No. 1231.

My Lord,

As reported in my telegram No. 681 of October 30th, the behaviour of the Soviet Government in the case of the "City of Flint" has been greatly resented by the State Department and from what has been said to members of my staff, I understand that Mr. Hull himself was particularly incensed by the lack of consideration shown to the United States Ambassador in Moscow.

2. The feelings of the State Department in the matter are shown by the tone of a series of press notices released on October 27th, 28th and 30th. Copies of these notices are enclosed herein, from which it will be seen that the State Department definitely claim "that it was the clear duty of the Soviet Government to turn the 'City of Flint' over to the American crew". Apart, however, from their dispute with the Soviet Government on the legal point, the State Department make it plain that they are greatly concerned over the action of the Soviet authorities in "withholding adequate cooperation" from the United States Ambassador.

3. It is not yet clear what further action the United States Government propose to take in the matter vis-à-vis either the Soviet or the German Government.

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

Your Lordship's most obedient, humble servant,

[Signature]

(SGD) LOTHIAN