

COPY

MEMORANDUM OF CONVERSATION - CRIMEAN CONFERENCE

Meeting of the President with Marshal Stalin

Present: The President
Mr. Harriman
Mr. Bohlen

Date: February 8, 1945
Time: 3:45 P.M.
Place: Livadia Palace, Yalta

Marshal Stalin
Mr. Molotov
Mr. Pavlov

- Subjects:
1. Sale of Ships to the Soviet Union after the War
 2. Far East: Russian Desires
 3. Far East: Trusteeships
 4. Internal Conditions in China

1. Sale of Ships to the Soviet Union after the War

MARSHAL STALIN mentioned that Mr. Stettinius had told Mr. Molotov there was a possibility that the United States would have surplus shipping property after the war which might be sold to the Soviet Union.

THE PRESIDENT said that this would require some changes in legislation which he hoped to work out so that surplus shipping after the war not needed by the United States and Great Britain could be transferred on credit without any interest. He said after the last war the mistake had been made of attempting to charge interest for the disposal of surplus property but it had not worked. His idea was to transfer the ships for a fixed sum on credit which would include the cost of the ship less the cost of depreciation, so that in twenty years the entire credit would be extinguished. He said that the British had never sold anything without commercial interest but that he had different ideas.

MARSHAL STALIN expressed gratification at the President's statement and said this shipping would greatly ease the task of the Soviet Union in the future.

THE PRESIDENT replied that he hoped the Soviet Union would interest itself in a large way in the shipping game.

MARSHAL STALIN said that he thought the President's idea was a very good one and also that Lend-Lease was a remarkable invention, without which victory would have been delayed. He said that in former wars some allies had subsidized others but this had offended the allies receiving the subsidies and had led to difficulties. Lend-Lease, however, produced no such resentment, and he repeated his opinion of the extraordinary contribution of Lend-Lease to the winning of the war.

THE PRESIDENT replied that four years ago, when having a rest on his small yacht, he had thought and thought of a way to help the Allies and at the same time avoid the difficulties inherent in loans, and had finally hit upon the scheme of Lend-Lease.

2. Far East: Russian Desires

Following the discussion of certain military questions involved in the Far East, MARSHAL STALIN said that he would like to discuss the political conditions under which the USSR would enter the war against Japan. He said he had already had a conversation on this subject with Ambassador Harriman.

THE PRESIDENT said he had received a report of this conversation, and he felt that there would be no difficulty whatsoever in regard to the southern half of Sakhalin and the Kurile Islands going to Russia at the end of the war. He said that in regard to a warm water port in the Far East for the Soviet Union, the Marshal recalled that they had discussed that point at Tehran. He added that he had then suggested that the Soviet Union be given the use of a warm water port at the end of the south Manchurian railroad, at possibly Dairen on the Kwantung peninsula. The President said he had not yet had an opportunity to discuss this matter with Marshal Chiang Kai Shek, so therefore he could not speak for the Chinese. He went on to say that there are two methods for the Russians to obtain the use of this port; (1) outright leasing from the Chinese; (2) making Dairen a free port under some form of international commission. He said he preferred the latter method because of the relation to the question of Hong Kong. The President said he hoped that the British would give back the sovereignty of Hong Kong to China and that it would then become an internationalized free port. He said he knew Mr. Churchill would have strong objections to this suggestion.

MARSHAL STALIN said there was another question and that involved the use by the Russians of the Manchurian railways. He said the Czars had use of the line running from Manchouli to Harbin and from there to Dairen and Port Arthur, as well as the line from Harbin running east to Nikolsk-Ussurisk connecting there with the Khabarovsk to Vladivostok line.

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THE PRESIDENT said that again, although he had not talked with Marshal Chiang Kai Shek on the subject, there were again two methods of bringing this about: (1) to lease under direct Soviet operation; (2) under a commission composed of one Chinese and one Russian.

MARSHAL STALIN said that it is clear that if these conditions are not met it would be difficult for him and Molotov to explain to the Soviet people why Russia was entering the war against Japan. They understood clearly the war against Germany which had threatened the very existence of the Soviet Union, but they would not understand why Russia would enter a war against a country with which they had no great trouble. He said, however, if these political conditions were met, the people would understand the national interest involved and it would be very much easier to explain the decision to the Supreme Soviet.

THE PRESIDENT replied that he had not had an opportunity to talk to Marshal Chiang Kai Shek and he felt that one of the difficulties in speaking to the Chinese was that anything said to them was known to the whole world in twenty-four hours.

MARSHAL STALIN agreed and said he did not think it was necessary yet to speak to the Chinese and that he could guarantee the security of the Supreme Soviet. He added that it would be well to leave here with these conditions set forth in writing agreed to by the three powers.

THE PRESIDENT indicated that he thought that this could be done.

MARSHAL STALIN went on to say that in regard to the Chinese, T. V. Soong was expected to come to Moscow at the end of April, and he said that when it was possible to free a number of Soviet troops in the west and move twenty-five divisions to the Far East he thought it would be possible to speak to Marshal Chiang Kai Shek about these matters.

MARSHAL STALIN said that in regard to the question of a warm water port the Russians would not be difficult and he would not object to an internationalized free port.

3. Trusteeships

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THE PRESIDENT then said he wished to discuss the question of trusteeships with Marshal Stalin. He said he had in mind for Korea a trusteeship composed of a Soviet, and American and a Chinese representative. He said the only experience we had had in this matter was in the Philippines where it had taken about fifty years for the people to be prepared for self-government. He felt that in the case of Korea the period might be from twenty to thirty years.

MARSHAL STALIN said the shorter the period the better, and he inquired whether any foreign troops would be stationed in Korea.

THE PRESIDENT replied in the negative, to which Marshal Stalin expressed approval.

THE PRESIDENT then said there was one question in regard to Korea which was delicate. He personally did not feel it was necessary to invite the British to participate in the trusteeship of Korea, but he felt that they might resent this.

MARSHAL STALIN replied that they would most certainly be offended. In fact, he said, the Prime Minister might "kill us". In his opinion he felt that the British should be invited.

THE PRESIDENT then said he also had in mind a trusteeship for Indochina. He added that the British did not approve of this idea as they wished to give it back to the French since they feared the implications of a trusteeship as it might affect Burma.

MARSHAL STALIN remarked that the British had lost Burma once through reliance on Indochina, and it was not his opinion that Britain was a sure country to protect this area. He added that he thought Indochina was a very important area.

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THE PRESIDENT said that the Indochinese were people of small stature, like the Javanese and Burmese, and were not warlike. He added that France had done nothing to improve the natives since she had the colony. He said that General de Gaulle had asked for ships to transport French forces to Indochina.

MARSHAL STALIN inquired where de Gaulle was going to get the troops.

THE PRESIDENT replied that de Gaulle said he was going to find the troops when the President could find the ships, but the President added that up to the present he had been unable to find the ships.

4. Internal Conditions in China

THE PRESIDENT said that for some time we had been trying to keep China alive.

MARSHAL STALIN expressed the opinion that China would remain alive. He added that they needed some new leaders around Chiang Kai Shek and although there were some good people in the Kuomintang he did not understand why they were not brought forward.

THE PRESIDENT said General Wedemeyer and the new Ambassador, General Hurley, were having much more success than their predecessors and had made more progress in bringing the communists in the north together with the Chungking government. He said the fault lay more with the Kuomintang and the Chungking Government than with the so-called communists.

MARSHAL STALIN said he did not understand why they did not get together since they should have a united front against the Japanese. He thought that for this purpose Chiang Kai Shek should assume leadership. He recalled in this connection that some years ago there had been a united front and he did not understand why it had not been maintained.