The last few days have been very interesting here. The English have not unlearned the art of dealing with their monarchs. In a formal sense Edward abdicated and went on a holiday, in reality he was dethroned and exiled.

As a matter of fact he was impossible as a king. He was uncontrollable and irresponsible. He constantly took the attitude that he was the boss and that no one had the right to tell him anything. He was completely under the domination of Mrs. S. The fast set to which they both belonged was pro-Nazi and she was in touch with Ribbentrop. It is not an exaggeration to say that the marriage was partly a German attempt to secure a decisive influence in this country.

Baldwin showed himself a master of demagoguery and statecraft. The popular press counted for nothing. As a matter of fact, the Daily Mail, the Express and the News Chronicle have no influence whatever in the country.

Edward had on his side the gangsters (the Fascists and Communists), the sentimental pacifists and the bright young things - Mosley and Pollitt, Lady Houston, Kingsley Martin and Gerald Barry, Lord Rothermere and Bernard Shaw.

The whole affair is a great victory for puritan democracy. It is, if I am not greatly mistaken, the end of what little fascism there was in this country and the pro-Nazi influence.

With respect to foreign affairs we still have several months of great weakness ahead. The defenses of London will not be ready before April or May (apparently London will then be impregnable). I am told that it is all nonsense that a city cannot be made safe against air-raids. The air force will not be really up to scratch until about October. We shall then be the greatest aerial power in the world. The fleet is being transformed (there is a great First Lord), but still has a long way to go.

But we have the alliance with France - the greatest military power on the Continent (greater than Germany for the time being).

For another six months at least we must play for time and avoid any complication or risk (the margin of safety is widening but is still too narrow). And as you know as well as anyone, much may happen in the next six months. (The German military chiefs only just succeeded in dissuading the political leaders from an action in Czechoslovakia last week.)
The Foreign Office here believes that the relations with Italy are improving. Some of them take the view that Italy is already on our side (in spite of Spain) and will probably settle down on our side.

Our relations with France have never been so close. The hate felt by certain people against Blum has almost vanished completely.

Relations with the United States are excellent.