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BRITISH EMBASSY,  
 WASHINGTON, D. C.

December 6th, 1939.

No. 1369

My Lord,

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 Since I had the honour of addressing to you my despatch No. 1242 E of November 9th, there has been no outstanding incident or development in the internal political field. American opinion on the war stands exactly where it did. An overwhelming majority want the Allies to defeat Hitler: an equally overwhelming majority have made up their minds to keep America out of the war. This will not change until a situation arises in which America's emotions or her vital national interests become engaged.

2. The absence, until the Russian attack on Finland, of any striking events on the European front left almost a clear field in the newspaper to the reporter of internal incidents, and to preliminary manoeuvres and conjectures regarding next year's Presidential election and the coming session of Congress. The indications are that the President's popularity is on the increase, and that a considerable section of the public, largely because of the absence of any other outstanding personality, is gradually becoming reconciled to the idea of a third term. But other Democratic candidates are beginning to come into the field. The supporters of Vice President Garner have announced definitely that their leader will be a candidate. Mr. McNutt is still, perhaps, the most

advocated/

The Right Honourable

The Viscount Halifax, K. G.,

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etc., etc., etc.

advocated alternative. But if the President does not run himself there are indications that his own choice would be Mr. Hull, a choice which would probably be acceptable to the more conservative elements in the Democratic party. It is unlikely that the President will make up his mind about standing until the date of the Conventions, which may be postponed later than usual this year and that his final decision will depend in the main on the international situation. On the Republican side Mr. Dewey of New York has now definitely announced himself as a candidate, whilst Senators Vandenberg, Bridges and Taft are working quietly to secure their own nomination.

3. In my above mentioned despatch I referred to the unstable foundation of the present more or less united front of the Democratic party. To date the leaders appear to have succeeded in maintaining the truce between the two wings of the party, and the indications are that they will endeavour to preserve it in the coming session of Congress. To do this the President will need to tread softly with respect to such domestic issues as the Labour Relations Act and the spend-lend policy, for if he were to face the coming session with an outright defence of the New Deal position on domestic matters or make again demands in the rather peremptory manner he has adopted in the past, attacking the conservative elements in his party, he would almost certainly split the party once again.

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There is some reason to believe that on the Republican side the leaders will tend to limit their attack on the New Deal policy to what they regard as "essentials" and will wait until the 1940 Presidential campaign to put forward a substitute programme. Probably one of their immediate efforts will be to prevent the renewal of the law under which reciprocal trade treaties have been negotiated with a number of foreign countries, which expires next year, and which offend their protectionist traditions. The Administration's spokesmen are busily engaged in explaining on every possible occasion the benefits of the law in an endeavour to rally the support which will be necessary if it is to be renewed next session.

4. Meanwhile death has again given the President the opportunity denied him in 1937 by Congress of changing the membership of the Supreme Court. In the third week of November Justice Butler, a Roman Catholic conservative lawyer from Minnesota, passed away. The most generally anticipated successor is Mr. Frank Murphy, the Roman Catholic Attorney General from Michigan, but it is said that Mr. Murphy himself is not anxious to take the post. Should he accept it Mr. Robert Jackson, the energetic New Deal Solicitor-General, might be appointed to fill his place, though there are other candidates in this field.

5. In paragraph 7 of my above mentioned despatch I referred briefly to the local elections which took place at the beginning of November. The most striking features were firstly the almost complete sweep in the City of New York itself by the Democratic Tammany organisation, and secondly the extent to which the

Republicans retained control in the public offices in Pennsylvania. An interesting feature of the elections in this State was the apparent shift of the Philadelphia negro vote back to the Republican party which it had deserted on the rise of the New Deal. From the Republican standpoint, this is an encouraging development, for a general swing of the negro voters to their former Republican allegiance would have an important influence on the 1940 Presidential campaign. In New Jersey too the results of the elections were to entrench more strongly the Republicans in office.

6. At the end of last month an agreement between the Chrysler Motor Corporation and the United Automobile Workers brought to an end a labour dispute which had resulted in approximately 145,000 automobile workers being idle since the beginning of October, and caused an accumulation of orders amounting to something like 125,000 motor cars or trucks.

I have the honour to be,  
 With the highest respect,  
 My Lord,  
 Your Lordship's most obedient,  
 humble servant,  
 (SGD) LOTHIAN