Foreign Relations . U.S. : Soviel. 2 847/1740

BRITISH EMBASSY

WASHINGTON, D.C.,

March 13th, 1940.

No. 254.

My Lord,

In the course of the recent debates in Congress on the subject of financial assistance to Finland, the question of United States-Soviet relations naturally came under consideration. January 18th the Senate passed a resolution requesting the Secretary of State to report, if not incompatible with public interest, whether the Union of Soviety Socialist Republics had fulfilled the obligations in the agreements entered into between the United States and the Union of Soviet Socialist Republics on November 15th, 1933. Mr. Cordell Hull replied on January 30th in a letter, of which copies are enclosed, giving a brief account of the Soviet Government's shortcomings and of the State Department's efforts to correct them.

Shortly afterwards when the estimates for the 2. State Department were under examination by the Senate Appropriations Committee, Senator Lodge from Massachusetts made an attempt to strike out the sum of #17,500 for the upkeep of the United States Embassy in Moscow, but was defeated. Two days later he raised the matter on the floor of the Senate and was supported by Senator Vandenberg although the latter admitted the doubtful propriety of taking such a highly political decision on an appropriations bill. He recited the misdeeds of the

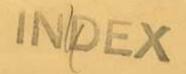
Soviet/

The Right Honourable

FRHM:ACEM:NT

The Viscount Halifax, K. G.,

etc., etc., etc.



Soviet Government, recalled that he had voted against its recognition by the United States and made it clear that he was not willing to give a vote towards maintaining diplomatic relations with it.

- 3. In reply Senator Barkley retorted that the Senate had had an opportunity to take this view when Mr. Steinhardt's nomination as Ambassador at Moscow was before it for confirmation last year but had not done so. To withhold his salary now was an indirect attack which usurped the function of the Executive and should be made in the direct way by the introduction of a suitable resolution.
- 4. The Senate agreed with this view and the amendment offered by Senator Lodge was rejected, only ten
 Senators voting for it.
- I am sending a copy of this despatch to His Majesty's Ambassador at Moscow.

I have the honour to be, with the highest respect,

My Lord,

Your Lordship's most obedient, humble servant,

(SGD) LOTHIAN