December 28, 1938.

Personal and strictly confidential

Dear Mr. Sulzberger:

I am writing you with a certain hesitation and in this personal and confidential way to express the hope that you may find it possible to see Mr. Eugene Havas should he get in touch with you with a desire for an interview. Mr. Havas is a Hungarian who has for a number of years been acting as the Financial Adviser of the Hungarian Legation in Washington, although he lives in New York. Before coming to this country he was for some years the Budapest correspondent of The Economist in London. I have known him, as have others in this Department, as a very sound and I believe a very patriotic man. He is very much concerned, as I know is the Hungarian Minister here, over the reaction which there may be in this country when there will begin in early January in Budapest the discussions in the Parliament with regard to the proposed laws further affecting the activities of the Jews in Hungary in certain fields. Mr. Havas feels, and so does the Minister, that the reaction in this country may be very strong and that the press comment may be very bitter in condemnation of the present Government of Hungary. I think they feel that this may further under-mine the position of the Hungarian Government at a time when it needs all the support outside as well as inside the country.

Mr. Hayas is a Jew. He knows a good deal of the general European problem and particularly that of his own country. I gather that it is his conviction that, in view of all the circumstances, the Imredy Government is taking the only course it can to take the wind out of the sails of the strong Nazi movement in Hungary. He is of the opinion that the German influence can only be

successfully

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successfully counteracted by some such efforts as the Imredy Government is undertaking. He is, therefore, very hopeful that in this country thoughtful persons will keep a full perspective of all the factors involved and realize that the Hungarian Government is following this path of limiting the activities of Jews with the greatest reluctance but as a measure which it believes essential for the maintenance of its position. I think he would like an opportunity to present this point of view to some thoughtful people in the hope that the reaction here to the proposed measures of the Hungarian Government will not be too severe.

Ordinarily I would not concern myself with a matter of this kind and I naturally do not wish even in a purely personal capacity to intervene in a situation of this kind. I do feel, however, that we ought to keep in mind all of the factors which the Hungarian Government has to consider. It is making unquestionably a definite endeavor to stem the Nazi tide in Hungary. I think the Rumanian Government is trying to do the same thing. the position grows worse in Hungary, it will weaken the situation in Rumania and in Southeastern Europe generally. Mr. Imredy, to whom I know all such discriminatory measures are unpalatable, feels that it is necessary for the Government as much as possible to take the wind out of the Nazi sails. We all realize that the path of discrimination, once the first step is taken on it, is a dangerous one. On the other hand, I think we can have a very definite understanding of the problem which the Hungarian Government has to face.

There is one point which I think may escape attention here and that is that the steps planned by the Hungarian Government will include definite ones affecting the landowning classes in Hungary irrespective of race or These steps toward land reform are in some respects even more drastic than those which may be planned with regard to the limiting of the activity of Jews in certain fields. The land reform program which the Government is planning is in many ways courageous and it is, of course, only undertaken as a further measure to take the wind out of the sails of the Nazi pressure. The Germans, as you know, have been working very hard for years among the peasant population of Hungary. The land reform program will involve very serious sacrifices by the landed classes in Hungary which make up at present about 90 percent of the membership of the Hungarian Parliament.

I need not tell you what my feelings are with regard to discriminatory measures of any kind. I know how dangerous the path of discrimination is once it is entered upon. I thought you might be interested to know, however, that it is my personal opinion that the Hungarian Government is making a valiant effort to maintain its position. You and I know how important it is that it should be able to maintain it. In writing you about Mr. Havas all I am suggesting is that it might be interesting for you to see him and to hear his point of view. You will appreciate that I am not suggesting any course of action; I am only writing you because I believe you would be interested in hearing what he has to say.

I hope you had a good trip and I look forward to seeing you on your next visit to Washington.

Believe me, with all good wishes,

Cordially yours,