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March 8, 1939.

STRICTLY CONFIDENTIAL

Captain Wiedemann was formerly an officer of the German Navy. He is a very intelligent, well-appearing, and in many respects a very plausible individual who, it is understood, speaks very good English. He has a much better understanding of the English and the American attitude and way of thinking than most Germans, particularly Germans in official life today. He is from the point of view of decency, et cetera, perhaps one of the best men associated with the present regime. Compared with those who head the present Government today he may be called a moderate or conservative. He has succeeded in getting the confidence of Hitler to an unusual degree. His more moderate views, however, do not find favor with Hitler and Wiedemann has probably been forced out of Germany by men such as Himmler, Goebbels, et cetera, because it was felt that his conservative views were thrust too much upon Hitler because of the possibility for association and contact which Wiedemann had with Hitler.

He has been appointed Consul General of Germany at San Francisco and has proceeded to his post within the last few days. Wiedemann is going to try to take quite a position in the west. He is that kind of a person and does not avoid the limelight. He is very plausible and he is going to use every effort to make himself persona grata to officials,

business

business people, bankers, et cetera. He will probably go so far here and there as to let it be known that he is not in accord with everything done in Germany. He will give the impression of a very liberal and broadminded and in many ways rightminded German. It is his definite objective and it is believed his mission, so far as his open activities are concerned, to develop good will for Germany and the present Government. In fact, he doesn't make any concealment of this mission. Just because he is the kind of man he is he may have a good deal of success if people are not careful in their dealings with him and do not have a full understanding of all that he is after.

There is a good deal of reason to believe that he has a much more important mission from the point of view of the German Government. It is believed that he is to act as the principal agent of the German Government on the west coast through whom the activities of German agents in the west will be directed. It is also reported that it is intended that he is to coordinate the activities of the German agents with the Japanese. In view of the close arrangements between the German and Japanese Governments, such reports cannot be dismissed lightly. In any event it is not improbable that he will be the principal director of German undercover activities in the west. He is going to do this very discreetly and probably through other persons. He himself will keep his tracks well covered.

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There are well-founded reports that Princess Hohenlohe is arriving in this country shortly and that she will continue to work closely with him here as she has in the past with him and other officials of the German Government. She is a very attractive woman of about forty who is utterly unprincipled and prepared to do anything for the present German Government in whose employ she undoubtedly is. She is a very clever woman, as well as decidedly attractive, and she uses her charms to their full effect. Her activities in England in high circles were particularly effective and it was she who arranged the preliminaries for the first visit of Wiedemann to London prior to the September crisis of 1938. She has been very active for the present German Government in other countries of Europe, particularly Hungary. If she comes to this country her activities will have to be very carefully followed. She will undoubtedly be acting as one of the principal means through which Wiedemann will control German espionage activities in this country.

It is the intention of the German Government to endeavor to break down the opposition in this country to barter agreements. It is their particular desire to work through the south and west to raise doubts concerning our trade agreements program and to encourage various types of barter arrangements. For this reason Weidemann will unquestionably be very active among business and banking circles. He will have a lot of plausible arguments. The economic situation in Germany is

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today the principal preoccupation of the Government. They feel that they must have markets or their whole program will go to pieces. There is good reason to believe that Wiedemann has been furnished by his Government with the names of those business men and financiers in this country who it is believed are out of sympathy with the Administration and with the trade agreements program and some of whom are said to favor fascist ideas and barter agreements with Germany.

In any event it is desirable that those in responsible positions on the west coast should know that in spite of the front which Weidemann puts up he is essentially a dangerous man. He is just as unprincipled basically as the leaders of his Government. Although he has more conservative views in some respects than the Government he represents, he is an opportunist and is willing to carry through any instructions which he gets. While he should be treated with the courtesy due the Consul General of Germany, it would be highly desirable not to make any fuss over him, not to extend to him any special courtesies, and even that there should be a certain aloofness and restraint. This will be the most effective weapon which can be used to counteract the activities of Weidemann. He will be very sensitive to it. If people receive him with open arms he will laugh at them and despise them at the same time that he is openly courting and flattering them. While it is not necessary to treat him with suspicion and distrust

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it will be helpful to treat him with reserve.

It is very likely that he will also use every effort to get in touch with newspaper people, publishers, and important people socially. It is with certain people who are particularly interested in social position that he is apt to have most success.

G.S.M.

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