

relations with Vichy and perhaps of Franco-German relations would be upset by the use of Admiral Muselier's action as an excuse for breaking existing agreements and understandings; (2) their hemispheric preoccupations, which led Mr. Atherton to say to me that the whole policy they intended to place before the Conference of American Foreign Ministers at Rio de Janeiro was imperilled by the St. Pierre episode. \*

I was not able to get in contact with any of the senior officers of the British Embassy until about 4 p.m. I then talked over the situation with Sir Ronald Campbell and finally with Lord Halifax. Lord Halifax told me that Mr. Malcolm MacDonald had telephoned to Lord Beaverbrook at lunchtime to inform him of the United States request in Ottawa and that Lord Beaverbrook had spoken to Mr. Churchill, who had asked Lord Halifax to furnish him with background information immediately. I went over with him a memorandum which he had prepared for Mr. Churchill. While I was with him, Telegram No. 7243 from the Foreign Office arrived, making it clear that the occupation had taken place as a result of orders issued by General de Gaulle and that he had broken faith. His Commissioner for Foreign Affairs explained his action by saying that he had heard that the Canadian Government proposed, with the agreement of the United States, to secure control of the wireless station and that if this were done the Free French movement would be completely discredited.

Lord Halifax was to see Mr. Hull at 6 p.m. yesterday to discuss the situation and to show him the telegram in question. Obviously, the Ambassador is surprised at the vehemence of the State Department's reaction.

Mr. Stone

\* See also note on page 4.