrew it from the market. For a month before the present war with Germany began no flour could be bought on the market in Moscow.

There were certain food stores in Moscow where prices were lower and there one could see long lines of people waiting to buy food. The queue is a symbol of Russia. People stand in line to buy a newspaper, to enter the public baths, to buy a loaf of bread, or to board a train. Russians impress me as the meekest people I have ever seen and they would stand in line for hours without complaint.

During my stay in Moscow, there was a shortage of practically every kind of household article. When I arrived I secured an apartment with a few chairs and carpets, but no kitchen equipment and no bedding. With the help of a maid, I searched through the local shops for such items as would be needed, but without success. It actually was impossible to buy a pot or a pan or any bedding in Moscow at that time. I was told that employees at the American Embassy imported all of their household needs from Stockholm. Whenever a supply of kitchen equipment did appear in Mostog, the news quickly spread throughout the city and long lines of people would gather to buy the articles so that within a few hours the supply would be exhausted. This was the condition until a few months before the outbreak of the war, when a supply of pots and pans secured in Riga, Kaunas and Tallinn was made available to the residents of Moscow.

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One of the reasons for the general shortage of practically everything was the greatly overcrowded condition of Moscow. The city has housing accommodations for approximately 1,500,000 while its actual population is said to be over 4,000,000! As one walked along the streets of the city, he could see that every basement room was occupied by as many people as could crowd into it. Not one, but a dozen people slept in a single small room - larger rooms had cots lined in them as in a dormitory. The city was so crowded, I have been told, that homeless persons were crowded into freight cars at night and shipped into the country for unknown destinations. Supposedly many of them were sent to the far north to work in the lumber camps. A favorite method of punishing an employee or official who had fallen into disfavor was to revoke his permission to occupy his living quarters. He then automatically became a transient and could be deported into the country.

Moscow is primarily a city of tenements and apartment houses. In former times, the wealthy few lived in grand palaces which have now been converted into apartments. The poorer people formerly lived in ancient two story wooden buildings which the Soviets have undertaken to demolish. In other places, the Government has built numerous poorly constructed apartment houses. These were not apartment buildings as we usually think of them, but were massive six or eight story structures containing possibly one hundred small apartments each and housing approximately 1,000 persons. Most of these buildings were constructed of brick and were not more than two hundred feet in depth. Following the Revolution, the Soviets built houses designed for community living with community kitchens, baths and dormitories. The newer buildings, however, were designed for more privacy and were more like American apartments. While I was in Moscow, approximately twenty-five immense houses of the type mentioned were being built along the south bend of the Moscow River. Most of them had been in the process of building for over a year and had not been completed. At least one of these buildings was so poorly constructed that it fell of its own weight.

It was in the building industry that Russian inefficiency and lack of intelligent planning was most evident. They would begin the construction of a building without knowing where the necessary materials could be secured. Before construction had progressed very far, they would run out of nails or hinges or tile or some other necessary material and work on the structure would have to be dis-

continued until these articles could be manufactured.

Once completed, Soviet buildings quickly fall into a state of disrepair. This was because the materials used were of poor quality. The paint would peel off, iron parts would break, the plumbing would not function and the cement, being of poor mixture, would soon disintegrate. I shall never forget the Intourist Hotel at Baku on the shores of the Caspian Sea. In September 1940 I had occasion to travel to Iran and stopped at Baku en route. On the way from the air field, the Intourist guide described the hotel at which I was to stay. He stated that it had been completed the year before at a cost of 400,000 rubles and that it was such a wonderful hotel the Soviets called it "heaven." I really expected to see for the first time in Russia a first class hotel. When we arrived, I saw instead a four story building of very functional design, the sort of angular building the Soviets liked to build. The stucco on the exterior was falling off in places, the paint on the lobby ceiling was peeling off, the wooden floors had never been varnished and water had bleached and loosened the boards. The locks on the room doors did not lock and the plumbing failed to function. Plumbers spent the day tearing pipes out of the wall of my room until finally the bathroom looked like the boiler room of a torpedoed battleship. On the floor in the corner of the room stood a saucer with some black fluid in it and the guide informed me that it was a new Soviet invention to kill the many legged insects that could be seen creeping along the floor. When I mentioned the condition of the building, he stated that soon there would be a "remont." "Remont" is one of the most used words in the Russian language; the "remonts" are frequent and prolonged, yet despite them all, most Soviet buildings appear to be in a permanent state of disrepair.

To move Moscow's four million, there was a transportation system of trams, busses, and a subway. The street cars were ancient and always so crowded that hardly another passenger could hang on to the guard rails. Most persons used the subway, Moscow's proudest achievement. Completed only a few years ago, most of this equipment was new; its stations were underground palaces of marble and cement. At most of the stations passengers are conveyed to and from the trains on Otis escalators. The stations were kept spotlessly clean by charwomen and there was plenty of ventilation. Although not the most extensive, the Moscow subway was perhaps the finest I have seen.

While there were many automobiles on the streets of Moscow, they did not belong to private citizens. They were all used either by Army or Government officials. Soviet citizens are permitted to own clothing, furniture, items of personal adornment and bonds issued by the Soviet Government and they may bequeath these items to their heirs. They could not own land, but they could lease a small lot and build a house on it and after ten years, the house becomes the property of the state. The automobiles seen in Moscow were all of Russian manufacture. The Soviets produce three different models - (1) the Zeis, built according to the design of the old Lincoln; (2) a smaller car designed very much like the Ford and (3) a still smaller car somewhat similar to the Austin. None of these cars were for sale to citizens of Russia, but foreigners might buy them. There was plenty of gasoline and oil available in Moscow, as Russia has immense oil fields at Baku and north of Moscow.

Much has been written about the inefficiency of the Russian railroads, but I found them fairly good. The equipment is ancient, the only sleeping cars being Wagon-Lits which were bought from France after the World War; however, the trains usually start on schedule and arrive at their destination on time. Of course, the trains travel very slowly, seldom moving at a speed of over twenty-five miles per hour.

In Moscow I found dozens of opera houses and legitimate theaters. The most famous of all was the Bolshoi Opera House opposite the Metropole Hotel. It was here that the Communist Party held its annual meeting. All theaters were Government owned of course and no expense was spared in producing the most lavish spectacles possible, as the Communists used the theater as one of their most important propaganda agencies. The plays produced usually depicted the terrible conditions that existed under the Czars and compared these conditions with living under the Soviet regime. Formerly the practice was to give groups of factory workers who had done unusually good work the privilege of attending the theaters free. This, however, has been discontinued for some time, and while I was in Moscow theater admissions were open only to those who could pay the price asked for the tickets. These prices ranged from eight to thirty rubles, but the theaters were filled every night. The motion pictures shown in Moscow were almost all produced in Russia. The only foreign films shown were a few old American films stolen when the Soviets invaded the Baltic States.

In the field of sports, there was usually a soccer game at Denamo, the sport stadium, every "free day" which is the same as our Sunday. The Soviets have discontinued the five day week and the six day week, as well as the practice of staggering the "free days" of the various citizens and for the past year, most of the workers have been having their "free day" on the seventh day of the week. The Denamo Stadium seats possibly 20,000 persons and compares favorably with most American university stadia.

One of the most important amusement centers in every Soviet city is the "Park of Recreation and Culture." Moscow had several of them. For the admission charge of one ruble, a person might see agricultural exhibits, hear Party speakers, see propaganda films, or join in games sponsored by young social workers. Also located throughout the various cities were recreation buildings, usually housing game rooms, a workers' library and a motion picture hall. Most of these places were primarily for the dissemination of Communist propaganda. In all of them, as was also the case in all public buildings, huge portraits of Stalin, Voroshilov, Kalinin and Molotov, framed in broad red banners, overshadowed everything else.

The church, of course, is a dying institution in Russia. All of the famous church buildings, such as St. Isaac's and St. Peter's in Leningrad, and St. Basil's in the Red Square in Moscow, have been stripped of their ornaments and turned into anti-religious museums. There were formerly a large number of churches in Moscow, but most of them have now been torn down or converted into living quarters. The city has been divided into sections and in each section one church remains. I attended services at one of these churches on Saturday night and was surprised to find the building crowded to the doors with devout old Russians. Hundreds of tapers burned before hundreds of golden icons. Apparently the church had not been disturbed in any way. I was told that all of the remaining churches are well attended and that there have been no anti-religious demonstrations in Moscow for months. However, the Soviet youth is taught in the Soviet schools to scorn religion and it is expected that with the passing of the years fewer and fewer persons will attend the churches, until at last all of them will be closed. There is one foreign church in Moscow, a Roman Catholic church conducted by Father Leopold Braun, an American who lives at the French Embassy. However, Father Braun states that the government is taxing his parish out of existence and that from time to time vandals break into his church and steal various vessels of worship.



At this point it may be appropriate to mention that the doctrine of free love, which was so popular in Russia particularly after the Revolution, is no longer in vogue. Men and women are expected to marry the same as in any other country, although the methods by which this relationship is begun and terminated are very simple. Recently very strict laws were issued requiring parents to assume full responsibility for the care of their children, whereas under the former system, children were cared for by the state.

Apparently only a small percentage of the people belong to the Communist Party and as Party members, theoretically, have a voice in the government. Actually, the Party is controlled by a small group of individuals headed by Stalin. The Party meets annually in the Bolshoi Theater and with great display unanimously approves everything presented to it by the government. There is never any opposition. Under Stalin, opposition of every kind has been crushed through repeated purges — the fact that the Party meets at all is merely a concession to appearances. Today in Russia the government owns and controls everything, including the people who have no rights other than the doubtful privilege of praising the policies and laws which their government announced. Stalin and his group have developed a dictatorship that can hardly be distinguished from the dictatorships in other European countries. Its one major difference is that it does not have to contend with private business — all business in Russia being government business.

One of the most important agencies of the government in maintaining order is the GPU, now called the NKVD of the Commissariat for Internal Affairs. Excluding the military forces, this organization is the largest in Russia. Russians will not discuss politics for fear that a GPU man may hear them. They will not associate with a foreigner for they may be seen and purged. Even high Soviet officials are hesitant to accept invitations to functions of the diplomatic corps for fear of becoming suspects. I gained an impression of the thoroughness of the GPU through observation of its coverage of the American Embassy in Moscow.

I noticed that at least two uniformed GPU men were stationed at the entrance of the American Embassy at all times, their duty apparently being to observe persons entering and leaving the building. At times, they were supplemented by plainclothes men who loitered

near the building. I learned also that a watch was maintained next door in the National Hotel to observe movements in the courtyard behind the American Embassy. This yard was surrounded by a high brick wall separating it from the Moscow University and on the other side of the wall one could observe guards on patrol. I noticed also that a squad car filled with plainclothes men remained in front of the building and followed the American Ambassador when he departed from the Embassy. I was told that a similar surveillance was maintained at Spaso House, the Ambassador's residence. The GPU made no secret of this surveillance. During recent months this task has been made easier, as neither the Ambassador nor members of the staff have been permitted to leave the city without a special propus. Some months ago, before these restrictions came into effect, I was on a train with the Counselor of the Embassy traveling to Stockholm. There were four GPU men occupying adjoining train compartments who remained on the train until we reached the Soviet Frontier at Viborg. At the Hotel Astoria in Leningrad, where both the Counselor and I stopped, these men obtained a room opposite the Counselor's. When he left the hotel they accompanied him. In the evening I attended the theater with the Counselor and the four GPU men took seats on each side and in back of us. As we proceeded to the train that evening, at the Finland Station a near riot broke out among hundreds of peasants waiting for the train and the GPU men formed a cordon around us to protect us. Despite the fact that they were with us a day and a half, they never spoke to us. From what I was told while in Russia, I gained the impression that the GPU has a very complete coverage of our Embassy there.

The GPU also investigates crimes in general, but on this phase of its work there is little information available. There are no screaming police cars, no raids, no courts and no published sentences. The newspapers Pravda and Investia publish no crime news. Lubyanka Prison stands silent in the heart of Moscow. I was unable to secure information on police work in Russia.

The status of the Red Army as a military machine was as much a mystery to me when I left Russia as it was when I first arrived there a year ago. On May Day and on Army Day, November 11, the square in front of the American Embassy was filled with tens of thousands of marching soldiers and thousands of rolling tanks. The sky overhead was blackened with as many as three hundred bombers flying in close formation over Red Square. The average Russian soldier makes a good appearance in his khaki uniform and his equipment appears to be of excellent quality. The belief was that the

Russian soldier is a good fighter, but that in the past his officers have been incompetent and that he has been hampered by insufficient equipment. I have seen the armies of most of the European countries and, in my opinion, the Soviet Army compares well with all of them, even with the German Army.

The generally accepted belief in diplomatic circles in Moscow was that the Soviets would not be able to hold out against the Germans for more than three weeks and that after that time there would be revolution and chaos. It would then be up to the Germans to reorganize the country and feed the people. Our Embassy officials were so convinced of this that the day after the war started over two-thirds of the Embassy staff were sent to Tokyo, the Embassy building was vacated and those few officers who remained moved thirty miles into the country into an evacuated camp which had been prepared for this very purpose.

I was in Moscow two days before the Russian attack came. Rumor had it that the ultimatum had been delivered by the Germans and that the deadline was Saturday night. It was commonly understood that heavy demands had been made and the people wondered what their government would do. They had no opinions in the matter. There were no speeches on one side or the other and no mass meetings. However, the people prepared for war. There were no air raid shelters, but sand bags were placed before basement windows at a number of places. For weeks factory workers and school children had paraded through the streets wearing their gas masks. A few anti-aircraft guns were mounted on the Moskva Hotel across Red Square from the Kremlin. An increasing number of troops was to be seen marching through the streets. In Leningrad on June 16 in the square before St. Isaac's Cathedral, I saw workers marching through the rain to the recruiting office to secure their army equipment. There was talk of large troop movements, of transfers of men from the Central Asia front to the Western front. Additional classes had been called up. The government withheld all information on what actually was happening, but the people could feel that the war was coming. On the day before it came, I was at the Hotel Astoria in Leningrad and the people there expressed the opinion that it was but a question of hours; they feared the worst; they were not very sure of a Soviet victory, but they said whatever came they would fight to the end.

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FINLAND:

Finland is very much like New England, and Helsinki is as modern as any New England city of its size. The Finnish people are well housed and well dressed and, in America, would easily be taken for Americans. Considering the fact that the country had just gone through a disastrous war, the stores of Helsinki were well stocked with clothing and wares of all kinds. The effects of the war have been evident primarily in the shortage of food. For over a year the Finns have had a very strict food rationing system and each person has been given just enough food. The main foods have been dried fish, potatoes, ground meat, knackabrod and ersatz coffee. The supply of sugar is very limited; chocolate and candy are not to be had. There is a shortage of butter. The Finns unquestionably have the lowest food standard in Europe today and the children of Finland undoubtedly are undernourished. If the present war continues for any length of time, the Finnish people will suffer terribly.

The entry of Finland into the war can be explained by the fact that all Finns expected Russia to attack their country again as soon as Germany was defeated or occupied with some other section of Europe. All Finns feel that the Germans saved their nation from defeat during the 1939 war, by forcing Russia to discontinue the war. They feel now that the only way to insure the future of Finland is by joining Germany in a war that is to wipe out Russia forever.

The war with Russia did not come as a surprise to the Finns. For months rumor had it that German troops were being transferred from Norway to the Finnish frontier in the north. The hotels in Helsinki have long been filled with German "business men." German films were displacing American. The newspapers published only German news and the newsstands were filled with German propaganda magazines, such as Signal, Das Reich, and the Berliner Zeitung. Only Germany made shipments of goods to Finland. Economically and politically, most Finns feel that the Germans are the saviors of their country. Those who are not so enthusiastically pro-German, say that Finland had a choice between two evils; to cooperate with the aggressor Germany or to wait and fall victim to the Soviets.

Approximately two weeks before the German attack, the Finns were fully mobilized. Not only was practically every man taken out of civilian life, but half of the able-bodied women were called to service in the Red Cross and in the kitchen units of the army. Those

who remained behind tried to carry on the business of the city. When I left Helsinki for Leningrad on June 17, everyone was saying that the war was just a matter of time. On the way I saw heaps of knapsacks, helmets, army blankets and rifles piled at each station as we neared the frontier. Soldiers loitered about the stations waiting for orders. On the early morning of June 21, I recrossed the Isthmus en route to Helsinki, and I knew that war was a question of hours, for a dozen long troop trains carrying Finnish and German soldiers with light artillery were moving to the border, together with Red Cross trains and kitchen equipment. The Finnish soldiers were mostly older men. The Germans were young men between the ages of 16 and 20 and seemed to be in the best of health and spirits. Wherever I have seen the German soldiers, in Helsinki, on the trains, or in Germany, they have all impressed me as being in perfect physical condition. Whatever their diet, it seems to agree with them. Rumors that they are weak due to vitamin deficiency, and such reports were published recently in the British papers, appear to be without foundation. The same night I sailed from Abo and there I saw ten thousand Finnish soldiers waiting to board transports. They were quiet and undemonstrative; for the Finns this war is unusually grim business for whether they lose or win the war, if it is prolonged for any length of time they will be bankrupt in money, men and materials. Those men to whom I spoke almost shed tears at the thought that their little nation should once again have to fight for its life. The attack came that night.

When I returned to Finland on the 15th of July, the Russians had bombed and destroyed a section of Abo, but had done little damage to Helsinki. The Finns had hardly gotten over the previous war and they quickly stepped back into their war routine. Helsinki is well supplied with a great number of well ventilated air raid shelters; most of them were built during the last war. During the day and night one's existence is punctuated with air raids. An observer on the outskirts of the city sights a Soviet bomber, sirens are sounded throughout the city and everyone is required to descend immediately into a shelter (no matter what the hour of the day or night). Most of the shelters are in the basements of large buildings and have been reinforced with closely placed wooden pillars to prevent falling debris from crushing those seeking shelter. There are usually long rows of wooden benches and people sit there quietly, talking little, for the duration of the raid, which is usually from twenty minutes to one hour. When the "all clear" signal is sounded, everyone returns to whatever he was doing before. Except for interruptions caused by the raids, business goes on very much as usual. While I was there no attempt was made at maintaining a blackout at night because the June nights in Finland are so bright one can read a newspaper outdoors at midnight with ease.

During the first months that I visited Finland, until the first of this year, the Finns were decidedly friendly toward the United States. This was because they know that we have done a great deal for them. However, there has been a gradual change in the past few months and now that Germany and Finland are fighting side by side and the United States is actively aiding their most hated enemy, the Finns have come to regard us as their enemies. There is no particular hatred in their attitude. Usually they reason the whole situation out quite logically and, being fatalists very much like the Russians, they can only regret that we are on the wrong side.

Sweden:

It is immediately evident to a visitor in Sweden that the country is the wealthiest in Europe. Its people have a higher standard of living than that of the average American. Housing facilities in Stockholm are the finest in the world. Food is very plentiful and hundreds of shops are filled with all kinds of fine clothing and materials. However, the crops during the past summer have been thirty per cent below normal because there was insufficient rain during the spring and as a result the Swedish government has just imposed a rather lax food rationing system on the people which causes hardship to no one. There is also a rationing of soap, each person being allowed three bars of toilet soap a month. Until the recent rationing system went into effect, the Swedes curtailed consumption by imposing a luxury tax of up to seventy per cent on most items that were imported from abroad. The only materials of which Sweden feels an acute shortage are coal, rubber, gasoline and oil. The few gas stations of Sweden have long been closed and their pumps are wrapped in burlap to protect them from the cold. The Swedes have cut millions of cubic feet of forest and the parks of Stockholm are filled with long high rows of piled up cord wood. Neither hotels nor private dwellings are permitted to have hot running water and the only place one can secure a warm bath is at the public baths. During the winter, rooms may be warmed to only a certain temperature, which is just sufficient to drive off the frost. But ten automobiles remain on the streets and these are operated on gengas gas or wood burners. This is no particular hardship for the thrifty Swedes because most of them ride bicycles.

Despite the war, Sweden has made every effort to carry on her trade with all countries. If she could do so safely, she would trade with both Germany and Britain. As it is, the Germans and the British have given her permission to send five ships to North and South America each month, but she must secure navicerts from each

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country before her cargoes may be shipped. Through a confidential source, I know that one of the conditions under which the Germans have permitted this trade to continue has been that the Swedes carry no American or British motion picture films on these ships. The Swedes originally agreed to this condition, feeling that they could import the films via Russia. Now that the Soviet borders are closed, it will mean that the people of Stockholm will see no more American pictures. In the past, seventy-five per cent of the pictures shown in Sweden have been from America. German and Swedish pictures are so inferior to ours that the people hardly care to see them.

My impression is that the average Swede is pro-English. He fears that if the Germans win the war, they will dominate Sweden and may even destroy her sovereignty. However, Swedish newspapers are, for the most part, pro-German, possibly through necessity. The government is said to be slightly pro-German, again perhaps through necessity. The Germans could wipe out Sweden within a few days if they cared to, despite Sweden's heroic rearmament program, and the Swedes feel that as long as the Germans are in the ascendancy, they must be appeased. The result has been that for the last few months the Swedish government has permitted German troops to cross its territory, traveling from Norway to Finland, and frequently German troop planes fly from Oslo to Abo via Stockholm. The Swedes are helpless to prevent it. They are glad that at least so far no German soldiers are permanently stationed in the country and the infiltration of German businessmen, which was so obvious in Helsinki before the war, has not taken place in Stockholm. If the British whip the Germans, I am sure that we will find the Swedes again standing up for their rights and that the government and newspapers will express their true feelings, which are pro-English and, as they always have been, pro-American.

Germany:

I first traveled through Germany in July 1940. At that time the people were very confident that they were winning or had won the war, and that it would soon all be over. In Berlin, returning German troops marched hourly through the Brandenburger Tor and down Unter den Linden to the cheers of the people gathered to watch them. Food and clothing were rationed, and the food was none too good, but the Germans are used to this sort of thing. There was still plenty of beer to be had, although it was none too good. The theaters were filled every

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night with throngs of apparently happy people. Dancing was still permitted and the House Vaterland on Kurfurstendam was thronged every night with men and women. Every night the city was thoroughly blackened and on some nights the British came over and dropped a few bombs, but did very little damage. I was in Berlin on the night of what was supposed to have been the heaviest bombing and the results of that attack were negligible...a large crater in the center of Unter den Linden, a shrapnel-splattering of the Reichstag building and adjoining structures, and a dud bomb in the garden of the American Embassy; that was all. The Berliners felt that if that was the worst the British could do there was little to fear. In the cafes and restaurants one's meal was usually interrupted by the broadcasting of war news from German headquarters and everyone seemed to be forever greeting everyone else with the Nazi salute and a "Heil Hitler." Tens of thousands of Belgian and French soldiers were "working on the railroad", the German railroads, or making other improvements for the Germans. The newspapers carried articles referring to Russia as the Reich's good neighbor. They reasoned that during former wars Russia and Germany had fought each other and each had suffered defeat; this time they would work together and both win. Victory seemed inevitable. The Germans did not know to what lengths we were going to give aid to Great Britain and there was practically no anti-America feeling, perhaps I could even say that Americans were liked. Certainly they showed me every courtesy.

When I came through Berlin for the last time on July 28 of this year, conditions had changed materially. There were practically no soldiers on the streets; there were no more parades. The food was poor; the supply of meat is usually very limited and of poor quality. They are using whale oil for cooking purposes. However, there were string beans on the market and I understand that the crops in Germany will be good this year. There was no more beer. With the exception of the motion picture houses, the theaters were closed for the summer. The Royal Opera House had been gutted by a bomb some weeks before. The Germans had obviously become tired of the type of propaganda film that was being shown the year before and now they are again seeing the cheap comedy and the heavy tragedy pictures they saw before the war. Dancing is no longer permitted. The British had not bombed Berlin for the past two months, but this very inactivity had the Germans on edge for they felt that something is being prepared for them. They feel that when the long winter nights come, the British will fly over Berlin with great American bombers and that then Berlin will experience the same havoc as they inflicted on London last year. The newspapers have carried the stories of American aid to Britain and to compensate for



it the papers were conducting a violent anti-Roosevelt campaign with such headlines as "Roosevelt is a Liar", "Roosevelt Uses Gangster Methods", "American Senators Propose Annexing South America", "America to Occupy Azores", "Strikers Protest American Aid to Enemy". Much of this newspaper campaign was probably being conducted to detract the people's attention from the catastrophe which was then taking place on the Eastern front. The German people had been told that there would not be a war with Russia, and now that it has come many of them doubt the wisdom of the campaign. The newspapers were already filled with death notices of soldiers killed on the Soviet front and the tragedies of war were being brought home to the people more than had been the case in any of the other military ventures. The people knew that their blitzkrieg against Russia was well behind schedule and they were worried. Further, the German attitude toward Americans had changed.

The customs officials at Templehof were just as decent as ever, but I found that the Berliners were not. I speak German but my accent betrays my nationality. At three different hotels I was told that there were no rooms available...at least not for me. At the Continental Hotel the desk clerk also stated in no uncertain terms that there was no room, but a few minutes conversation with the porter, with whom I was slightly acquainted, secured a room for me. Both the desk clerk and the clerk in charge of ration stamps were unnecessarily loud and harsh, apparently for the benefit of those guests who sat staring in the lobby. Both were most insistent that I must immediately report to the nearest police station, even before going to my room, although the matter of having my police pass endorsed could have been taken care of on the following day. When I finally went to the station, the police officers were entirely respectful. However, early the following morning I was called from my room by a German soldier who advised me, respectfully, that it would be necessary for me, as a foreigner, to report immediately to a certain control office on Unter den Linden. At this time the manager of the hotel also came forward and demanded that the food stamps which I had secured from the ration clerk the night before be returned to him. He stated with much dignity that during the night a new rule had been promulgated to the effect that foreign visitors would have to call at the foreign office and ask for ration stamps if they wished to eat. I gave the ration stamps back to him and secured others at our Embassy.

The Germans are obviously short of railroad cars. Persons who wish to travel must secure reservations a week in advance. All trains that I saw in Germany were overcrowded. The result is that all the

travel offices are crowded with people and, since the staffs have been drastically reduced, the clerks are overworked.

On the journey from Berlin to Basel, I shared a compartment with a German official from Paris, who told me that in 1923 he was second secretary at the German Embassy in Washington. This gentleman tried to be optimistic about the war, but all through his conversation there was an undertone of worry about the Russian campaign. He admitted rather frankly that if the Russian campaign is not completed by September 15, in time to permit the Germans to prepare for the long hard Russian winter, the prospects of victory at all will be much slimmer. There is the great danger of complete exhaustion of the country, which would have to be admitted even now if it were not for the fact that a good crop is expected this year. There can be no question but that German morale is definitely at a lower ebb than it was a year ago. However, I saw no evidence whatsoever of open dissatisfaction or any expression of disrespect for either the Nazi Government or the Fuhrer.

#### Switzerland:

While food and woolen clothing are rationed in Switzerland, there is still plenty of food and clothing. The Swiss have plenty of chocolate, real coffee and American cigarettes. There is a shortage of coal and one is permitted to have a hot bath on Saturday nights only. The few automobiles that the Swiss have are now operated on gengas. Otherwise, life in Switzerland is normal again.

Politically, the people seem to be much calmer than they were a year ago. At that time there was much talk of a Nazi invasion; however, that fear is now gone. Recently the Swiss made a very advantageous treaty with the Germans which provides that Germany will provide fodder for the Swiss cattle, while the Swiss will sell Germany milk, chocolate and meat. Further, I understand that the Germans have been shipping large quantities of raw materials to Switzerland to be manufactured into finished products and that Switzerland is growing rich on this trade. At first the disappearance of the tourist trade was a heavy blow to the Swiss and many of their hotels are still closed, but the new trade with the Germans has improved their economic condition. However, the Swiss cannot be described as pro-German. They have no particular sympathies in the war and uppermost in their minds at all times is the idea of maintaining their unchallenged independence.

Unoccupied France:

When I came through unoccupied France in July 1940, I saw thousands of disarmed French soldiers returning to their particular sections of the country. At stations, such as Narbonne and Lyon, thousands of refugees waited on the streets and sidewalks, exhausted, wondering what to do with themselves and the few possessions they had brought with them. The hotels were crowded; food was scarce; everything was in disorder. The people felt that they had been betrayed by their own leaders and they were thoroughly disheartened.

Returning through unoccupied France in July 1941, I found a changed people. The soldiers and refugees have returned to their homes. The trains are running on schedule. Food is rationed but, from what I was told, it seems that there is more and better food in unoccupied France than in occupied France or in Germany. Crops look good. The people hope that by next year they can have their wine again. Supposedly the Germans took most of it this year. There was no evidence of political disturbance. I was told that the people support the Vichy government in its policy of cooperation with the Germans because they feel that it is the only practical policy for the country at the present time.

Franco Spain:

When I came through Spain in July 1940, the people were in rags; there was a shortage of food and beggars hounded one on the streets for a bit of bread. The shops were empty; many of the buildings of Barcelona and Madrid were in ruins; the people were appalled at the task of reconstruction before them.

In July 1941, I found a different Spain. The people of Barcelona and Madrid are now well dressed; the shops are filled with food and clothing. There is a food shortage and food is rationed, but the situation is not regarded as serious. The beggars are gone from the streets. Steady progress is being made in the problem of reconstruction and, I believe it can be said, the people are happy again.

An article appeared in the Saturday Evening Post several weeks ago, I have been told, describing conditions in Spain today as terrible. I have the word of a commercial representative of a large United States corporation who has been in Spain that the statements in that article are entirely false.

Portugal:

Portugal belongs with Sweden and Switzerland as one of the three small nations in Europe today that have everything. Portugal is the only nation in Europe today without monetary control; the only nation with plenty of cheap gasoline; the only nation in Europe with more food than it needs. Portugal is growing rich on the ills of Europe. The hotels are doing a good business housing immigrants awaiting passage to America. The harbor is filled with Spanish, Swiss and Portugese ships. American sailors from the European squadron, which has returned to Lisbon, spend their money in the city. The crops are said to be good this year. Plenty of tropical fruit is available from the Azores. Life is easy and the people are little concerned with political matters. The newspapers and the people seem to be, if anything, pro-British.

Iran:

In August 1940, and again in April of this year, I had occasion to visit Iran. Crossing the Caspian Sea from Baku to Phalavi by Soviet steamer, one takes a private car across the mountains and desert to Tehran, the capital of the country. Except for rice and grain fields on the slopes of the mountains and except for the high plateau on which Tehran is situated, the country is a vast desert. Until the new Shah came into power recently, the country was as backward as any other country in the Near East. However, the Shah has made vast changes within a few years. Most spectacular of all was his order, last year, that every building in Tehran be redesigned. The fronts on some five hundred business buildings were torn down at one time, and for the last few months a vast building project has been going on to build new, modernistic fronts of brick, two stories high, on each building. The result has been to completely change the appearance of the city.

Economically, times seem to be good in Iran. There is plenty of food and clothing; there is no rationing system. They have plenty of gasoline and materials of all kinds. General opinion is that the government has the entire support of the people, although the taxes necessarily imposed are extremely oppressive.

The one enemy that Iran has feared has been Soviet Russia. Russia formerly owned the northern section of the country and the

feeling has been that the Communists would attempt to regain the land whenever possible. As a result, the people and government of Iran have been pro-German in their sympathies in spite of the fact that the British have large oil and banking interests in the country. During recent months, there has been an infiltration of approximately three thousand Nazi businessmen into Tehran, and the foreign language most heard on the streets of the city was German. A book store was actually opened on the main street of the city, which dealt only in German books and periodicals.

The Iranian army is reputedly a very incompetent organization, although it is said to have been trained by German officers. Its soldiers are poorly clad; its equipment appears to consist of wooden carts and ancient guns. It is difficult to see how the Iranians would be able to defend their country without foreign aid, if either the Germans, Soviets or British undertook to invade it.