Dear Judge Mal

In my letter to Herbert H. Lehman, copy of which you have, I quoted Consul-General Messersmith as saying "there is no greater crime in history than that which the German Government is committing against the Jews." Also, that "the Nazis are determined to confiscate all Jewish property."

The noted German Pacifist. Von Gerlach, who, had he not escaped a day or so after Hitler was elected, by this time would have been assassinated, also told Rabbi Wise and me, at the Hotel Castille, that the Nazis propose to confiscate Jewish property, estimated at ten billion marks. Of course, neither Von Gerlach, nor any one else has the remotest idea how much wealth the Jews in Germany possess; but even so strong a philo-semite as Von Gerlach has had to swallow the Nazi propaganda that the Jews are fabulously wealthy and that ten million marks is a conservative estimate.

In the New Republic of July 19th there appeared a stirringly sympathetic article by Mary Heaton Vorse on Getting the Jews Out Of Germany. She, too, an elightened Liberal makes the assertion that, although the Jews constitute only one percent of the German population, they possess 10% of the wealth. A figure she must have picked up in Germany.

If, therefore, the Nazis are determined to confiscate Jewish property, it is easy to understand why in the pursuit of such Big Game they will not allow themselves to be swerved from their objective by world opinion which they are confident will be eventually conquered.

It was Charles M. Morrison, Editor in Chief of the Public Ledger who, on his return from Germany, told us that some of the influential leaders in the Party admitted having made just one mistake in their Programme against the Jews. Failure to exercise what they call "selectivity". Instead of pursuing the identical tactics toward the Ost-Juden in Grenadierstrasse and those Jews who achieved great distinction in Art, Literature, Medicine, etc.—with which tactics they were sure the world would be in sympathy—they would, if the Programme had to be carried out de novo, attempt to eliminate a few categories at a time instead of putting 650,000 Jews—not to speak of those who were of Jewish antecedents—in just one category. "Faulty technique", but it was too late to recede from the position they had taken.

Because, then, I found Messersmith so understanding and sympathetic - in a measure that sympathy and understanding result from the irritations to which our Consul-General is subjected by the Nazi interferences with American business enterprises - I was able to take up with Messersmith a number of matters which ordinarily he would have been loathe to discuss.

I told Messersmith that whatever difference of opinion the Jews in Germany may have regarding the best method of alleviating their distress, through external or internal influences, there was absolute unaniminity on this one point:— If only the American Government would open its doors a bit and permit the absorption of from ten to twelve thousand young men and women per annum, thus easing the situation. Wouldn't he (Messersmith) be favorable to a modification of the existing Immigration Order, governing the issuance of visas. Our Consul-General frankly told me that he was opposed to tampering

with that existing Order which, as you are aware, vests final authority in the Consular Service. Said he: "We still have an enormous amount of unemployment. Any attempt to modify the Law or Order (I forget which word he used) is bound to arouse criticism and create unfavorable repercussions throughout the country. However, we have changed our attitude a great deal. We are much more lenient in our demands. Although I would not wish to have this broadcast, to you I can say that, given the same set of conditions, we will favor the Jew much more than the Gentile, because we realize under what conditions the former is forced to live. Inasmuch, therefore, as we are more lenient than in the past, inasmuch as the objective can be achieved without provoking painful discussion, why disturb the status in Washington?"

Whereupon I put up to Messersmith three or four hypothetical cases and sought a ruling on them. Satisfied that our Consul-General meant every word he said and that the Consular Service in Berlin, Hamburg and Stutgart, (all under his charge) was premeated with the same spirit, I told Messersmith that as long as the Consuls in Germany felt as they did, I would convey his sentiments to those in our Country who were concerning themselves with that particular problem.

At the time I did not know what Isador Lubin, Federal Commissioner of Labor Statistics told me last Saturday in Washington, that, in reality, there is no Law nor is there any Order in the files of the White House or the State Department which vests sole and final authority for the granting of visas in the hands of the Consuls. There was a "Press Release" on this subject issued from the White House or the Labor Department, when Doak was its Secretary. Nowhere is this a matter of record. But, in the absence of such knowledge while in Berlin, I naturally did not say anything about it to Messersmith. He may or may not be aware of what Lubin told me.

At a meeting of leading Jewish Social Workers in Berlin, presided over by Dr. Werner Senator, who is in charge of the Administrative Office of the J.D.C., I repeated verbatim my conversation with Messersmith on the subject of visas. Not one but had a kind word for Messersmith; but the well known historian, Dr. Mark Wischnitzer, Generalsekretar des Hilfsvereins der Deutschen Juden, stated emphatically that he and his associates could cite cases of dozens and dozens of individuals whose credentials, etc., etc. were in perfect form, but were denied visas. "We, too, could offer dozens of such hypothetical cases as you presented to the Consul-General: but the results were negative. If only Messersmith passed upon these cases personally; but the Consuls, particularly in the provinces are pretty adamant. In Berlin, too, they are so busy that they adopt the course of least resistance."

I asked Dr. Wischnitzer if, by the following morning, he would not assemble ten or twelve such cases; that I would again take the matter up with Messersmith in an attempt to prove that, while his heart was in the right place, the difficulties complained of were only slightly mitigated. Unfortunately, the time was too short and I am waiting now for a complete memorandum in which Dr. Wischnitzer promised to let me have abundant evidence covering his contention. Incidentally, I may add that Dr. Senator, Dr. Wischnitzer and some of the others also felt that such a course would be more desirable, though they had their doubts that anything tangible could be accomplished without modification of the Law or Order.

Since my return I read carefully the interesting correspondence on the visa question between Proskauer and Kohler in behalf of the A.J.C. .. Hull and

Phillips in behalf of the State Department, and, without awaiting Wischnitzer's memorandum, it is my belief that Proskauer and Kohler should protest vigorously and tactfully in their demand for a modification of the alleged Order which turns out to be merely a "Press Release", and which doesn't possess any sanction or validity whatever.

WHAT DID MESSERSMITH THINK ABOUT THE BOYCOTT?

We would naturally be placing our Consul-General in a very embarrassing position if he were quoted publicly on this point. As a matter of self-protection he would be justified in denying that he ever made such a statement, namely: "By all reans the Jews should resort to the boycott. Neither Logic nor Sentiment will move the Nazis. There must be a resort to force and brute force, if necessary." But Messersmith was definitely opposed to what he, too, called a "public boycott." It is his feeling that a less uproarious-counter-attack would be a great deal more effective. "The Jews should do more and talk less" was his insistent comment.

Needless to say that in my large repertoire of questions, addressed to every Jew with whom I spoke in Germany, was this one: "How do you feel about the boycott?" The invariable response was this: "You have no idea how much harm even the talk of a boycott does us. If only the Jews in America and, for that matter, throughout the world, would cease talking about 'a boycott." Had I remained in Germany longer I would have eliminated this question from my repertoire. Apart from knowing what the reply would be, I, too, was pained by the agonized expressions the moment the word "boycott" was mentioned.

On this particular subject I have done a great deal of thinking. Shall have something more to say about it later on, but at this juncture let me state that if the word "boycott" had never issued from a Jewish lipin America or elsewhere, the Nazis would have invented it (a) as a means of further embittering the Aryans against the Jews and (b) to play up their grand asset - "The world is against us. The world is determined to destroy us. Germany must live, even though we diet"

The Nazis have developed an "encirclement psychosis," a psychosis which finds expression in a feeling that the whole world is trying to destroy them. To quote some of the leaders: "In view of all the opposition, both within and without, we propose to take every conceivable precaution so as not to lose the fruits of the revolution."

As I was dictating this letter I received from the Department of Commerce photostatic copies of their compiling sheets showing the exports and imports of the principal commodities between the United States and Germany, during the year 1932. Our Exports to Germany in 1932 amounted to \$130,534,857. as contrasted with \$410,258,652 in 1929. Our imports from Germany in 1932 amounted to \$73,571,644 as contrasted with \$254,673.542 in 1929.

Now, the figures for 1933 show that for the first six months of the year, our imports from Germany amounted to \$32,342,048. Figures for July should show a slight rise on average of the previous six months - \$7,465,904. An analysis of the compiling sheet shows how many items among the imports belong to the 'invisible' groups; i.e. the groups which it would be difficult for an ultimate consumer to touch. Just a few items - gelatine, glue, etc. - \$527,768.; sugar beet seed - \$1,094,582.; woodpulp for paper stock - \$3,134,695.; coal for colors, dyes, stains, etc. - \$2,543,121. Incidentally, we exported to Germany \$68,181,794. of unmanufactured cotton - almost equal to our entire imports from

Germany.

With further reference to the boycott - and it has so many angles - I forget at this moment whether it was with Messersmith or some of the American correspondents with whom I discussed the matter of German trade with Russia.

As you know, during the fiscal year 1929-1930 Russia was one of our large customers. We sold it about \$150,000,000 worth of goods. During the fiscal year 1930-1931 Soviet imports from the United States constituted about 45 per cent of the Soviet imports from all of Europe. Then came Hamilton Fish. He and his fellow Congressmen discovered Communists on every corner and they were determined to rid our country of "a pernicious political phantasmagoria." Our exports to Russia fell off considerably. Since 1931 our trade with that country has dwindled to small proportions. Today the Soviet Government buys more goods from Germany than any other country. In 1932 purchases from Germany amounted to about \$131,000,000, nearly twice the amount the United States bought from Germany. A remarkable situation: On the one hand Hitler poses as the new Messiah, intent on destroying Communism, not only in Germany, but throughout the world. On the other hand the Reich still guarantees exporters and industrialists against loss to the extent of 70 to 75 percent of the credits extended by Industry to Russia over a period of eighteen months.

The early part of May I asked Baron von Kuehlmann, former Minister of Foreign Affairs under Stresemann, how he accounted for Hitler's trade relations with Russia, and Baron von Kuehlmann's synical reply was: "To use a favorite American expression, Business is Business." Russia meets its payments promptly. Never in default - no wonder that the Reich is assiduously cultivating Stalin and his associates - in Moscow, of course!

Quite naturally, Russia does not want to deal with Germany; but on account of the exceedingly favorable terms extended by German industrialists and manufacturers, Russia is of necessity compelled to maintain trade relations with a neighbor, today more detested than any other on the continent. Therefore, if we want to strike at Germany on the economic front, it behooves us more than ever to advocate Recognition of Russia and thus abstract a large volume of ever-growing trade which would otherwise go to Germany. Why worry about five-and ten cent German-manufactured trinkets at Woolworth's; gloves, linens, cutlery and toys at Macy's and Gimbels, important though these be, and neglect a rich opportunity to strike Germany in a more vulnerable spot, namely— its exports to Russia. On reflection, this particular matter was discussed with American correspondents.

WHAT OTHER SUGGESTIONS DID MESSETSMITH HAVE TO OFFER AS A COUNTER-ATTACK AGAINST THE ANTI-SEMITISM IN GERMANY - AN ANTI-SEMITISM WHICH IS SPEEADING IN AMERICA?

"The Nazis are the master propagandists of the age" said Messersmith.

"They did not realize that their Programme, intended to annihilate the Jews at once, would meet with such an unfavorable reception throughout the world; but they are sanguine. They feel that in another month or two or three, the world burdened with more important problems will forget that there are Jews in Germany. There is a point of maturation and news of yesterday ceases to have any value tomorrow. The Nazis will then, in their own sweet way accelerate the tempo. Moreover, they know that there is lack of unity and cohesion in Jewish life and that this lack of unity is bound to help them in the carrying out of their Programme. Consequently the Jews throughout the world (our Consul-General had in mind specifically the Jews in America) must be ever

vigilant and steadily keep before the people what is actually taking place in Germany. Counter-propaganda, whether it appears in the daily press, magazines or over the radio must be of a high order. There must be utilized men and women, preferably non-Jews, whose voices would be listened to everywhere. If an H.G. Wells were to make a study of the Jewish situation in Germany and broadcast the information throughout the world, it must never be suspected that he did it under the aegis of a Jewish organization. And the publicity must be well balanced. It should not confine itself exclusively to the Jews, but there should be drawn in the picture other elements of the population that are being persecuted and oppressed. The counter-propaganda - and on a large scale must not in any way be identified with the name of any Jewish group, any Jewish personality, but must be distinctly anonymous. No individual Jew, no individual group must in any way profit by such publicity; otherwise the effect is vitiated. See what the Nazis are doing" added Messersmith. "They have agents in the United States. You don't know who they are or where they are. They are spreading poison everywhere. You are aware of their existence; but they are elusive. Why can't the Jews pursue similar tactics and not be constantly taking the public into their confidence as to what they propose to do or not to do. Long on performance and short on talk should be the guiding principle!"

I wish I could reproduce verbatim what Messersmith had to say on this subject and the effectiveness with which he said it. And speaking of "balanced news", Raymond Swing, the brilliant London correspondent of the Public Ledger and the New York Evening Post, said to me with perfect candor: "My associates and I, on the Continent, are deeply concerned about the Jews in Germany; but, you, fellows, are getting all the breaks, whereas little is said about the Communists, the Pacificists, Social Democrats and others who were also suffering acutely. The correspondents are getting a bit weary. Your own cause will be better served if pari passu there is also a great deal said about the other elements which have no powerful group, such as the Jews throughout the world, to speak for them."

Query? How can we raise a fund of, let us say, \$250,000 for counterpropaganda with the proviso that this fund is to be handled anonymously and is not to be tied up with any existing organization? As one who for twenty-five years has had a great deal to do with the formation of public opinion, I am convinced that such an effort as Messersmith suggests has enormous potentialities, in the keeping alive news of what is going on in Germany; at the same time mitigating in this country the effects of an anti-Semitic wave which is becoming stronger.

In my possession there is a German document, gotten out by the "Verein zur Wahrung der Interessen der chemischen industrie Deutschlands", addressed to the members of the German Chemical Industry and entitled - COUNTERACTING FOREIGN BOYCOTT MOVEMENTS. An arsenal of most damaging statistical data, adroitly arranged, and calculated to poison the minds of bankers, industrialists, publishers, etc. throughout the world: To quote from the covering letter to the members, signed by the President of the Verein:

"According to the idea of the Reichsstand der Deutschen Industrie, the proper way to make use of the memorandum is not to use it fully, but to quote therefrom such figures as may be necessary to rebut charges in each particular case.

"Apart from that, the speech delivered by the Chancellor at the Reichstag on May 17th of this year is probably the

"most effective document for refuting the untrue reports that are spread about Germany abroad. The Reichsministerium fuer Volksaufklaerung und Propaganda (Federal Ministry for Public Enlightenment and Propaganda) has had the speech printed in the English, Spanish and French languages. Copies to be forwarded to foreign business firms can be obtained from the Reichsministerium fuer Volksaufklaerung und Propaganda."

Read the memorandum and you say to yourself: "Seems as though the Nazis have made out a fairly strong case!" I happen to have a thorough analysis of the data contained in the memorandum. It was prepared by some of the best Jewish Economists and Statisticians in Germany. Of course, not for local consumption. Regretfully, I am the only one who has the analysis, whereas the Chase National Bank, the Guaranty Trust Company, the Cotton Manufacturers in the South and kindred interests in this country and abroad have had placed at their disposal, in toto or in partibus, the sinister and most damaging statement, issued by the Reichestand der Deutschen Industrie.

DID MESSERSMITH THINK HITLER WOULD SURVIVE?

Said Messersmith: "I have been telling my Jewish friends in Berlin not to run away but stay here and adopt a policy of 'watchful waiting.' The fight going on between the Left and the Right Wing in the Hitler Party is likely to result in a collapse of Hitlerism."

"When I was in London," was my comment, "Lord Reading expressed to me the hope that Hitler would remain in power and grow stronger. He thought it would be better for the Jews. Most of the German Jews to whom I spoke expressed a similar conviction. They would rather bear the ills they have than fly to what they think would be worse ills, if, as a result of a collapse, a change in Government took place. Some went so far as to say that, while there was no future for the Jews in Germany — all hopelessness — if the Government remained in power and economic conditions were materially improved, the pressure on the Jews would be modified somewhat."

"I don't agree with Lord Reading, nor the people with whom you spoke," said Messersmith. "It can't possibly be worse under any other Government. There may be excesses for a few days, but things will then quiet down." Was Hitlerism likely to be followed by Bolshevism? "Not a ghost of a chance. Possibly a modified monarchy." Did Messersmith really think such an overthrow was a possibility? "Why, it is in the field of probabilities - not possibilities."

Messersmith was virtually the only person I met in Germany who thought that things would reach such a crisis during the winter months as to result in the overthrow of the Government. I should love to feel that our Consul-General was right. And, even if the pressure against the Jews were to subside in the event of a rapid economic recovery. I still feel that Hitlerism would be a menace to Western Civilization - and Jewry, in particular. But, I left Germany with the conviction that Hitlerism is bound to remain, without reference to the dispute between the Right and Left Wings in the Party; without reference to an acuteness of the industrial situation, likely to develop during the winter months.

My reasons? 1,250,000 S.A.'s under Nazi control, marching up and down



the streets, aimlessly to be sure, but carried away with an apostelic fervor worthy of the Crusaders of old. The hundred thousand Reichwehr practically gone over to Hitler. Every apparatus for the dissemination and control of news in the hands of the Nazis. If a single critical line of Nazis policy were to appear in any paper, it would speedily be confiscated. The deification of the Fuhrer. The constant appeal to the 65,000,000 that the world is against the Fatherland; that the world wishes to crush it and that Hitler is the new Divinity who will save their precious cultural heritage. Why, if you were to examine the kit carried by a Boy Scout in Germany, you would find in it a knife or a dagger with this inscription on it "Blut und Ehre" - Blood and Honor.

A word about Messersmith who made such a favorable impression on me. He has been in the Consular Service for nearly twenty years. Born in Pennsylvania, but educated in Delaware University, he is pretty deeply rooted in Delaware. Prof. Samuel C. Mitchell of the University of Richmond and who wielded such a profound influence on my own life, was at one time President of the University of Delaware.

It was Knickerbocker who introduced me to Messersmith. This introduction, plus my intimacy with Mitchell, created at once the atmosphere which made it possible for Messersmith to discuss the German-Jewish situation with me for nearly two hours with complete candor and abandon. Messersmith told me he would be in the United States in December and promised to meet with any group I may select, either in Philadelphia or New York.

Regarding my interview with Ambassador Dodd - impressions, possible recommendations, etc. - in my next:

Kindest regards,