

Subject: Axel Wennergren.

W4120
Axel Wennergren, the Swedish industrialist, came to Mexico City to live there just shortly before or after we entered the war. He was on our so called 'black list' in the United States and, therefore, could not secure a visa to go to the United States. Such funds as he may have had in the United States were blocked and he had no disposal of them. When I arrived in Mexico City in 1942 I found Wennergren making quite a splurge. It was generally considered that he was an extremely wealthy man. He was stating that he wished to invest all his money in Mexico. He had established himself in a large home on the Reforma in Mexico City. I found that he was already quite a figure in certain circles, including certain political circles. My friend General Maximino Avila Camacho began to have common friends speak to me with regard to Wennergren. He wanted me to do the necessary to see that Wennergren was removed from the black list and would be able to travel freely to the United States. I had too much to do those days and there were too many things that were of real importance for us for me to give much attention to the matter of Wennergren.

One day Maximino Avila Camacho invited me to lunch at his home in Mexico City. It was a small luncheon of men and I do not recall anyone being there except the Foreign Minister, Dr. Padilla. General Avila Camacho began to tell me how important a man Wennergren was. He told me that Wennergren had said to him that he had at least half a ^{of billion} million dollars in cash which he was willing to invest and wished to invest in Mexico. It meant a great deal to Mexico to have Wennergren interested in investing this money in the country. The United States was making it quite impossible because we persisted in keeping him on the black list not enabling him to travel to the United States, and keeping his funds in the United States frozen. I told the General that it was really useless to talk about this matter and I was the last person to talk to about

it. I had known of Mr. Wennergren for many years; I had met Mr. Wennergren on several occasions. I knew that my government had good reasons for having him on the black list and that I knew that nothing that I or anyone else could do would change this. I wanted to make the situation further clear in the sense that there was nothing that I under any circumstances would do to get Mr. Wennergren off the black list or to unfreeze any funds which he had in the United States. I did not and would not discuss the reasons for which Wennergren was in this position. It would have served no purpose. I said to General Maximino Avila Camacho that I had only one observation to make further and that was that while Mr. Wennergren had undoubtedly been an important businessman in his country and had undoubtedly made a great deal of money, I felt very sure that he did not have anything like five hundred million dollars to invest in Mexico or elsewhere. It was very probable that he had some money in banks in the United States or perhaps invested in business which he was not able to control or use for the time being and almost certainly would not be able to use or control during the war. I did know that he did not have anything like this amount of which the General was speaking in the United States and nothing approximating it. I too was interested in seeing sound people invest in sound industry in Mexico and contribute to the development of the country. Merely as a friend I thought it would be advisable for him to inform himself a little more fully with regard to what Wennergren was able to do and not able to do before he began to nourish further these rosy dreams as to what the Wennergren money might accomplish in Mexico. The General was much upset and unhappy because he could not move me. He felt that this was a personal matter so far as I was concerned. As Dr. Padilla and I drove away from the General's house, Dr. Padilla said that he thought that I had presented the matter properly to General Avila Camacho and that it was in the General's inte-

rest and in Mexico's interest that the General should know that Wennergren was talking in exaggerated and impossible terms. I said to Dr. Padilla that I felt sure that he, in the Foreign Office, and that I would be continuously molested about this matter ^{of} Wennergren but that I wished to repeat what I had previously told him, that I knew that the position of our government in the matter of Wennergren was well founded and that no change could be expected. Dr. Padilla said that he quite understood.

Shortly thereafter, on one of my trips to Washington, I happened to be breakfasting in the Metropolitan Club when an old and good friend of mine, a New York banker, came to my table. He said that I was making life very difficult for Wennergren in Mexico. He began to tell me what a great businessman Wennergren really was. It was really too bad that he could not make trips regularly to the United States to look after his affairs in our country. He too was talking as though Wennergren had large liquid sums in the United States. I asked him how much Wennergren had in their bank, it was not a very substantial amount. I told my friend that I wasn't going to discuss the Wennergren case with him; it was not I whom he should be talking with but the people who had to handle these things in Washington. I advised him not to run his head into a stone wall. I knew on what basis the attitude of our government was founded. I thought he would not be helping himself nor his bank by getting too much interested in Wennergren's problems.

I began to get all sorts of pressures placed on me in Mexico City to take steps to clear Wennergren. I must say that Wennergren himself, and this is to his credit, never made any direct approaches to me. He knew too well what I knew and the last thing that he wanted was that I should tell those with whom he was in touch in Mexico City what I knew. I learned through these indirect approaches that Ed Flynn and Ben Smith

who in those days were interesting themselves very much in certain things in Mexico or were at least endeavoring to interest themselves in certain things in the country, were becoming interested in the Wennergren matter. I learned that they were in direct touch with him in Mexico City.

The matter began to assume considerable proportions. As I knew the matter had been mentioned to President Roosevelt, I took occasion on one of my opportunities to see the President to ask him about the matter. I asked him whether sufficient of the facts in the Wennergren matter had been brought to his attention. I found that the President was aware of all of the major facts. He knew that Goering in a conversation with me in 1934 in Berlin had mentioned Wennergren as one of the very important business men and bankers who would be able to bring about a proper understanding of what the Nazi movement was really like in England and in France and in the United States and in Scandinavia. In a conversation which I had with Goering during 1934, ~~and which~~ ⁱⁿ Goering was explaining to me that the Nazi movement would really penetrate the world and that some of the important businessmen and bankers in Scandinavia, in France, and England and in the United States would be able to bring comprehension of what the movement really was like and, therefore, support for it. The President knew that in this conversation Goering had mentioned Wennergren specifically as the one who would be the leader of this movement in Scandinavia and I knew from those around Goering that Wennergren thought he would be the gauleiter in the Scandinavian countries when the Nazi movement got control there. The President knew that Wennergren was one of those, I am glad to say, rare men who ^{in foreign countries} had been struck with the Nazi disease and who became one of its supporters because he thought he would be one of the great men of the world. The President was also familiar with the trip which Wennergren had made in his yacht around South America in the early days of the war and he knew that this was only a part of

Wennergren's collaboration with the Nazi movement. I knew from this conversation with the President and his having these things so fully in mind without my reminding him of any of them, that if anyone did try to get anything done in the Wennergren matter it would not get very far.

Those were busy days and what annoyed me most about the Wennergren matter was that we were being constantly molested with it when there was so much of importance to do; but I was to have my real shock a little later. During a visit to Washington I called on Mr. Stettinius and during the course of the conversation he said that he had wanted to see me particularly about this matter of Wennergren. He understood that I was holding up his getting a visa to come to the United States. I told him that if he meant that at the Mexican end, where Wennergren was, I was holding it up there was certainly no doubt of that, but the matter went much further than that and there wasn't any doubt that under no circumstances would our government agree to Wennergren being given a visa. I said to Ed that I was getting a little tired of people saying that I was holding up the Wennergren visa.

Ed went on to say that the matter was much more serious than that. He had wished to see me to tell me that the President, that is, President Roosevelt, wanted a visa to be given to Wennergren and wished me to stop placing these obstacles in the way of the issue of the visa. I almost fell out of my chair. I asked Ed whether he knew the background in the Wennergren case; he said he knew some of it. I told him the rest. I had known him for many years. I knew that he was one of the least prepared men who was occupying this important position which he held. I had a good deal of sympathy with him, however, because from all that I knew he had not sought the post. I said to him that I had had the opportunity of talking over the Wennergren matter with the President. I knew the President's views in the matter. It was, therefore, impossible

for me to believe that the President had given any instructions in this matter. I could see that he was very uncomfortable, but he was insistent that I do something about the matter. I told him that as long as I was in charge of our mission in Mexico City no visa would be granted to Wennergren except on direct orders from the Department, and I was sure that such orders would not be issued under the circumstances. I said that I was confident that ~~he~~ was passing on this message in good faith but that he was being imposed upon. I was sure the message had come to him about the President's wishes in this matter through one of two individuals or both of them, and that these people were abusing the President's confidence as well as his. In view of the strong way in which he had put the matter to me I hoped he would be good enough to call the President on his direct line and ask him if he had given such instructions. He did not call the President and I did not mention it to the President because I knew that that would be the end of it. I never had another word from Stettinius on the matter.

(In the final re-writing of this memorandum I must note that when I said to Stettinius that as long as I was chief of the diplomatic mission in Mexico City no visa would be issued to Wennergren unless direct orders came from the Department to do so which I was sure they would not, I added that in case I were in charge of the mission and such direct orders came from the Department to issue a visa to Wennergren that I would resign before such action was taken by the mission as I would under no circumstances, knowing all that I did and having the first hand knowledge that I did, assume any responsibility for such an improper act. Further, the two men I suspected during this conversation and I learned afterwards who had told Stettinius that the President had asked him to say to him, Stettinius, that the visa was to be granted to Wennergren, were Ed Flynn and Ben Smith).