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TELEGRAM SENT

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-Paraphrase-

SECSTATE

WASHINGTON

1472 May 29, 5 p.m. (1946)

Last evening I had a conversation with Perón alone lasting more than two hours (for the Secretary and Under Secretary and the Assistant Secretary Braden) at the initiative of Perón who had suggested the desirability of an informal conversation before his assumption of office next week. Since Perón personally prepares his speeches and is at present preparing those to be made in connection with his assumption of the Presidency, I was quite pleased to have this opportunity for informal conversation so soon after my arrival with Perón.

I will not go into detail in this message, in view of the length of conversation and the numerous subjects discussed. In this first conversation I did not wish to touch any concrete points, and there was experienced no difficulty in maintaining the conversation on general lines without reference to specific subjects which later will have to be dealt with.

The conversation was opened by Perón who said that he was very happy that I had been designated for this post and saying that he looked forward to fruitful and friendly association with me personally and indicating his own strong desire to promote settlement of the outstanding problems. I stated in reply that I had accepted this assignment because I considered status of world affairs rather serious and because I had the conviction that no matter how definite and effective our security arrangements might appear in the overall picture, the greatest collaboration was /
was essential between all of the American States in the political, social, economic and defense fields, and that such collaboration in the most complete good faith was necessary to the security of us all in this hemisphere and that it would play an important constructive role in World Security Organization.

Reply by Perón was that he saw world picture very darkly and that he could not perceive how avoidance another world war could be realized. Perón declared that as he saw it only way another world war could be averted would be the formation of a united and clear front against Soviet Russian moves by all the States in this hemisphere and democratic states throughout the world, as he thought this was only thing which would deter aggressive action by Soviet Russia in due course. Perón made reference to presence of the Russian Trade mission here and stated that they had not so far been given any encouragement and would not receive any. However, he declared that he did not see how Argentina could remain practically the only country in this hemisphere not maintaining diplomatic relations with the USSR. I should like to say that parenthetically I interpreted this remark as an indication to me that in due course diplomatic relations with Soviet Russia may be established by the Argentine, although Argentina doing so with wideopen eyes. Perón did not in any way endeavor use the Russian efforts here as indirect means applying pressure upon us. Attitude of Perón could not have been more clear and direct with reference to Soviet Russia.

Perón /
Perón then launched into a lengthy discourse to the effect that attitude of Argentina in the first and second World Wars had not thoroughly understood, but I am not going into detail here respecting this as statements he made to me on this subject have undoubtedly been reported to the Department before. The President-elect said that mistakes had been made by Argentina in the first and in the second World War as well as by other countries, but that there could be no doubt whatsoever so far as the position of the Argentine Government was concerned at present.

I then said that I considered the integration of Argentina completely into the hemisphere picture with real orientation towards this hemisphere, and the appropriate steps which were necessary enable Argentina become a full and active member of American community to be the two essential things. The defense pact which we were planning, I said, must not only provide for hemisphere security against aggression from the outside but must guarantee the territorial and economic and political integrity of the American States, large and small. It was interesting to note that Perón spoke emphatically of necessity of security arrangements providing for the economic, political and territorial integration of all the American states, in view of undoubted Argentine activities toward the formation of a southern bloc.

Perón continued, speaking of the social program which he considers indispensable in Argentina. He said that the Government intended take no further measures towards raising wages for the present. However, the Government was going undertake a health and housing program and also one of social insurance which would the indirect effect of
increasing wages. I then asked Perón if I might make a personal remark which might seem to have a critical bearing to which he replied that he wished me to be entirely frank. I stated that I felt he would find general understanding for social measures of a sound character which might be taken in Argentina. However, I cautioned that experience had indicated all such measures must be studied with the greatest of care, undertaken slowly, and before being undertaken their soundness must be carefully examined. Perón answered saying he knew what I had in mind and that he could give me the assurance that no new measures would be undertaken presently and until they had been studied most carefully. In all events, he said he realized the necessity of using greatest prudence in proceeding with such measures.

He spoke at considerable length with reference to the internal political situation and expressed confidence that he would have strong support in the Congress. Perón stated that recently the Government had issued decrees some of which had not in all details been adequately studied. He said that the new Congress would study all these, eliminating those decrees found to be unsound.

Referring to UNRRA he stated it was Argentina's desire to help and said there was considerable grain in Argentina, which could not be moved inasmuch as grain was in storage considerable distances from railways, and Argentina could not move this grain unless they had trucks and tires. His conversation with Colonel Deerwester he particularly referred to, and said that it would be impossible for Argentina to ship this much-needed grain without 500 trucks and 5000 tires needed to move this grain from the interior to railheads. Unless these tires and trucks made available I
I have impression very little grain can be moved. If Argentine grain is needed so seriously as appears, in order move this grain I believe above mentioned trucks and tires must be immediately made available.

It is the sincere desire of my Government to find proper means of removing all causes of misunderstanding, I told Perón, and added that I was making study of outstanding problems and would be in position to discuss them with him shortly after his taking office. I was not prepared discuss them as yet, I said, but hoped to do so after his assumption Presidency almost at once. Perón said that he was prepared at any time to go into these questions and that he himself had every confidence that relations between our countries could be brought to the basis on which they must be in the interest of both nations and of this hemisphere and that I would find in him the most complete understanding and willingness to cooperate in these matters.

Foregoing is very inadequate account of conversation lasting more than two hours, and I shall fill in details by despatch with which I am supplementing this telegram. Although of course it was to be expected that conversation would be cordial, there appears no doubt but that Perón has real desire to go long way towards the establishment of cordial relationship on sound and proper basis. One of most definite ways of determining sincerity of Perón Government, as Dept is aware, will be seen in the cessation of present efforts to interfere in internal affairs of her neighbors by direct and indirect pressures and the cessation of activities showing this interest in Southern bloc formation. Feeling that Perón nourishes the idea of such bloc cannot be escaped, and in this aspiration Perón
would have the support of many Argentines in this country who are among his most bitter political enemies. As it will be essential to give that sense of security which is necessary to sovereignty to the smaller countries of South America as well as to restrain definitely any Argentine ambitions in this direction coming as is possible from Argentine opinion of any sector, it is for this reason that the defense pact becomes all the more important.

(Copy of this telegram being brought to attention of the President will be appreciated).

In the sense that it laid foundation for further conversations in near future in which I hope outstanding questions can be examined with mutual understanding, I consider that this first conversation was quite useful.

MESSERSMITH
gsm