

the wheat, they said they could not enter on any political activities such as obtaining guarantees as to Spain's future course of action. He promised to get in touch at once with the State Department.

This afternoon Mr. Moffat said he had discussed the matter with the State Department. They thought the British suggestion that Canada should furnish a few million bushels of wheat might be a good gamble, even if it only held the situation for the present.

The United States found it impossible at present to provide wheat themselves. Spain was making things difficult by shooting more Republican leaders, carrying on a violent anti-American press campaign, carrying on a Falangist anti-British and anti-American campaign in South America, and picking out several bad eggs as Consuls-General in Latin America. It was difficult to be openhanded while they were being kicked about. He did not consider they could justify action under these conditions. One reason they had emphasized guarantees was because without such guarantees it would be hard to sell the idea to the United States public. As to getting wheat from Argentina, they did not think it probable that Argentina would ship any without being paid in cash.

They realized our situation was much like their own except that we might be able to say we had acted at the request of the British Government. They would not be averse to our going ahead as requested; at the same time they were not at present making any definite promise that they would be able to act in the same way later.

985.

1096-B-39

*Le secrétaire aux Dominions au secrétaire d'État aux Affaires extérieures*  
*Dominions Secretary to Secretary of State for External Affairs*

TELEGRAM 171

London, December 5, 1940

IMMEDIATE. My telegram No. 170, December 4th. Wheat for Spain. A further telegram has now been received from His Majesty's Ambassador at Madrid reporting a conversation he had yesterday with Spanish Minister of Commerce, in the course of which the latter emphasized extreme urgency of need for wheat, and said if he could be authorized at once to send a Spanish ship to Canada, effect would be "electrical".

Sir Samuel Hoare has repeated his view that if he could inform the Spanish Government that a Spanish ship could sail for Canada immediately, there would be a very good chance of effecting a "spectacular change" in Spanish position. He has pressed for a most immediate reply.