

*Stassen*  
*Submitted to Mr Pavlov for correction with his notes.* *file*  
TRANSCRIPT (PARAPHRASED) OF CONFERENCE BETWEEN GENERALISSIMO STALIN AND MR. STASSEN APRIL 9, 1947 (11:00 - 12:20 p.m.). PRESENT WERE: MESSRS. MOLOTOV, PAVLOV (INTERPRETER), COOKE, and MATTESON.

*After preliminary remarks of greeting.*

HES: On this European trip of mine, I am interested in studying conditions of an economic nature. In this regard, the relations between the US and the USSR are very important. I realize that we have two economic systems that are different - the USSR with its planned economy and socialized state and the US with its free economy and regulated capitalism are very different. I would be interested to know if you think these two economic systems can exist together in the same world and cooperate with each other?

S: Of course they can. The difference between them is not of essential importance so far as cooperation. The systems in Germany and the US are the same but war broke out between them. The US and USSR systems are different but we didn't wage <sup>war</sup> against each other and the USSR does not propose to. If during war they could cooperate, why can't they today in peace? Given the wish to cooperate, of course, but if there is no desire to cooperate even with the same economic systems, they may fall out as was the case with Germany.

HES: Of course they can cooperate if they <sup>both</sup> have the desire to, but there have been many statements about not being able to, such as those by Generalissimo <sup>himself</sup> before the war. But is it now possible that the Fascist <sup>Axis of Germany and Japan</sup> countries have been defeated <sup>that the situation has changed.</sup>

S: It's not possible that I could have said that the two economic systems could not cooperate. Those ideas were expressed by Lenin. I might have said that one system was reluctant to cooperate, but that concerned only one side. But as to the possibility of cooperation, I adhere to Lenin who expressed both the possibility and the desire of cooperation. As to the desire of the people to cooperate on the part of the USSR and the Party, it is possible - and the two countries will benefit only by this cooperation.

HES: That is clear. The statements I refer to are those made by you at the 18th Party Congress - statements about "capitalist encirclement" and "monopoly". I assume <sup>from</sup> that your statement <sup>about</sup> the defeat of Fascist Germany and Japan have now changed that situation.

S: There was not a single Party Congress or plenary session at which I could have said cooperation between the two systems was ruled out. I might have said there was encirclement and danger of attack but it's a question of desire or lack of desire on the part of one country and if there is no desire to cooperate then there is a danger. For example, concerning the time when the Germans attacked us. That concerns the sphere of desires. We cooperated with Germany and then she attacked us. This showed she didn't want to cooperate. Otherwise, we would have cooperated with her as with any other country. One should draw the line between the possibility and the desire to cooperate. There is always the possibility but not always the desire to cooperate. And if one country decides not to want to cooperate, then war is

the result.

HES: It must be mutual.

S: Yes. I want to bear testimony to the fact that Russia wants to cooperate.

HES: I wish to point out with reference to your earlier statement that there was a great difference between Germany and the US at the time she started the war.

S: There was a difference in government but no difference in the economic systems. The government was a temporary factor.

HES: Yes, this difference, <sup>of</sup> imperialism, the development of monopoly, and the oppression of workers are the evils <sup>of capitalism</sup> raised by the Nazis. It seems to me we have in America been successful in preventing the monopoly of capitalism and the imperialistic trend and that workers have made greater use of the strength of the vote than either Marx or Engels thought they could make - and this regulation of monopoly makes the situation quite different from that which existed in Germany.

S: Let us not criticize mutually our systems. Everyone has the right to follow the system he wants to establish. Which is better will be said by history. We should respect the systems chosen by the people and if one is good it should be chosen by the American people. To cooperate one doesn't need the same systems. One should respect the other system when approved by the people. Only on this basis can we secure cooperation. Only if we criticize, it will lead us too far. As for Marx and Engels, they were unable to foresee what would happen 40 years after their death. But we should adhere to mutual respect of people. The American people call us totalitarian. Our people call the American system a monopoly capitalism. If we start swearing at each other, it will lead to no cooperation. We must start from the historical fact that there are two systems and then get cooperation. As to propoganda, I am not a propogandist but a business-like man. We should not be sectarians. When the people wish to change the systems they will do so. When we met with Roosevelt to discuss the questions of war, we didn't call each other names. We established cooperation and succeeded in defeating the enemy.

HES: Yes, that sort of criticism has been ~~the~~ <sup>misunderstanding of the</sup> cause of war. Do you look forward in the future to greater exchange of ideas, of students and teachers, of artists, of tourists, if there is cooperation?

S: This will happen inevitably if cooperation is established. For an exchange of goods will lead to an exchange of people.

HES: Some problems have arisen in the past between us because of a lack of desire on your part to exchange ideas like the censorship of our foreign correspondents here, <sup>also for example</sup> and <sup>the</sup> ~~the~~ <sup>refusal</sup> lack of a

a New York Herald Tribune correspondent here have contributed to a lack of understanding between our peoples.

S: That is true about the New York Herald Tribune. Most American correspondents have an ill mood towards us. But this Herald Tribune case is an accident. It is an outstanding newspaper. It's an accident and not our policy.

HES: It is a leading Republican newspaper and one that assumes even greater importance now that the Republicans have a majority in Congress.

S: It is all the same to us. We don't see any <sup>big</sup> difference between the Republicans and the Democrats. We held a conference at Teheran where good work was done by us in a friendly atmosphere. Yet one correspondent said Marshal Timoschenko was present and that I struck Marshal Timoschenko at dinner - but this is a childlike fabrication and are we supposed to praise this correspondent? There were witnesses such as Churchill, Beaverbrook (?), etc. there who saw that no such thing happened. We celebrated the 69th birthday of Churchill at that dinner. Are we expected to trust such correspondents? We don't think US is to blame but such things happen and create ill-feeling.

HES: <sup>There are</sup> ~~are~~ correspondents who make such mistakes but the other correspondents correct this mistake and the people learn to know who are reliable and who are not reliable, and so we find the people <sup>understanding and</sup> uniting in a great war effort.

S: That is true.

HES: Whenever a newspaper correspondent makes a clearly <sup>intentionally</sup> incorrect statement, his newspaper will recall him, and ~~that~~ <sup>the</sup> newspaper will ~~make out~~ <sup>select</sup> an able, fair staff of correspondents.

S: In the beginning they write sensational stories, make money on them, and publish them.

HES: Foreign trade, <sup>press</sup> ~~papers~~, cultural exchange are places where the two systems must find ways of fitting together.

S: That is true.

HES: I feel that if stories came out without censorship, it would ~~be~~ <sup>develop</sup> facts and be a better basis for cooperation and understanding by our peoples than any other basis.

S: It will be difficult in our country to dispense with censorship. Molotov tried to do it several times. We had to resume it and each time we repented it. Two years ago in the autumn censorship was repealed. I was on leave and they started to write stories that Molotov forced me to go on leave and then they wrote stories that I should return and fire him. These stories depicted the USSR as a sort of zoological garden. Of course our people got angry and they had to resume censorship.

H: As I see it then, you think it is possible that there be cooperation provided that there is a will and desire to cooperate?

S: That is quite correct.

HES: In the development of the standard of living, mechanization and electrification are of great importance and the new development of atomic energy is of great importance to all peoples of the world. I feel that the matter of inspection, controls, and outlawing for war the use of atomic energy is of great importance to all peoples of the world. Do you feel that there is reasonable prospect of working out agreements in the longterm future for the development of atomic energy?

S: I hope for this. There are big differences of views among us but in the long run I hope we shall come to an agreement. International control and inspection will be established in my view and it will be of great importance. The peaceful use of atomic energy will bring great technological changes. It is a very great matter. As for the use of atomic energy for war purposes, it will be a problem in the long run that will be met by the consciences of the people and it will be prohibited.

HES: Yes that is one of our important problems and if solved it can be of great aid and if not a great curse to the people of the world.

S: I think we shall succeed in establishing international inspection and control. Things are leading up to it.

HES: I appreciate the opportunity of talking with you.

S: I am at your disposal. We Russians respect our guests.

HES: I had an informal talk with Mr. Molotov at the San Francisco Conference and it developed into an invitation to visit Russia.

S: Things are in very bad shape in Europe as a whole. Is that true?

HES: Yes in general but there are some that are not so bad. Switzerland, Czechoslovakia.

S: That's a small country.

HES: Yes large countries are in a very different position. Their *economic* problems are currency, <sup>materials</sup> ~~money~~, supply of food.

S: Europe is a land where there are many plants but a great lack of raw materials - the shortage of food and raw materials is the tragedy.

HES: There ~~is~~ <sup>is</sup> low production of coal in the Ruhr *has caused a shortage of coal in Europe.*

S: Yes. It is very strange..

HES: It is fortunate that we have such large production of coal

in the US. We have shipped much to Europe. We are mining 2 million tons of coal a day.

S: Things aren't bad in the US. America is protected by two oceans. In the north there is a weak country, Canada, and to the south a weak country, Mexico, and so you need not be afraid. After the war of Independence, US didn't have another war for 60 years and that was a great help. America's population is made up of such people as fled from monarchy and tyranny and kings and landowners and that was also a great help and that is why America developed in leaps and bounds.

HES: My own <sup>great</sup> grandfather fled from militarism in Czechoslovakia, and, of course, the geographical position has been of great assistance to the US. And we have been fortunate that the enemy has been defeated far from our shores. We have been able to reconvert and resume great production since the war. Our problem now is to see that we don't have a depression and an economic crisis.

S: Do you expect a crisis?

HES: I do not. I believe we can regulate our capitalism and stabilize our employment at a high level without any serious crisis. But it is the main problem to avoid that development in our economic system. But with wise policies in government and learning the lessons of 1929 and the thirties, we should have a regulated, but not a monopolistic, capitalism with which we can avoid the crisis.

S: The Government must be vested with wide powers to accomplish that. The Government must be strong and adopt broad measures.

HES: Yes, and the people must understand the measures of stabilization in support of the economic system. It is a new problem as there hasn't been a parallel to it in the economic systems of the world.

S: There is one favorable condition for the US in that 2 competitors in the world market - Japan and Germany - have been wiped out. So the demand for American goods will grow and create favorable conditions for American development. Such markets as Europe, China, Japan are open to the US and will be helpful to it. No such conditions have existed before.

HES: On the other hand, those areas have no means of payment and so are a drain on us. But the removal of two imperial threats are a great boon to us and other countries of world from the standpoint of peace. And of course world trade has not in the past been a large factor to the US. Our markets have been at home or in our own hemisphere.

S: About 10% of American production was exported before the war and now also South America is also a market. As to the capacity to purchase goods, I think there are merchants who will find the capacity to pay for them and they will resell to peasants. I think the merchant of these countries have accumulated ~~inxxxxxxx~~ cash to pay with.

So US exports will increase to 20%, is that not correct?

HES: No.

S: Do you mean that?

HES: Yes. I think 15%. Most merchants have accumulated local money, which in most instances is blocked and not good for movement from one country to another. So it won't be over 15%.

S: Still if you take into consideration the volume of your production that isn't a small figure.

HES: No.

S: Do American industries have a lot of orders? Is that true? And that American factories can't keep pace with them and that all factories are running at 100%? Is that true?

HES: Yes but it is largely domestic.

S: But that is the most important.

HES: Food, women's clothing, and shoes are catching up but in machine tools, automobiles, locomotives, they are way behind ~~the orders~~ <sup>and such</sup>.

S: Magazine analysts and the American press carry open reports to the effect that an economic crisis will break out.

HES: Yes there have been those reports in the paper. Also reports that there would be 8 million unemployed after the war, but they were wrong. The problem is one of levelling off at high production and stabilizing without getting an economic crisis.

S: The regulation of production?

HES: Right. There are those who say there will be a depression but I am optimistic and say we can avoid a depression for I find a broader understanding by the people of regulation than before.

S: But what about business men? Will they be prepared to be regulated and restrained?

HES: No. They will have objections.

S: Yes, they do.

HES: But they understand <sup>the depression</sup> 1929 should not be repeated and they understand better now the regulations concerning business. It requires a great amount of regulation and decisions and then wise action by the government.

S: That is true.

HES: But all systems and all forms of government require that.

If bad mistakes are made under any kind of government then it is bad *for the people*

S: Yes.

HES: Japan and Germany demonstrated this.

S: Yes, warlords guided economy and they didn't understand anything about the economy. The war leader in Japan only knew how to wage war.

HES: Yes. I appreciate this opportunity of talking with you and and the time you have given me.

S: How long are you going to be in the USSR?

HES: I want to go to Kiev tomorrow and then to pay my respects to the gallant defenders of Stalingrad and go out by way of Leningrad. I was in the Pacific at the time of Stalingrad.

S: Admiral Nimitz was a great commander. Have you been in Leningrad?

HES: No. We are going out that way.

S: I got a lot out of this conference. You know I was forced to become a military man. I was diverted from economics.

HES: Generalissimo, *may have a copy of Mr Pavlov's transcript & notes* do I have your permission to speak about this conference with the newsmen when I see them?

S: Why not? There is nothing to hide.

END

Stalin Conference " Prelim <sup>Bus</sup> notes before [unclear]

I appreciate this opportunity to ~~confer with you~~ <sup>confer</sup> ~~express my respects~~ to you as the Chief of State of the USSR and to confer with you on this occasion of my first visit to the Soviet Union.

---

On this journey I have been particularly interested in studying economic affairs after the war because of my belief that the economic situation and the standards of living of the people in all nations are of great importance to the future peace and well-being of the world.

---

The economic system of the Soviet Union with its planned economy and socialist collective state and the economic system of the United States with its free economy and <sup>regulated</sup> individual capital are very different. Do you think that these two systems can now develop after the war in harmony in the modern world.

---



2 In former years there have been a number of statements made in both countries that it was impossible for the two economic systems of socialism and capitalism to exist together <sup>in the world</sup>. Some of these statements have been made by you in former years. Has the outcome of the war, and the defeat of the fascist Axis of Germany & Japan by the Soviet Union & the United States and their allies changed that view.

---

3 There have been many ~~few~~ statements in the Soviet Union ~~in~~ former years to the effect that the Soviet Union was encircled by Capitalist powers - now that Germany & Japan have been defeated do you still consider the Soviet Union to be encircled by Capitalist Powers or not.

---

4 It is my view that the workers in America under the development of a regulated private capital have made much greater progress than Karl Marx or Friedrich Engels thought that they <sup>workers</sup> could make under capitalism; do you have any comment on that view.

5 Do you anticipate that there will be serious economic unemployment etc.

6 much has been said and written of the evils of capitalism - particularly of its tendency toward imperialism and monopoly. Do you consider that America today is imperialistic and monopolistic and do you consider that the people can prevent America from being either imperialistic or monopolistic while continuing as a free economy under a system of private capital.



7 The industrial use of atomic energy for the benefit of the people <sup>of the world</sup> is delayed by the failure to agree on inspection and regulation. Why does not the Soviet Union agree to such inspection & regulation



8 Why do you not demand the role of America newspapers on the newsstands on the Soviet Union and the sending of uncensored press stories regularly as you are now doing during the conference

9. One of the leading <sup>Republican</sup> newspapers ~~from~~ ~~Republics~~ the N.Y. H.T. has applied for permission to have a correspondent in Moscow. I consider it important that there be increased representation of Republican newspapers in Moscow. Would it not be possible to grant this request.

---

10. As I understand the farms in Estonia Latvia Lithuania + Western Ukraine and Moldavia are peasant farms. <sup>not collectivized as stated</sup> Is it the policy of the Soviet Union to permit them to continue as peasant farms or to collectivize them.

---

11. Do you look forward to the free exchange of ideas between the nations of the world, with exchange of students, speakers, newspapers, radio programs, tourists.

---

12 Do you look forward to world trade  
or to trade within self sufficient areas  
of each type

---

13 Do you believe the United Nations  
can develop as means of adjusting and  
harmonizing different viewpoints

---

14 I note no reference to foreign trade  
in 5 year plan - why

---

15 What are the Economic objectives  
of the Soviet Union?

---

16 Do you give consideration to the possible  
development of increased private property in Soviet Union

17 Can you feel confident of the  
friendship of a state which is not  
socialist or communist, or ~~other~~  
would you always lack confidence.

18 New emphasis on cooperatives

*Stalin conference at the Kremlin in Moscow on* *File 5*

~~Preliminary~~ Transcript of Conference between Generalissimo Stalin and Harold E. Stassen, April 9, 1947 (11:00am - 12:00 A.M.) Present were Foreign Minister Molotov, Pavlov (Interpreter), Jay Cooke and Robert Matteson. *Transcript of Pavlov's notes by Russian obtained upon request and permission to release requested and received from Generalissimo Stalin*

*Stassen:* (After preliminary greetings exchanged) Generalissimo Stalin, on this European trip I am particularly interested in studying conditions of an economic nature. In this regard, of course, the relations of the USA and the USSR are very important. I realize that we have two economic systems that are very different. The USSR with the Communist Party and with its planned economy and socialized collective state and the USA with its free economy and regulated private capitalism are very different. I would be interested to know if you think these two economic systems can exist together in the same modern world in harmony with each other?

*of the Enclosure of the Conference*

*Generalissimo Stalin:* Of course they can. The difference between them is not of essential importance so far as cooperation. The systems in Germany and the United States are the same but war broke out between them. The US and USSR systems are different but we didn't wage war against each other and the USSR does not propose to. If during the war they could cooperate, why can't they today in peace? Given the wish to cooperate, of course, but if there is no desire to cooperate even with the same economic systems, they may fall out as was the case with Germany.

*Stassen:* I believe, of course, <sup>that</sup> they can cooperate if they both have the desire to, but there have been many statements about not being able to cooperate. Some of these were made by the Generalissimo himself before the war. But is it possible now that the Fascist Axis has been defeated that the situation has changed?

*Stalin:* It's not possible that I said that the two economic systems could not cooperate. Cooperation ideas were expressed by Lenin. I might have said that one system was reluctant to cooperate, but that concerned only one side. But as to the possibility of

cooperation, I adhere to Lenin who expressed both the possibility and the desire of cooperation. As to the desire of the people to cooperate on the part of the USSR and the Party, it is possible- and the two countries will benefit only by this cooperation.

*Stalin*  
~~HEB:~~ <sup>part</sup> That is clear. The statements I referred to are those made by you at the 18th <sup>Communist</sup> Party Congress in 1939 and the Plenary Session in 1937- statements about "capitalist encirclement" and "monopoly." I assume from your statement now that the defeat of Fascist Germany and Japan have now changed that situation."

*Stalin*  
~~HEB:~~ There was not a single Party Congress or Plenary Session at which I could have said cooperation between the two systems was ruled out. I might have said there was encirclement and danger of attack, but it's a question of desire or lack of desire on the part of one country and if there is no desire to cooperate then there is a danger. For example, concerning the time when the Germans attacked us. That concerns the sphere of desires. We cooperated with Germany and then she attacked us. This showed she did not want to cooperate. Otherwise we would have cooperated with her as with any other country. One should draw the line between the possibility and the desire to cooperate. There is always the possibility but not always the desire to cooperate. And if one country decides not to want to cooperate, ~~then~~ war is the result.

*Stalin*  
~~HEB:~~ It must be mutual.

*Stalin*  
~~HEB:~~ Yes. I want to bear testimony to the fact that Russia wants to cooperate.

*Stalin*  
~~HEB:~~ I wish to point out with reference to your earlier statement, that there was a great difference between Germany and the United States at the time <sup>Germany</sup> ~~she~~ started the war.

*Stalin*  
~~HEB:~~ There was a difference in government but no difference in the economic systems. The government was a temporary factor.

*Stalin*  
~~HEB:~~ I do not agree. Yes there was a difference of economic systems too.

Imperialism, the development of state monopoly, and the oppression of workers are the evils of capitalism practiced by the Nazis. It seems to me we have been successful in America in preventing the monopoly of capitalism and the imperialistic trend and that the workers have made greater progress through use of the strength of their vote and <sup>their</sup> freedom than Karl Marx or Frederick Engels thought they could make - and this regulation of free capital and prevention of monopoly, <sup>and freedom of workers</sup> makes the economic situation quite different from that which existed in Germany.

*Stalin*  
~~687~~ Let us not criticize mutually our systems. Everyone has the right to follow the system he wants to establish. Which is better will be said by history. We should respect the systems chosen by the people and if one is good it should be chosen by the American people. To cooperate one does not need the same systems. One should respect the other system when approved by the people. Only on this basis can we secure cooperation. Only if we criticize, it will lead us too far. As for Marx and Engels, they were unable to foresee what would happen 40 years after their death. But we should adhere to mutual respect of people. The American people call us totalitarian. Our people call the American system a monopoly capitalism. If we start swearing at each other, it will lead to no cooperation. We must start from the historical fact that there are two systems and then get cooperation. As to propaganda, I am not a propagandist but a business-like man. We should not be sectarians. When the people wish to change the systems they will do so. When we met with Roosevelt to discuss the questions of war, we did not call each other names. We established cooperation and succeeded in defeating the enemy.

*Stalin*  
~~688~~ ~~that~~ That sort of criticism has been a cause of misunderstanding after the war. Do you look forward in the future to <sup>a</sup> greater exchange of ideas, of students and teachers, of artists, of tourists, if there is cooperation?



*Stalin*

~~GS:~~ This will happen inevitably if cooperation is established. For an exchange of goods will lead to an exchange of people.

HES: Some problems have arisen between us in the past because of a lack of desire on your part to exchange ideas - like the censorship of our foreign correspondents here. Instances also for example of the refusal of a New York Herald Tribune correspondent here have contributed to a lack of understanding between our peoples.

GS: (After questioning Mr. Molotov.) That is true about the New York Herald Tribune. Most American correspondents have an ill mood towards us. But this Herald Tribune case is an accident. It is an outstanding newspaper. It's an accident and not our policy.

*A part of American correspondents have ill feeling towards us*

HES (Smiling) It is a leading Republican newspaper and one that assumes even greater importance now that the Republicans have a majority in Congress.

GS. (Smiling) It is all the same to us. We do not see and big difference between the Republicans and the Democrats. We held a conference of the Three Powers at Teheran where good work was done by us in a friendly atmosphere. Yet one correspondent said Marshal Timoshenko was present and that I struck Marshall Timoshenko at dinner - but this was (a *rough* childish fabrication) and are we supposed to praise this correspondent?

There were many witnesses such as Churchill, *Brooks, Leahy, etc*, etc, there *up to 30 people* who saw that no such thing happened. We celebrated the 69th birthday of Churchill at that dinner. Are we expected to trust such correspondents? We do not think the United States *is it possible* is to blame but such things happen and create ill-feeling.

HES: There are correspondents who make such misstatements but the other correspondents correct these misstatements and the people learn to know who are responsible and who are not responsible, and thus we find the people understanding and uniting, as they did in the great war effort.

GS: That is true.

HES: Whenever a newspaper correspondent makes a clearly intentional

APRIL 14, 1947

CONFIDENTIAL RELEASE FOR PUBLICATION AT 4:00 P.M. MOSCOW TIME, 8:00 A.M., E.S.T., MONDAY, APRIL 14, 1947.  
NOT TO BE PREVIOUSLY PUBLISHED, QUOTED FROM, OR USED IN ANY WAY.

Transcript of Press and Censorship portion of conference between Generalissimo Stalin and Harold E. Stassen, April 9, 1947, 11:00 P.M. to 12:20 A.M. Present were Foreign Minister Molotov, Mr. Pavlov as interpreter, Mr. Jay Cooke and Mr. Robert Matteson.

(Transcript of remainder of conference on economic subjects to be released in connection with report on general post-war economic situation upon Mr. Stassen's arrival in the United States)

*(Portion of transcript on Press and Censorship previously released)*

STASSEN: Some problems have arisen between us in the past because of a lack of desire on your part to exchange ideas -- like the censorship of our foreign correspondents in Moscow. Instances also for example of the refusal of admittance of a New York Herald Tribune correspondent here have contributed to a lack of understanding between our peoples.

GENERALISSIMO STALIN: (After questioning Mr. Molotov) That is true about the New York Herald Tribune. A part of American correspondents have an ill mood towards us. But this Herald Tribune case is an accident. It is an outstanding newspaper. It's an accident and not our policy.

STASSEN: They now have a correspondent here but only under temporary permission for the Council of Foreign Ministers meeting. They have been seeking a visa for permanent correspondent here for some time. (Smiling) It is a leading Republican newspaper and one that assumes even greater importance now that the Republicans have a majority in Congress.

GENERALISSIMO STALIN: (Smiling) It is all the same to us. We do not see any big difference between the Republicans and the Democrats. We held a conference of the Three Powers at Teheran where good work was done by us in a friendly atmosphere. Yet one American correspondent, whose name I at the moment do not remember, sent a cable and said Marshal Timoschenko was present when in fact he was not present, and that I struck Marshal Timoschenko at dinner -- but this was a rash and slanderous fabrication and are we supposed to praise this correspondent? There were many witnesses, about thirty people, such as Churchill, Brooks, Leahy, etc., there who saw that no such thing happened. We celebrated the 69th birthday of Churchill at that dinner. Nevertheless this correspondent sent this false news and it was published in America. Are we expected to trust such correspondents? We do not think the United States or its policy is to blame but such things happen and create ill-feeling among the Soviet people.

STASSEN:

STASSEN: There are instances of irresponsible correspondents who make such misstatements but the other correspondents correct these misstatements and the people learn to know who are reliable and who are not reliable, and thus we find the people understanding and uniting, as they did in the great war effort.

GENERALISSIMO STALIN: That is true.

STASSEN: Whenever a newspaper correspondent makes a clearly intentionally incorrect statement of importance, his newspaper will recall him, and thus our newspapers establish an able, fair staff of correspondents.

GENERALISSIMO STALIN: (Smiling) In the beginning the correspondents write sensational stories, the newspapers publish them and make money on them, and then fire the writers.

STASSEN: The Press, Foreign Trade, cultural exchange, are spheres where the two systems must find ways of fitting together and improving their relations.

GENERALISSIMO STALIN: That is true.

STASSEN: I feel that if stories came out without censorship, it would be a better basis for cooperation and understanding by our people than any other basis.

GENERALISSIMO STALIN: It will be difficult in our country to dispense with censorship. Molotov tried to do it several times. We had to resume it and each time we repented it. In the autumn of 1945 censorship was repealed. I was on leave and they started to write stories that Molotov forced me to go on leave and then wrote stories that I should return and fire him. These stories depicted the Soviet Government as a sort of zoological garden. Of course our people got angry and they had to resume censorship.

(End of portion on press and censorship *previously released.*)

\* \* \*

incorrect statement of importance his newspaper will recall him, and thus our newspapers establish an able, fair staff of correspondents.

GS: (Smiling) In the beginning they print sensational stories, make money on them, publish them, and then fire the writer.

HES: The Press, Foreign Trade, cultural exchange, are places where the two systems must find ways of fitting together.

GS: That is true.

HES: I feel that if stories came out without censorship, it would be a better basis for cooperation and understanding by our people than any other basis.

GS: It will be difficult in our country to dispense with censorship. Molotov tried to do it several times. We had to resume it and each time we repented it. Two years ago in the autumn <sup>1945</sup> censorship was repealed. I was on leave and they started to write stories that Molotov forced me to go on leave and then wrote stories that I should return and fire him. These stories depicted the USSR as a sort of zoological garden. Of course our people got angry and they had to resume censorship.

~~Stalin~~ ~~me~~: As I see it then, you think it is possible that there be cooperation provided that there is a will and desire to cooperate?

~~Stalin~~ ~~me~~: That is correct.

~~Stalin~~ ~~me~~: In the development of the standards of living, <sup>of the people,</sup> mechanization and electrification <sup>have been of major significance.</sup> ~~are of great importance,~~ and the new development of atomic energy is of very great importance to all peoples of the world. I feel that the matter of international inspection, <sup>effective</sup> controls, and outlawing <sup>these the</sup> for war <sup>supreme</sup> use of atomic energy is of ~~great~~ importance to all peoples of the world. Do you feel that there is a reasonable prospect of working out agreements for the longterm future for the peaceful development of atomic energy?

~~Stalin~~ ~~me~~: I hope for this. There are big differences of views among us but in the long run I hope we shall come to an agreement. International

control and inspection will be established in my view and it will be of great importance. The peaceful use of atomic energy will bring great technological changes. It is a very great matter. As for the use of atomic energy for war purposes, <sup>this in all probability will be prohibited.</sup> it will be a problem in the long run that will be met by the consciences of the people and it will be prohibited.

*Stalin*  
HSC: Yes that is one of our important problems and if solved it can be <sup>a</sup> great <sup>boon</sup> and if not a great curse to the people of the world.

*Stalin*  
GP: I think we shall succeed in establishing international inspection and control. Things are leading up to it.

*Stalin*  
HSC: I appreciate the opportunity of talking with you.

*Stalin*  
GP: I am at your disposal. We Russians respect our guests.

*Stalin*  
HSC: I had an informal talk with Mr. Molotov at the San Francisco

Conference and it developed into an invitation to visit Russia <sup>on the occasion of my trip to Europe.</sup>

*Stalin*  
GP: Things are in very bad shape in Europe as a whole. Is that true?

*Stalin*  
HSC: Yes, in general, but there are some countries that are not bad.

Switzerland, Czechoslovakia, - -

*Stalin*  
GP: <sup>those are</sup> ~~that's a~~ small countries.

*Stalin*  
HSC: Yes, large countries are in a very different position. Their principal economic problems are <sup>coal,</sup> currency inflation, <sup>raw</sup> materials <sup>for</sup> production, and supply of food.

*Stalin*  
GP: Europe is a land where there are many plants but a great lack of food and raw materials- the shortage of raw materials is the tragedy.

*Stalin*  
HSC: The low production of coal in the Ruhr has caused a shortage of coal throughout Europe.

*Stalin*  
GP: Yes. It is very strange.

*Stalin*  
HSC: It is fortunate that we have had such large production of coal in the United States. We have shipped much to Europe. We are mining two million tons of bituminous coal a day.

*Stalin*  
GP: Things are not bad in the United States. America is protected by two oceans. In the north there is a weak country, Canada, and to the

south a weak country, Mexico, and so you need not be afraid. After the War of Independence, the US did not have another war for 60 years and that was a great help. America's population is made up of such people as fled from monarchy and tyranny and kings and landowners and that was also a great help, and that is why America developed in leaps and bounds.

*Stalin*  
~~HE:~~ <sup>One of my</sup> own great grandfathers fled from the old empire militarism in what is now Czechoslovakia. Of course the geographical position has been of great assistance to the US. And we have been fortunate that the enemy has been defeated far from our shores. But also under our free economic system we have been able to rapidly reconvert and resume ~~large~~ large peacetime ~~production~~ production since the war. Our problem now is to see that we do not have a depression, an economic crisis.

*Stalin*  
~~GE:~~ Do you expect a crisis?

*Stalin*  
~~HE:~~ I do not. I believe we can regulate our capitalism and stabilize our production and employment at a high level without any serious crisis. But it is the main problem to avoid ~~xxxx~~ a depression in our economic system. With wise policies in government and through learning the lessons of 1929 and the 1930's, we should have a regulated, but not a monopolistic, capitalism with which we can avoid economic crisis.

*Stalin*  
~~GE:~~ The Government must be vested with wide powers to accomplish that. The Government must be strong and adopt broad measures.

*Stalin*  
~~HE:~~ Yes, and the people must understand the measures of stabilization, and support the economic system? It is a new problem as there has not been a parallel to our <sup>high</sup> American production in the economic systems of the world.

*Stalin*  
~~GE:~~ There is one favorable condition for the US in that two competitors in the world market - Japan and Germany - ~~the~~ have been wiped out. So the demand for American goods will grow and create favorable conditions for American development. Such markets as Europe, China, Japan are open to the US and will be helpful to it. No such conditions have existed before.

*Stalin*  
~~HES:~~ On the other hand, those areas have no means of payment, <sup>and thus</sup> ~~are~~ <sup>are actually</sup> ~~is~~ a drain on us. But the removal of two imperial militaristic threats ~~xxx~~ is a boon to us and to the other countries of the world from a standpoint of peace. And of course world trade has not in the past been a large factor in the US. Our <sup>principal</sup> markets have been at home or in our own hemisphere.

*Stalin*  
~~CS:~~ About 10% of American production was exported before the war and now also South America is also a market. As to the capacity to purchase goods, I think there are merchants who will find the capacity to pay for them and they will resell to peasants. I think the merchants of these countries have accumulated cash to pay with. So US exports will increase to 20%, is that not correct?

*Stalin*  
~~HES:~~ No.

*Stalin*  
~~CS:~~ Do you mean that?

*Stalin*  
~~HES:~~ Yes. I think 15%. Most merchants have accumulated only local money, which in most instances is blocked and not good for movement from one country to another. So I think our real trade will not be over 15%.

*Stalin*  
~~CS:~~ Still if you take into consideration the volume of your production that is not a ~~small~~ small figure.

*Stalin*  
~~HES:~~ No.

*Stalin*  
~~CS:~~ Do American industries have a lot of orders? Is that true? And that American factories can't keep pace with them and that all factories are running at 100%. Is that true?

*Stalin*  
~~HES:~~ Yes, substantially, but they are largely domestic orders.

*Stalin*  
~~CS:~~ But that is the most important.

*Stalin*  
~~HES:~~ Food, women's clothing, and shoes, for example are catching up, but in such industries as automobiles, machine tools, locomotives, they are way behind their orders.

*Stalin*  
~~CS:~~ Magazine analysts and the American press carry open reports to the effect that an economic crisis will break out.

*Stalin*  
~~HES:~~ Yes there have been those reports in the papers. Also reports that there would be 8 million unemployed the year after the war. But they were wrong. The problem is one of levelling off at high production and

stabilizing without getting an economic crisis.

~~Stalin~~  
~~GS:~~ The regulation of production?

~~Stalin~~  
~~HES:~~ The regulation of capitalism. There are those who say there will be a depression but I am optimistic and say we can avoid a depression for I find a broader understanding by the people of regulation <sup>of capitalism</sup> than before.

~~Stalin~~  
~~GS:~~ But what about business men? Will they be prepared to be regulated and restrained?

~~Stalin~~  
~~HES:~~ No. Some will have objections.

~~Stalin~~  
~~GS:~~ Yes, they do.

~~HES:~~ But they understand the 1929 depression should not be repeated and they understand better now the necessary regulations concerning business. It requires a careful amount of <sup>fair</sup> regulation and wise decisions and prompt action by the government.

~~Stalin~~  
~~GS:~~ That is true.

~~Stalin~~  
~~HES:~~ But all systems and all forms of government require that. If bad mistakes are made under any kind of government then it is harmful for the people.

~~Stalin~~  
~~GS:~~ Yes.

~~Stalin~~  
~~HES:~~ Japan and Germany demonstrated this.

~~Stalin~~  
~~GS:~~ Yes, warlords guided the economy and they didn't understand anything the about/economy. Tojo, the war leader in Japan only knew how to wage war.

~~Stalin~~  
~~HES:~~ I appreciate this opportunity of talking with you and the time you have given me.

~~Stalin~~  
~~GS:~~ I got a lot out of this conference. You know I was forced to become a military man. I was diverted from economics.

~~HES:~~ Generalissimo, May I have a copy of Mr. Pavlov's transcript and do I have your permission to speak about this conference with the newsmen when I see them?

~~GS:~~ Why not? There is nothing to hide.

~~Handwritten scribbles~~  
Conference ended at 12:20 AM



# Capital Observers See Stassen Stature Increased in 'Mental Duel With Stalin'

By **ARTHUR KROCK**  
New York Times Political Analyst

WASHINGTON.

THE TRANSCRIPT of the conversation in the Kremlin between Stalin and Harold E. Stassen, bears the first fruits of the former governor's decision to study world conditions at first-hand instead of going to the senate from Minnesota.

The fruits are rich, indeed—not only in the material for better understanding of Soviet thinking which they provide an anxious world but in the flavor and color they give to Stassen himself.

In this transcript, the only avowed candidate for the Republican nomination for President next year is revealed as a direct, informed and forceful debater of the greatest and gravest question of these times: can the Soviet system exist in harmony with that of the United States?

And the text further demonstrates that Stassen's quality was not diminished by the formidability of the man he was interviewing.

Of those who have seen Stalin and made a public record, no journalist or statesman has presented to the world a document of comparable importance and substance.

### FRIENDS ARE ENCOURAGED

Stassen's friends here are greatly encouraged.

They feel that his stature with the Republican party and with the people, measured for capacity that a president of the United States should have, is now much larger. And some of those who questioned his decision not to run for the senate are questioning it no longer.

As the transcript shows, Stassen went directly to the heart of the Soviet-American issue and had carefully prepared his questions to reach the sensitive spots.

If the generalissimo was not on the defensive throughout the interview, especially when Stassen was quoting Stalin from the record of "capitalist encirclement" and Stalin was repeating he "couldn't have said that," the text certainly gives this impression.

### A STUDY IN CONTRASTS

The pair in the Kremlin and their contrasts were striking.

The former governor saw a short man in khaki, wearing the rare hero of socialist labor medal,

his once stocky frame thinning but vigorous and apparently strong.

Stalin neither screamed nor pounded the table, as dictators in recent times have been inclined often to do. He was clearly the boss—when he turned to question Molotov, who had introduced Stassen, or when he was making a statement of national policy.

The generalissimo beheld a very opposite human type—a tall man just reached 40, with the body of an athlete, blond in coloring and of open and most pleasing manner. He heard a voice of greater resonance than his own, speaking in the broad but intelligible accent of the middle west and smiling when there was anything to smile about.



HAROLD E. STASSEN

Though Stalin may not have been informed to this extent about his visitor, he saw an American of the fourth generation, on both sides, whose ancestry includes Norwegian, Teuton and Anglo-Saxon strains, and one-eighth Slavic through a Czech great-grandfather.

The generalissimo has long held far greater power than Stassen could have, or would be willing to attain, if he ever becomes president of the United States. He rose to his dominance over hundreds of millions of people through violent and bitter

circumstances that include bloody revolution, purges as bloody, and desperate war.

Stassen made his way to the governorship of a great state and a national political potential by the peaceful processes of democracy, though he also took part in a desperate war.

### HAS INCREASED STATURE

Stassen has already established himself before the people of the United States as an advanced international thinker, a liberal (in the traditional sense) on domestic issues and a strong and successful administrator.

But his supporters are certain that he emerges from this mental duel—for at times it was that—with the most dominant personage among living statesmen in a much stronger position to assert his ability to deal authoritatively with the affairs of the United States. His friends feel, Stassen has put himself in a better competitive position for the GOP nomination.

Also he made no errors of conduct or judgment abroad, which cannot be said of all political travelers.



# U. S. Press Generally Hails Stassen Report on Stalin Interview

By **HJALMAR BJORNSON**  
of the *Minneapolis Morning Tribune*  
editorial page staff

**HAROLD STASSEN'S** tour of Europe, his facing up to Josef Stalin on our major differences, and the manner in which he conducted himself throughout have strengthened his hold upon the role of one of the nation's top leaders. That the trip raised his stature as a contender for the Republican nomination for president is the consensus of editorial opinion from coast to coast.

The *Los Angeles Times*, through a comment by Raymond Moley, expresses the view that Stassen has "widening opportunity for leadership," as a result of his European trip on which he "had the good sense" to keep his ears open and his mouth shut.

"He can, if he is wise and informed, offer something new in American policy and outlook . . . The country will be well advised to listen to him. He may bring light into a dark and confused picture."

Roscoe Drummond, in the *Christian Science Monitor*, thinks that Stassen is beginning to show that his decision against running for the senate last fall was not entirely a miscalculation.

Through his interview with Stalin, Drummond feels, Stassen has rendered an unusually valuable public service and he thereby "has enhanced his political position."

If Stassen can handle himself so well with Stalin, Drummond thinks, there may be an increase in the number of

GOP leaders who will conclude he can handle himself "even better in the 1948 presidential campaign."

\* \* \*

## FAR WEST

STALIN'S assurances on co-operation, says the *Denver Post*, "should be most impressive to the Wallace-ites." It felt that Stassen, however, "was a good mannered but frank-speaking guest, and one does not get the impression he was persuaded of Stalin's honest good will." It calls for "an open evaluation" of Stalin on the part of Stassen.

\* \* \*

## MIDWEST

STASSEN may have risked his standing with some Republican leaders by talking with Stalin, thinks the *Chicago Sun*, "but he has brought back one of the most illuminating interviews yet to come out of the Kremlin."

Stassen tried to convince Stalin "capitalism will accept regulation to the extent necessary to avoid a major depression." But the *Sun* thinks Stalin didn't sound convinced.

"It is up to all of us to prove Mr. Stassen right—to disprove this item of the dogma as we have disproved others."

The *Milwaukee Journal* wants to know

whether Stalin doesn't know what is going on in Russia. He talked to Stassen about wanting co-operation, but the "record is that the western powers have been unable to get Russia's co-operation in anything." The *Cleveland News* agrees that if Stalin wants co-operation "it is time, then, to begin."

The overall effect of the Stassen-Stalin interview, says the *St. Louis Post-Dispatch*, is encouraging, but Stalin's words "do not precisely

comport with the unending insistence of Russian representatives upon the veto power on atomic control in U.N."

The *St. Louis Star-Times* sees Stassen getting from Stalin only "the good, old line about co-operation"—the same he has given Marshall and Byrnes.

The *Kansas City Times* hopes future events will bear out the interview. But it feels that in the past, unfortunately, "Stalin's words have not necessarily determined the course of the Soviet government." The Soviet Union's postwar dealings "have transformed a world's friendship and confidence in Moscow into fear and distrust."

\* \* \*

## EAST

MANY Americans, reading the Stassen-Stalin interview, says the *New York Sun*, will feel that "their country's attitude was well described and defended by a volunteer spokesman."

If Stassen's interview contributes to encouraging co-operation with Russia "he will have performed a signal service for mankind" thinks the *Pittsburgh Post-Gazette*.

Stassen has shown himself an outstanding progressive, says the *Philadelphia Bulletin*. "He believes capitalism can continue its leadership of the world if we correct its abuses."

Taken at its face value, the *New York Times* found the Stalin interview encouraging because it "appears to open up new possibilities for breaking the deadlock between Russia and the west."

SUBSCRIPTION RATES BY MAIL

MINNEAPOLIS MORNING TRIBUNE



# MINNESOTA HISTORICAL SOCIETY

Copyright in this digital version belongs to the Minnesota Historical Society and its content may not be copied without the copyright holder's express written permission. Users may print, download, link to, or email content, however, for individual use.

To request permission for commercial or educational use, please contact the Minnesota Historical Society.