

Madrid, June 30, 1942.

Personal and Confidential

My dear Mr. President:

Six weeks have elapsed since you graciously bade me goodbye at the White House and perhaps incautiously suggested that I write you from time to time.

The crossing of the Atlantic was made quite comfortably in twenty-four hours. At Lisbon I had an hour's conversation with Dr. Salazar - at his special invitation - and found him to be very much the "gentleman and scholar." He is a man of integrity, I am sure, quite without fuss or feathers, and with a nice wit. In every respect a pleasing contrast to the garden variety of shirted "dictators" elsewhere in the world! I shall not trouble you with details of my conversation with Dr. Salazar, especially since I have already given them to Mr. Welles. But through the sympathetic Portuguese Ambassador in Madrid I am keeping some informal contact, as you requested, with Dr. Salazar. And when, later, I take a few days' vacation in Portugal, I expect to see him again in person.

Nor does General Franco entirely conform to the Hitler-Mussolini norm of "dictator." True, he wears a colored wool shirt and receives Fascist salutes from the faithful. But the faithful seem to be somewhat scarce and their salutes a bit perfunctory, while the wearer of the supreme shirt is strangely taciturn and untheatrical. The Papal Nuncio tells me there is an old Spanish proverb about a Galician being "as prudent as a bear, as stubborn as a mule, and as dumb as an ox," and that the proverb is particularly applicable to the Galician Franco. I will say that Franco gave me a grand reception when I presented the credentials from you and that he publicly

committed

The President

The White House.



committed himself on that occasion to a repudiation of economic autarchy and an endorsement of the principles of national self-determination and international free trade.

Serrano Suñer is a cleverer and less principled man than Franco. It is my belief that we need not trouble ourselves very much about his occasionally flamboyant speeches and his seemingly mysterious junketings to Paris or Rome. His cleverness is devoted chiefly to getting into the limelight when he is seriously threatened with eclipse and to convincing Franco, against the advice of almost everyone else, that he (Suñer) is indispensable. At the worst, he is hardly more than a weather-vane of the fortunes of the war.

Suñer, like Franco, has regarded German arms as invincible, and, not wishing really to get into the war, he has been ostentatiously pro-German in speech. Since our final entrance into the war, Suñer has given some signs of doubt about German invincibility - more than the less supple Franco - and it would not surprise me, as the war goes on and the tide of battle turns, to see Suñer climb onto the pro-Allied bandwagon ahead of Franco.

No longer is it a prime question whether Spain will intervene in the war or give active aid to the Axis. The prime question is what will happen inside Spain within the next months or year. There would seem to be four conceivable answers:

(1) The present régime may have its life prolonged as a kind of Quisling régime, if the Germans swoop down upon the Peninsula in force. This, however, seems practically impossible, in the light of Germany's difficulties elsewhere, and even if it should occur the breach between a Quisling-like régime and the Spanish nation would be well-nigh complete.

(2) There may be a violent explosion from the Leftist groups - the ex-Loyalists, Socialists, and Communists of Civil War days. Some 200,000 are still in prison camps and the families and friends of these as well as of those who have been put to death during the last three years can feel nothing but bitterness and hatred for the present régime. Yet the probabilities are against an explosion from the Left.



There is too much exhaustion from the Civil War, and too vivid a remembrance of shortcomings of the Republic and of quarrels among its worthy supporters.

(3) There may be a restoration of the Monarchy, either (a) through a military coup, or (b) under the patronage of Franco. The Monarchists and the Church would undoubtedly favor it, and most of the Leftists would probably welcome it as promising an end to the Falange and greater liberty to themselves. The restored Monarchy would almost certainly be more liberal and more friendly to our cause. The British Ambassador in Madrid is actively encouraging the Monarchists. The Pretender, Don Juan, was educated in England and is reputed to be an intelligent young man. He would need, however, a Dr. Salazar at his elbow, and Salazars seem to grow only in Portugal.

(4) There may be a gradual - or sudden - shift in the policy of the present régime, as German fortunes further ebb and internal criticism rises. Franco may make a scapegoat of Suñer and dissolve the Falange. I doubt, nevertheless, whether Franco has the political sense to make the necessary readjustment in time. All that can reasonably be expected of him, in my opinion, is that he might, on the prompting of other Generals, consent to bring back the King. Then it would be up to the King to get rid of the Falange - and in time perhaps of Franco.

Just now, of course, the British defeat at Tobruk and retreat into Egypt are delaying any alteration of Spanish foreign policy - or of the domestic Spanish régime.

Spain needs, above everything else, the New Deal. Economic conditions are very bad, and while the present régime has proved itself notoriously inefficient and corrupt, I am not optimistic about the chances of turning aristocratic and moneyed Monarchists into New Dealers. On the other hand, if eventual political change is not to be accompanied by another bloody upheaval, the United States should be prepared at the right moment (1) to back moderates rather than extremists and (2) to extend prompt economic and financial aid.



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I have been making many contacts in Spain, not only with the Diplomatic Corps and Government officials in Madrid, but with certain groups, especially university professors and clergymen (Jesuits, Franciscans, etc.) who perhaps have been a bit neglected by us hitherto.

There is a crying need - and golden opportunity - for right kinds of propaganda here. I made representations to Colonel Donovan about the matter a short time ago and I hope that the assurances he gave me will be carried into full effect by the new propagandist agency you have set up under Mr. Elmer Davis.

With the highest regards, I am,

Faithfully yours,