BRITISH MBASSY, WASHINGTON, D.C. February 24th, 1939.

Toraign Relations: U.S. Par

No.231

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My Lord,

I have the honour to inform Your Lordship, with reference to my despatch No.151 of February 7th, regarding the sole of mircraft to the French Covernment, that after some discussion the Senate Military Affairs Committee decided to make public the text - edited so as to ensure that nothing really secret was included - of the minutes of the secret meetings at which this transaction was discussed. These minutes have been published in the newspapers during the past week.

2. Despite the excitament which was aroused at the time when the matter was actually being discussed by the Committee it would not appear from these records that there was really anything wery sensationel in the evidence given by the various officials examined. It seems clear that, as stated in the enclosed article in the "New York Times" of February 21st, it was the United States Ambusandor in Paris who was on leave in this country at the time - who first urged the desirability of assisting the Fronch Government to buy aircraft in the United States. It seems clear, too, that the American military authorities at first felt some hesitation in affording the necessary facilities both from the point of view of secrecy and because they were apprehensive of the

The Right Honourable The Viscount Halifax, E.G.,

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affect that any French orders might have on the United States rearmoment programme. It would seem that the military authorities were overruled by the President, who himself insued the orders that the desired facilities were to be extended to the French Mission. It seems equally clear, however, from the records that no particularly secret sizeraft were shown to the French Mission and that it was generally agreed that the smarican retransment plane would not be prejudiced. On the contrary it was felt that the French orders would make it ensier for the American sizeraft industry to undertake the orders which would eventually be placed by the United States Government.

3. The Committee's investigations would seem to have convinced most of its members that after all there was nothing very much in the whole affair and even Senator Austin of Vermont, who was at first most insistent that the matter called for searching investigation, is reported to have declared himself satisfied.

4. Most of the newspapers - apart from the "Chicago Tribune" - take the same line and several leader writers emphasise that in considering the whole question the important point to examine is not whether all the routine formalities were exactly complied with, but whether by supplying these aircraft to France, the United States are or are not decreasing the chances of a European war breaking out.

5. On the other hand, the extreme isolationists still profess to be gravely concerned over the matter, and Senstor Nye has felt impelled to introduce a bill into the Senste to

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"supplement existing laws relating to the maintenance of secrecy with respect to certain military and nevel sircraft." The effect of this bill, the text of which has only just become available and is being examined, would be to impose certain restrictions on the inspection by agents of foreign Governments of American built mircraft.

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I have the honour to be, with the highest respect, My Lord, Your Lordship's most obedient, humble servant,

(SGD) R.C.LIRUSAY

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