

BRITISH EMBASSY,
WASHINGTON, D.C.,
September 26th, 1940.

No. 847.

My Lord,

I have the honour to inform you that the head of the Latin American Division at the State Department has told the Counsellor of this Embassy that an Italian military mission has been training the Ecuadorean Army, and that the Ecuadorean Government, with some encouragement from the United States Government, has terminated the mission's contracts so as to make them expire on the 15th October next. Mr. Duggan said that the United States Government would like the five Italian officers who compose the mission to return to Europe by Pan American Clipper, and hope that His Majesty's Government will waive their natural objection to this reinforcement of the Italian Army and take no action to remove the officers, should the Clipper be obliged to call at Bermuda. I enclose a list of the members of the mission.

2. The excuse which Mr. Duggan advanced for this request was that Ecuador is near the Canal Zone, in the safety of which His Majesty's Government also have an interest, and that unless the Italian officers are assured of a passage home they would be all too likely to obtain employment in Ecuador with opportunities for mischief.

3. The State Department's request seemed to me unreasonable and my first inclination was to reject it without reference to Your Lordship. I felt, however, that as the State Department had recently been very cooperative in preventing the return to Europe of Germans who might be useful to the enemy's war effort, it would strike them as less unfriendly if I referred their request to you. Mr. Duggan has been informed that I am doing this, but it has been made clear to him that you are likely to find the request difficult of acceptance. The United States Government are in effect asking that His Majesty's Government should agree not to prevent a reinforcement of the Italian threat to the Suez Canal in order to make it easier for them to safeguard the Panama Canal. Even if it be admitted that the five officers are, by their experience and training, better equipped to offer a threat to the Panama Canal than to the Suez Canal, it is nevertheless the case that His Majesty's Government are primarily interested in the latter, and are in fact defending it against odds at this moment. The necessity of defending the Panama Canal has not yet arisen; when it does the odds will be largely in favour of the defence, and in any case it is only at second hand that His Majesty's Government are concerned with it.

4. Though/

The Right Honourable

NMB:AR:NT

The Viscount Halifax, K.G.,

etc., etc., etc.

4. Though I feel sure that Your Lordship will agree with me in thinking the request unreasonable, it is only fair to say that it would have been possible, if unfriendly, for the State Department to instruct the United States Minister at Quito to tell the five officers that they would arrange for them to travel home by a Clipper that does not call at Bermuda. It is, after all, only on account of pressure from the United States Government that the Clipper ever calls at Bermuda. If the State Department would arrange in this way for the Italians to travel by a Clipper that does not call at Bermuda, the latter might be quite ready to take the chance offered to them. Alternatively, it would seem that they could fly home by the Italian Air Line which, according to my information, still functions intermittently from Brazil.

5. I should be grateful to learn whether Your Lordship would like me to inform the State Department that His Majesty's Government cannot agree to conniving at the return of the five Italian officers to Europe.

6. I have telegraphed to His Majesty's Minister at Quito, asking him to keep me informed of the movements of the five officers in question.

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

(For the Ambassador)

(30D) N.M. BUCLER.