Secstate, Washington

Secret

November 12, 4 p.m., 1944

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Embassy Cont.

PARAPHRASE

I feel that I should make the following preliminary comments after talking by phone with Armour this morning and McGurk yesterday, even though the cable, to which Armour referred, has not as yet arrived.

Without seeking to have ^Dr. Padilla possibly vary his approach it is my belief that it is not too much to say that the procedure which we are following by directly approaching the other American governments threatens to destroy the possibility of preserving American unity, which is at this moment at stake, for the near and far future.

As expressed by Armour in this morning's conversation I do not understand that the approach of Padilla is paragraphs three, five and six in his memorandum are contrary to our policy, although I have not received the Department's telegram, unless the policy of our Government, which I doubt, is to exclude Argentina, permanently from the unity of the American Republics.

There is cause to believe, I wish to restate, that the Padilla memorandum will be acceptable to practically all the countries of Latin America, as an adequate solution to the problem; and it will be revealed at any meeting held, that even those agreeing with us did not do so fully in fact. I respectfully call attention to the letters transmitted by me during the past few months dealing with the creation among the Latin American States of a Latin American Bloc and even Regional Blocs and there are evidences that this tendency toward formation of such blocs is increasing.

Believing that the life of the Brazilian practical dictorship ix would be prolonged and its position strengthened by the continuation of the present Argentine military regime, Brazil's ggvernment, now in power, considers with xsome satisfaction the Farrell Regime.

Brazil, Mexico and Argentina are the three countries of principal importance in the Latin American group and there is, at the present time, a surreptitious uprising in many of the American Republics against the United States. With the knowledge of the uncertain position of the government of Brazil which is obligged to follow two courses and with certain knowledge of the situation in Argentina, Mexico with its democratic ideas deeply rooted, if not in form, is the only country with a permanently established government in Latin America. Circumstances being as they are with the uncertain position of Brazil and with Argentina excluded, Mexico become4 the only country able to take the initiative, and it is fortunate that she is prepared to do so. Regardless of the ideas probably held in certain quarters, Latin America holds Mexico in high esteem as well as its Foreign Minister.

The fact that Padilla, before transmitting his memorandum to the other Republics, should have consulted our Government is eveldent to me, but there can be no doubt that it will be received well by governments of the other Republics, and better than the approach, which I understand, is to be made by the United States

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government; nor any doubt of his good intentions. Without further consultation with ^Dr. Padilla and while his memorandum is pending, we are seriously risking a failure in regard to our initiative as well as threatening Padilla's position in Mexico by our making this general approach to the ^Mepublics of the other Americas. By threatening the position of Padilla in this country we not only risk losing the Mexican Government as one of the most important collaborators in the Latin American, the American and the world picture byt may also result in Padilla's leaving the ^Mexican ministry.

If as Aranha was forced out of Brazil, Padilla should be forced out of the Mexican government, it is my opinion, that the United States will lose, among the Foreign Ministers, not only one of its most loyal friends, but that immense resentment (both public and official) caused by such action will also deprive us of the effective collaboration of Mexice in affairs of the Americas and world policy. It may also cause the formation of a bloc among the countries of Latin America in which the leadership will probably be taken by Brazil and Mexice.

In all frankness and in consideration of the transcendental character of the situation, I feel that I must state that it is my belief that by the procedure presently followed by the United States, any hope for a successful meeting is in serious danger of failure and a situation will be created whereby a meeting, if held, will result disastrously for inter-American unity and for the United States.

Latin American and Mexican sensibilities are involved in this matter and as I understand our procedure, it will increase the already existing impression, in some of the Americas, that our aims are not so much the returning of Argentina under proper

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conditions to the continental unity as they are her punish-

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Further reiterating my opinion, which is well based I believe, is that principal circles in Great Britain would look as complacently upon the establishment of a bloc among the countries of Latin America as the view they now hold in regard to the government now existent in the Argentine.

Since consultations have been held with President Roosevelt in regard to the matter of procedure of the Department (which I understand from conversations with Armour) and in respect to that fact and the knowledge that the President understands and holds an interest in the major problems of the Americas, I should be appreciative if the President's attention was brought to this telegram by the Acting Secretary.

These comments, in addition to the letters and despatches sent since my November fifth return to Mexico City, are offered only with a desire to be more helpful. I will transmit to Padilla Monday, November 13, at one p.m. a memorandum containing the text of the message, which I understand is being sent, if by that time I have not received additional directions from the Department.

Messersmith

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