

Diary

Book 742

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Venezuela

See Post-War Planning: Currency Stabilization
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June 10, 1944

The Secretary phoned from Hot Springs, Ark., at 20 minutes of 9 and said that last night over the Blue Network Leland Stowe had a long broadcast which HM, Jr thinks sounded more like it came from Germany than America.

Stowe said we had gotten out this French currency, never consulted the French Committee, which knew nothing about it, and he did not suppose the French shopkeepers would accept this money which had been printed in America.

Dr. White knows the whole story. He knows that HM, Jr and Jack McCloy consulted with Monnet and the French Minister of Finance, who was over here, and not only did they approve the design, but also placed an order for their own currency needs, and also approved the rate.

Secretary wants Shaeffer to get right on this and get the details from Dr. White and he wants to make Leland Stowe eat his words and wants the Blue Network to correct it and he wants Shaeffer to explain it to the men in the press room. The Secretary is very much annoyed and thinks the Blue Network was very careless to put it on and he wants the Blue Network to do something about it.

N.M. Chauncey

June 10, 1944
10:15 a.m.

D. W.
Bell: Jack.

John
McCloy: Yeah.

Bell: Harry and I have been talking about this thing.

M: Who?

Bell: Harry White.

M: Yes.

Bell: And we think that it's probably important enough to call a little conference on it.

M: Okay.

Bell: Harry points out there's a lot of things we can do if you really want to put the screws on them.

M: Yeah.

Bell: They're on this Monetary Conference, and we can say, "To hell with you, you're off of that, and we've cooperated with you and printed your currency; you've asked it be delivered -- given to you, and we're going ahead with it. We'll stop that, and my God, we'll use something else, and you'll have a hell of a time getting currency."

M: Yeah.

Bell: But there are a number of things that can be done, if you really want to put the screws to Monnet.

M: Uh huh.

Bell: Harry thought we might have a conference of War, State and Treasury and later call Monnet in.

M: Call Monnet in.

Bell: Yeah.

M: Yeah. That might be a good idea. Let me.. I think it's worthwhile.

DWBell: Do you want to talk about it over there?

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M: Yes, let me get ahold of..I'll get the State people together, I probably can't do it until after lunch because I'm all tied up into conferences up..

Bell: All right.

M: ..through lunch, but I'll get it right after lunch.

Bell: It might be important enough to go to Stettinius.

M: Yeah.

Bell: He's Acting, and tell him the story.

M: Yeah.

Bell: And let him..

M: Well, I may give him a ring.

Bell: Might give him a ring and let him think about it.

M: Right. Okay.

Bell: All right, Jack, thanks very much.

M: Thank you.

June 10, 1944
10:27 a. m.

DWB: Good morning, sir.

HMJr: Good morning. Are you with Mrs. Klotz?

DWB: And Harry White.

HMJr: Oh, yes.

DWB: We first want to talk about this story of Leland Stowe's.

HMJr: Yes.

DWB: Uh, and Jack McCloy just called me, and there's something to it over there. DeGaulle has refused to have anything to do with the currency, and said that he was going to announce that it's bogus currency. It isn't any good. He isn't going along with the Eisenhower Proclamation at all, and Harry and I have just been discussing as to whether we shouldn't have a conference on it today with State, War and Treasury. Jack has agreed to that and is calling one this afternoon.

HMJr: Now, Dan..

DWB: Yeah.

HMJr: This wire fades out every minute or so, you can't do anything about it.

DWB: I don't know.

HMJr: I don't hear you now. You've just got to wait a minute and then it picks up.

Operator: Operator.

DWB: (To the operator: The wire fades out. Can we do anything about it?)

HMJr: Wait a minute. I can hear what you said.

Operator: Hello, Mr. Morgenthau, we can hardly hear you. There seems to be some trouble on the wire.

HMJr: Well, look, let me see if I can't get it straightened out.

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O: Oh, all right.
DWB: (To the operator: Want to hang up?)
O: Yes, Mr. Bell. I'll call you back.

(Pause)

HMJr: Dan.
DWB: Yes.
HMJr: This is the way I feel. Hello?
DWB: Yes.
HMJr: If this man, DeGaulle, throws us down, see? Then I am going to insist that they withdraw Jean Monnet from his position. He should be kicked out of Washington.
DWB: Well..
HMJr: Now wait a minute. Jean Monnet was in on every bit of this.
DWB: That's right.
HMJr: He okayed it, and if he doesn't represent De Gaulle here, then he should be kicked out of Washington and I am not going to take this, and I want a statement before sunset today that Jean Monnet was in my office and agreed to the whole thing.
DWB: All right.
HMJr: I positively insist on this.
DWB: Well, ah..
HMJr: This thing..now wait a minute.
DWB: Yes.
HMJr: I am not going to take this thing. And Jean Monnet positively agreed to this thing. The Minister of Finance was over here. He agreed

HMJr
cont'd:

to the rate. I want to tell the whole story. And if these people, -- either they represent the Committee or DeGaulle does, but I am not going to be caught in between. And I don't give a God-damn what the State Department, or the War Department says, I want the public to know that I did this working it out with Monnet, High Commissioner for the French Committee, and with Mendes-France, the recognized or accredited Minister of Finance.

DWB: All right.

HMJr: And if the State and War don't want to go along, I want to get out a statement over my own name. I am not going to be made the goat in this thing.

DWB: Well, I am not so sure that you would be, but then. When Jack called up this morning, he said that he did not think there was much we could do about it but go ahead and issue the proclamation, and I said, well, I wasn't so sure about that.

HMJr: Who was that?

DWB: Jack McCloy.

HMJr: Yeah.

DWB: That I wasn't so sure about that; I would like to talk to the people in the Treasury. Harry and I got together and Harry said, well, we could certainly kick him off of the Monetary Conference immediately; and we could stop printing the currency and not give him any, and we could do a number of things that would be very embarrassing to the Committee--it seemed to us. So we called him back and said we thought we ought to have a Conference as soon as we could get it. So, to that he agreed, and he' calling one.

HMJr: Who is?

DWB: Jack McCloy.

HMJr: Well, McCloy is in this thing just as deep as I am.

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DWB: Well, Jack, he, he agrees with us. He said, of course you know we all wanted to go full strength into this, and recognize the Committee, and--but the President wouldn't do it. He said, now it has got into rather a hopeless mess, and the only alternative is that if you don't want to use this currency, is to use the Yellow Seal.

HMJr: Yeah.

DWB: But he doesn't want to do that either.

HMJr: Well I think this..Hello?

DWB: Yes.

HMJr: ..that when you fellows have your meeting, I know that the President takes a very keen interest in this.

DWB: Yes.

HMJr: And McCloy and I saw the President as to the currency itself. Hello?

DWB: Yes, sir.

HMJr: And we cleared it with him, and I think when the statement--and I'm sure that McCloy will join me in a statement--I think it should be submitted to the White House.

DWB: Well, I was going to ask you that. I should think so. Yes.

HMJr: And the way to do it is through Miss Tully.

DWB: Yes.

HMJr: But, the only trouble is, he may be out of town. Was there a Cabinet Meeting yesterday?

DWB: Yes sir.

HMJr: But I would not let the sun set on this thing, and I think the President should be brought into it, and then-- Why, this broadcast I listened to was just as though it came out of Germany.

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DWB: Well apparently he had been talking to the Frenchmen, and he'd gotten their, their..

HMJr: Well, let's get this thing straightened out, because I think that this is serious enough that the President may either--he's got to do one thing--he's either got to say "Monnet is the recognized authority, and I recognize him, and I don't want DeGaulle to come", or "I'll recognize DeGaulle, and send Monnet home, because he agreed to something he had no right to."

DWB: Yeah. Wait a minute. Harry wants to..

Harry White: Hello.

HMJr: Yeah.

W: We fully agree with that. That's one part of the problem. The other part of the problem is to stop DeGaulle from proclaiming that this is bogus currency..

HMJr: Yeah.

W: ..and creating more trouble. So, we'd like to move on two fronts. One, as you've pointed out.

HMJr: Hello.

W: Hello.

HMJr: I can't hear you, Harry.

W: Well, Dan will repeat it.

HMJr: This wire is fading out again.

W: Yeah. I can barely hear you.

HMJr: Now, I hear you.

W: Hello.

HMJr: All right.

W: Hello.

HMJr: Go ahead, Harry.

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W: I say, that what you've said we agree with. That's one front, and we'll go ahead on that front. The second problem, and equally important, is to stop DeGaulle from making trouble for our soldiers by claiming it's bogus currency.

HMJr: Yes.

W: That's an equally serious problem. Now, in order to do that we would like to consider the various ways that we can bring immediate pressure on him to stop him.

HMJr: Right.

W: We don't care whether he comes out forus, but we certainly care a great deal that he shall not say that this is bogus currency, etc., etc., and make it troublesome for the Army. So what we'd like to do is move on both fronts. One, as to..

HMJr: Harry, will you listen to me a minute?

W: Yes.

HMJr: Don't forget that they have a direct telephone to London. It's just like picking up a phone and talking to the next room. Hello?

W: Who has a direct phone? You mean they are listening in?

HMJr: No. No. No. No.

W: Oh. You mean that they can do it.

HMJr: The War Department..

W: Yes.

HMJr: ..has a phone which they cannot listen in on.

W: I see.

HMJr: And, after all, DeGaulle can't make any statement that the British censorship won't let him make.

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W: I see. We get the point. Yeah.

HMJr: See?

W: Right. Well, then, you're agreed that we ought to move on both fronts.

HMJr: I'd move on every front.

W: Every front. Okay.

HMJr: As I say, you can move fast on the telephone from the War Department right over there. You could, for instance, if you wanted to, get Bernstein-- they could get Bernstein to the telephone.

W: Right. Well, I think I am going to ask Dan to see whether Jack McCloy can't meet this morning instead of waiting this afternoon. He asked him to, but he said he was too busy. But I think that this is important enough not to lose any time, particularly if we have got to clear it with the President.

HMJr: And don't forget it's six hours later in London.

W: Yes. Right. Then on this thing you will be calling in again tonight or tomorrow?

HMJr: You call me when you are ready to talk to me.

W: I see. Okay.

DWB: The operator got your..

HMJr: Get Mrs. Spangler, and see if she can't clear this up.

DWB: She knows how to get in touch with you.

HMJr: Can't hear you.

DWB: I say, Mrs. Spangler knows how to get in touch with you?

HMJr: Oh, yes.

DWB: All right. Now the 9:30 staff..

HMJr: Wait a minute, I can't hear you, Dan.

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DWB: It's fading out again. Now can you hear?

HMJr: What?

DWB: Can you hear now?

HMJr: Barely.

DWB: I say, the 9:30 staff is outside waiting.

HMJr: Well, I just wondered if there was anything special. What did you..Hello?

DWB: Yes.

HMJr: Did you get that message about trying to get the casualties?

DWB: No, I didn't get it.

HMJr: Didn't Fred say that to you?

DWB: No. I think he was working through his secretary for something, but he didn't ask me for anything. Hello?

HMJr: He doubled up on me, but I will let him hang on the phone.

DWB: Well, he was in--calling in yesterday to his secretary and his secretary asked me who the gentleman was in the War Department that furnished the figures, and I told her General Clay. Now he did not ask me to get anything. I don't know.

HMJr: Well, I will get Fred Smith to ask you.

DWB: All right. Now..

HMJr: Wait a minute. Let me see about this wire again, will you please?

(Trouble on the wire and out-of-town operator said to hang up, and she would call back on another line.)

DWB: Hello.

Operator: Try it again, Mr. Bell.

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DWB: Hello.

Operator: Mr. Morgenthau..

DWB: Hello.

HMJr: Hello.

DWB: How's that?

HMJr: Well, I can hear better. I have sent for Fred Smith to find out what the hell he did about that, but he'll be here in a minute or two.

DWB: All right. Well, that covers the French thing. Now the boys are all outside. I don't know whether they have anything. We can call them in.

HMJr: All right. Let me talk to White in the meantime.

DWB: All right.

Harry White: Hello.

HMJr: Harry.

W: Yes.

HMJr: Between now and next Friday, will you give the task to E. M. Bernstein and to Luxford to draft an opening address for me?

W: Oh, yes, we are doing that.

HMJr: Well, I would like to have it by next Friday.

W: Oh, it will be ready by then.

HMJr: But put Bernstein and Luxford on it.

W: Yes, we'll..we'll do it.

HMJr: By next Friday I would like to have it.

W: There will be a draft by next Friday.

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HMJr: Right. Now anything more on another Republican?

W: Two things: One, on that Vinson reported that the Minority Committee, I mean the Steering Committee of the Republicans, said that they can not go around the seniority rule, and they wouldn't do anything to help anybody else go around it.

HMJr: Yes.

W: And that means that probably Tobey is the man.

HMJr: Yes.

W: Barkley said that he does not feel that he is in a position to go to individual Republicans and ask whether they would join him when the Steering Committee feels that way.

HMJr: Yes.

W: And so it looks as though, we're stuck with Tobey. I was going to call Dean Acheson to get his approval and if he does, why, I don't see what alternative we have.

HMJr: But you have to put it up to the President.

W: Well, I--uh, Vinson did yesterday, and he probably will have to do it again. The President was wondering whether he couldn't pick somebody else, but when Vinson asked Barkley that, they thought "no", but he will put that up to the President. Incidentally, the whole,--the list and even that part of the story came out in this morning's paper.

HMJr: Yeah.

W: They must have got it from the Hill.

HMJr: Yeah.

W: Because there were some things in there, that even we didn't know. The only other thing is a minor thing: Mrs. Klotz says that the President has sent you a formal letter appointing you.

HMJr: Who said that?

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W: Mrs. Klotz says that she's received a formal letter from the President appointing you Main Chief of the Delegation.

HMJr: Would you ask her to tell you how she pronounces her name, please?

W: How Mrs. Klotz pronounces her name?

HMJr: Yes.
(Laughter)

W: You pronounce it "Klutz", as -- get it?

HMJr: Hello.

W: Yes.

HMJr: Okay.

W: Right.

HMJr: Now, uh..

W: You want to talk to Dan?

HMJr: Was the publicity too bad about the story from the Hill?

W: No. No, it was good, I thought. I only saw one. Joe nods his head. He thinks it was good. There were three stories, and they all were good. No, we.. I'll turn over to Dan.

HMJr: Well, I want to tell Mrs. "Klutz", to you.. Hello?

DWB: Yes.

HMJr: Please to send me the clippings by air mail today to whatever the address is at Texarkana--the Hotel at Texarkana.

DWB: All right. All the clippings?

HMJr: Yeah.

DWB: All the clippings?

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HMJr: The Hotel Grim. No only the important clippings.

DWB: The important clippings at G-r-i-m-m.

HMJr: (Aside. How do you spell it?)

DWB: G-r-i-m, huh?

HMJr: Like Peter Grimm.

DWB: Peter Grimm, yeah.

HMJr: Yeah.

DWB: Are you interested in my conversations with Doughton and George?

HMJr: No.

DWB: Okay.

HMJr: Excuse me there for being so emphatic, but.. (laughter)

DWB: Well, that the reason I asked you before I started to tell you. I didn't think you would be.

HMJr: I'm exhausted now, and if you don't mind.

DWB: Well, no one else..

HMJr: If it sounded rude, I didn't mean to be rude.

DWB: No, it didn't.

HMJr: Now, let me--will you hold on the wire a minute?

DWB: Yeah.

HMJr: M. Frederick Smith is here. Just hold the wire.

DWB: All right.

(Pause)

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HMJr: Hello.

DWB: Yes.

HMJr: Frederik Smith talked to Gamble, and Gamble will talk to Bell, and Bell will talk to God.

DWB: Good God!

HMJr: What?

DWB: (Laughs) I say "Good God"!

HMJr: All right. Is there anything at Cabinet yesterday, Bell, which you can say on the phone, which I ought to know?

DWB: Well, there wasn't a thing of importance discussed, at all.

HMJr: All right.

DWB: So, that I won't go into details.

HMJr: Hello?

DWB: I've written up the memorandum on it, but there's nothing important at all.

HMJr: All right.

DWB: Now Pehle wants to tell you something.

HMJr: I want to talk to Pehle.

DWB: And no one else has anything.

HMJr: That's the best news I've had yet.

DWB: Okay. All right.

Mr. Pehle: Hello.

HMJr: Hello.

P: Yes, Mr. Secretary.

HMJr: You ought to feel pretty good.

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P: Yeah. We do.

HMJr: Huh?

P: We do.

HMJr: Young David. We'll change your name to David.

P: All right. You saw that the President gave out the text of the cable.

HMJr: Well, there's reference in even the little local paper here about it.

P: Yeah. I don't know whether he did that intentionally or whether Steve Early did it, but I don't see that it hurt anything.

HMJr: Yeah.

P: And all the publicity on it is good.

HMJr: Fine.

P: The New York Times stepped in with only a little urging and gave us a good editorial.

HMJr: Fine.

P: So that's moving along very well.

HMJr: Fine.

P: That's all I wanted to say.

HMJr: Now, has Mrs. Klotz anything she wants to say?

P: Not a thing, she says. She's on vacation, she said.

HMJr: What?

P: She said, she's on vacation.

HMJr: Tell her I don't believe it. Let me talk to her a minute.

Mrs. Klotz: Yes sir.

HMJr: Hello.

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Mrs. K: Yes.

HMJr: This isn't what I call a vacation.

Mrs. K: No. I agree with you, but that's what I am, on my vacation, any way.

HMJr: Oh. Will you please teach Harry, or teach his wife to teach Harry how to pronounce your name.

Mrs. K: (Laughs) He calls me "Henrietta" you see; never has occasion to call me "Klotz" or "Klutz".
(Laughter)

HMJr: All right. Now I want to try something difficult. See if they can get Gamble in on this wire, so you people can listen, and I can listen.

Mrs. K: Let's see what happens.

HMJr: Mrs. Spangler knows about it.

Operator: Operator.

Mrs. K: We're ready for Mr. Gamble.

O: All right. You want him on this line?

HMJr: Try it.

O: Righto. Just a second. Go ahead.

Gamble: Hello.

HMJr: Ted, you're talking to me and supposedly to the 9:30 group.

G: Yes, sir.

HMJr: Anything that's important?

G: Yes. I might tell you, if you haven't--if Fred hasn't already reported to you, that Rosenman was very pleased with the five hundred words we gave him on War Bonds.

HMJr: Well, Fred Smith just stuck his head in. He looks to me like a sleep-walker as far as I can tell.

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G: (Laughs.)

HMJr: Fred Smith.

G: Rosenman was very happy with it. He liked the idea of telling about \$1 million bond purchases.

HMJr: Yes.

G: He wanted to know how much they'd bought and how many bonds, and was very much interested in it.

HMJr: Yes.

G: As Fred has also probably told you, we got a clearance from the White House yesterday afternoon to release the story on the President.

HMJr: I saw it in the local paper here.

G: And it has been released, and the New York Times carried a nice box on it this morning, and covered the Texarkana Show in it.

HMJr: Good!

G: One other matter that was interesting that you brought up with me and that was this second script of Mrs. Morgenthau's. That has all been corrected. She liked it very much and it has been recorded. That was the script that was causing so much trouble.

HMJr: Hello.

G: Hello.

O: He's gone again.

Mrs. K: Tell him, it has faded..

HMJr: It was cut off.

O: All right. Go ahead.

G: One other matter was the script that we were having so much trouble with that Mrs. Morgenthau didn't like.

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HMJr: Yes.

G: That has all been corrected. She liked it fine, and it has been recorded.

HMJr: Wonderful !

G: That's all settled.

HMJr: The thing that I asked you, would you get in touch with Dan Bell about those casualty figures for me?

G: Yes.

HMJr: Will you do it when I hang up?

G: Yes, sir, and it would have been done now, only -- excepting the lines were tied up waiting for you.

HMJr: Okay.

G: All right, sir.

HMJr: Good-bye everybody.

Group: Good-bye. Good-bye.

Mrs. Klotz: Yes, sir.

HMJr: Hello.

K: Yes.

HMJr: Mrs. Spangler?

K: Yes, sir.

HMJr: Will you see, after I hang up, see whether you can't get the telephone company to improve this connection?

K: (Talking to Operator: You know he doesn't go off like that. Is he through?)

Operator: He's off.

K: He's gone?

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O: He's gone.
K: Are you sure?
O: Yes.
K: Okay. Good-bye.

MEMORANDUM FOR THE FILE

June 10, 1944

Meeting in Secretary's Office
June 10, 1944

Present: Under Secretary Bell
Asst. Secretary of War McCloy
Colonel Chanler
Lt. Col. Hilliard
Mr. H. D. White
Mr. Glasser
Mr. Collado
Mr. Matthews
Mr. Hoffman

Subject: French Currency Situation

The meeting was called to discuss the situation arising out of Leland Stowe's broadcast of the previous evening concerning the use by the Allied troops of French franc currency printed in the United States. Stowe's broadcast was summarized and it was indicated that he had given the clear impression that the French National Committee had not been consulted about the currency and did not accept the currency. He also made statements tending to cast doubt on the acceptability of the currency by the French people.

Mr. Bell said that the Secretary was angry about the broadcast. He felt that some retraction should be made in view of the bad effect likely to be made by the broadcast. Mr. Bell said that the Secretary also felt that if Stowe's broadcast reflected the current French views Monnet ought to be thrown out of the United States as being not a real representative of the Committee, because he had accepted the currency and the plans with respect thereto.

Mr. McCloy said that he thought DeGaulle was using the currency matter as a means of pressure on us to get recognition and status for himself.

The question came up as to whether we ought to use or threaten to use yellow seal currency. Mr. White pointed out that if we don't issue the new currency now we will in effect be backing down. Mr. McCloy said that he thought it was too late anyway because he believed the currency had already been issued and was being used.

Mr. White said that he thought the most important immediate problem was to stop DeGaulle from making any statement attacking the currency. Mr. Bell said that the British could stop DeGaulle from

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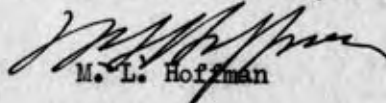
making any statement or at least could stop any such statement from getting any publicity. It was agreed that DeGaulle should be stopped from publicizing anything that would injure the currency and that this matter would be handled promptly by telephone. Colonel Chanler suggested that it might be necessary to be careful about saying in any statement that the French had approved the form of the currency or its issuance by Eisenhower. Mr. White said that we had the records to show that the French had accepted the currency as to design and that they had been discussing the details of the currency for months knowing that there could be no question as to the issuing authority. It was pointed out that while we cannot say that they approved all the arrangements we can say that responsible members of the French Committee accepted the arrangements and that there is no possible justification for DeGaulle's saying anything to sabotage the issue now.

Mr. McCloy said that he had talked with Monnet yesterday subsequent to the receipt of information to the effect that DeGaulle was raising difficulties about the currency and that Monnet admitted that the French were consulted and had accepted the Eisenhower currency.

The question of the possible use of dollar currency was again raised and while it was agreed that the French had stated that they preferred a franc currency to the use of dollars, Mr. Bell and Mr. White pointed out that this position of the French was based on purely prestige considerations because it would obviously be advantageous for them to be placed in a position where they could easily acquire such substantial amounts of dollars.

It was agreed to take the following steps:

- (1) To redraft the press release containing the formal announcement of the issuance of currency for discussion at an afternoon meeting at which the British would be present. This redraft should place more emphasis on the extent to which the French had been consulted and should indicate clearly that their representatives had accepted the plans for the currency issued.
- (2) That London should be told by telephone to stop DeGaulle from making any public announcement that would injure the currency.


M. L. Hoffman

June 10, 1944
6:30 p.m.

Dan
Bell:

We are sitting here talking about this French matter a little further and wondered what harm there would be in saying to Churchill "Let DeGaulle sign the proclamation under any title he wants as long as it does not have our approval".

John
McCloy:

As long as you make it clear

Bell:

.... as long as you do not have our approval.

M:

As long as you make it clear that that doesn't have our approval. At the same time, I think, we should make an announcement to the effect that that didn't constitute a recognition in any sense.

Bell:

Yeah.

M:

And must not be interpreted as that. I'm inclined to think you can do that.

Bell:

I wonder if the President would be willing to do that.

M:

I don't know. I don't know. I wouldn't be surprised if he would. Fitz just had two telephone calls. One: from the British Embassy, which indicated that -- indicated in a cable from the Foreign Office which they said that they had -- that there was substantial hope now that DeGaulle would sign the supporting statement in a form which would be acceptable both to the British and to the Americans.

Bell:

That he would sign it?

M:

That he would, yes.

Bell:

Yeah.

M:

Now, Doc Matthews, also, just called me, who told me that the Brazzaville radio just came out with a long blast highly critical of our whole attitude, and saying in respect to the currency, that the issuance in France of a currency purporting to be a franc, without any accord or guarantee by a French authority could only lead to very serious complications.

Bell:

Oh, really?

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M: Yeah. Now - ah - that's the substance of what he said. Now that Brazzaville, of course, is the Free French radio, and that goes all over France, and of course, that will just be clay in the hands of the Germans.

Bell: Yeah. I suppose so.

M: Yeah. Now, those two pieces of information don't jive very well.

Bell: Yeah.

M: But if we could, even so, if we could get a supporting announcement now we'd be better off.

Bell: Well, we were just thinking that that might be one way of doing it.

M: A way of getting it.

Bell: put him in a hole. I - I don't know. This afternoon they got this cable from Algiers.

M: Yeah.

Bell: It said: "This afternoon the British" -- this is from Chapin and from the American Mission over there

M: Yeah.

Bell: "This afternoon the British Charge and I called on Massigli at his request. Massigli seemed to be very agitated and he stated that a special session had been held this morning by the committee to consider a cable from General DeGaulle regarding the emission and use of franc notes by the Allied Command (in reading from the cable by DeGaulle, Massigli let slip the expression "counterfeit money" used by the General). Given below is the substance of the identic note delivered to Holman and me, the text of which has been cabled to DeGaulle, which was approved by the committee: 'The provisional government of the French Republic has received information with respect to notes payable in francs being placed in circulation by the Allied High Command in the first liberated French territories. The provisional government of the French Republic is astonished that the Allied Command should have taken this initiative which has never been undertaken by a friendly army in the past. The provisional government fully realizes the practical exigency requiring the military command to dispose of

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Bell: (cont'd)

currency in the course of operations. Throughout the whole of French overseas territories military authorities have always received immediately and without limit such funds as have been requested by them. At the time when the French Metropolitan territories are about to acquire their full sovereignty, the same system could and should have been put into practice. The Government stands ready to take the necessary dispositions within the framework of the agreement, whose conclusion it has been seeking from the Allied Governments for some months. The provisional government cannot accord any legal value to the stamped paper (vignettes) which has been placed in circulation without its consent since the right of issuing currency has traditionally belonged to the national authority in France and to it alone. Therefore it makes reservations as to the financial, political and moral consequences which may result from this action of which it has been informed. In this spirit the United States Government's most earnest attention is drawn to the grave consequences which under the existing circumstances in France, must follow the inevitable recognition of the fact that no agreement exists between the French authorities to which the French interior forces refer and upon which they depend, and the Allied Governments.' It was stated by Massigli that according to information from London, General Eisenhower had been requested by the British Foreign Office, at DeGaulle's request, not to issue in Metropolitan France any proclamation with respect to the acceptance of this currency and that no proclamation had been issued so far as he knew. It was stated by Massigli, when asked specifically, that the French authorities here did not intend, at least for the time being, to give any publicity to the matter." He requested the fact that the Treasury receive a copy.

M: Uh - huh.

Bell: That

M: Yeah.

Bell: Of course, going around the circuit

M: Yeah -- yeah.

Bell: it gets worse as it goes on.

M: It gets worse as it goes, yeah. Well, I think that we should -- I still think we should play for a -- for a supporting statement.

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Bell: I see.

M: And, I don't know what the political consequences of such a thing would be, but I would think that it would be all right to get -- to say, "All right, you can sign yourself, as far as I'm concerned, any way you want to. Ah - I think it"

Bell: Don't you think

M: " it would be desirable -- it would be desirable from a French point of view to have a supporting statement. I'm not asking you to do it from anything other than French interest, but I think you ought to do it, and I'm not going to insist in what form you do it, because that's your own affair, but I'm not going to let any situation or facts arise which would indicate that I was recognizing you or approving you if you signed in that form and I may have to take some action to make that clear."

Bell: Yeah.

M: On that basis, I think it's all right.

Bell: You think the President might agree to that?

M: I think he might. I think he might. I think it's quite possible that he might.

Bell: How long would it take to reach him?

M: Well, he's about an hour-and-a-half drive -- an hour-and-three-quarters drive up in the country.

Bell: I see.

M: Now, we can check at the White House and find out how long that is.

Bell: No telephone?

M: Oh, he's got telephones, yes.

Bell: Uh - huh.

M: But somebody would have to go up and talk to him about it.

Bell: Yeah -- yeah.

M: And -- to carry it up with him.

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Bell: And that probably ought to be done tomorrow, hadn't it?

M: I think so.

Bell: Yeah.

M: I think so.

Bell: Okay.

M: All right. We'll work on something tonight.

Bell: Fine. You haven't talked to Monnet yet, have you?

M: Not yet. I'm - I intend to tonight, though.

Bell: I see.

M: Yeah.

Bell: It'll be interesting to see what he says.

M: All right.

Bell: Fine.

M: I'll let you know.

Bell: All right.

M: Are you going to be around?

Bell: Yep.

M: I was going out of town tomorrow, but I guess I better stick around.

Bell: Well, I was too. I was going up to New York with Bob Patterson tomorrow.

M: Well, that's the plane -- that's the plane I was going to take.

Bell: Oh, were you?

M: Yeah -- yeah.

Bell: I think I better send Sullivan.

M: But I'm inclined to think that we better sit tight.

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Bell: Oh, yeah, I think so.

M: Yeah.

Bell: Okay.

M: All right.

Bell: Good-bye.

June 10, 1944
7:00 p.m.

D. W.
Bell: Hello.

Long Distance
Operator: Just a moment, please.

Operator: Go ahead, please.

HMJr: Hello.

B: Hello.

HMJr: Hello, Daniel.

B: How are you?

HMJr: I'm all right. A little hot.

B: Well, we're hot too. This -- can you hear me?

HMJr: I hear you all right.

B: Well, we can't find the combination on the speaker, so I'm afraid I'll have to relay it, unless Harry gets over on the other side there.

HMJr: That's what you want?

B: I can't find the combination to turn on the loud speaker.

HMJr: Oh, well

B: But this French matter has gotten into a terrible mess.

HMJr: Yes.

B: We had the conference this morning with McCloy and the people from the War Department and the State Department

HMJr: Yes.

B: and we agreed that we ought to try to get out a press statement today

HMJr: Yes.

B: but before try and have a conference with the British this afternoon.

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HMJr: Yes.

B: Well, they had the conference with the British, but before Harry went to the conference, the President had a message from Churchill

HMJr: Yes.

B: which I'd like to read to you.. Hello? Hello?

HMJr: I'm listening.

B: "Inasmuch as General Eisenhower has urgent need to make a proclamation announcing the notes to be issued for the troops in France, I want to know your wishes about it. There is reason to expect that General DeGaulle will press for his proclamation to contain the wording 'Provisional Government of France' or 'Of the French Republic', and publish it in the official journal of the French Republic; his publication at Algiers, but he is quite ready to make a supporting proclamation. He fights at every point, but we shall naturally strive to convince him to stick to the French Committee of National Liberation. If General DeGaulle does not endorse the issue, the Treasury fears the notes will not have any backing behind them, and on the other hand, I feel that the proclamation of General Eisenhower will make the Governments of Great Britain and the United States, separately or jointly responsible to redeem them. In your mind, how does this stand? There are others that even say that General DeGaulle might denounce the issue as 'false money'. Personally, I don't think that he will dare. If I were a French shop-keeper, I should, myself, think that a note printed in the United States, tendered to me by a British or American soldier was well worth having, whether DeGaulle endorsed it or not, if General Eisenhower declared the notes legal. Will you let me know, please, what is your view in this matter? If we can get DeGaulle to take responsibility for these notes in his capacity as President of the Provisional Government of France, the French nation in that case will ultimately face the problem of redeeming them. Shall we do this, or shall we wait to fix the ultimate responsibility at the Peace Settlement and say now that the United States and Great Britain will assume responsibility for these notes. I should be grateful for an early reply." That was followed

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Bell: (cont'd) a little later by another one.

HMJr: Just one minute.

Bell: Yep.

HMJr: Go ahead.

Bell: This is the second cable which followed just a little later.

HMJr: Yeah.

Bell: "With further reference to my No. 696, I saw the specimens of the notes in question, and they do not appear to us as very reassuring. Forging them looks very easy."

HMJr: What?

Bell: "Forging them looks very easy."

HMJr: Yeah.

Bell: "Not a thing is mentioned regarding who is responsible for issuing and redeeming them. They must have some authority behind them." And this is important: "My views uttered after seeing the notes affect paragraph two of my 696, and make it more necessary that someone should assume the responsibility of meeting them when they are presented. My dear friend, please look at them and say what should be done. Ought we to allow DeGaulle to obtain new status as his fee for backing them?"

HMJr: Wait a minute. I didn't get that.

Bell: "Ought we to allow DeGaulle to obtain new status...."

HMJr: What status?

Bell: "New" status -- new - new.

HMJr: "New" status?

Bell: Yeah. ".... as his fee for backing them?"

HMJr: I don't get it still. You'll have to repeat that.

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Bell: "Ought we to allow DeGaulle -- to obtain -- new status"

HMJr: Yes.

Bell: That is President of the Provisional Government.

HMJr: Yeah.

Bell: " as his fee for backing them"

HMJr: Yeah.

Bell: " or should we assume the burden for the time being, improve the issue later on, and make the settlement at the Peace Table where many accounts will be presented?"

HMJr: Yeah.

Bell: Now late this evening, after Harry returned from the conference, he also got a cable from the American Mission in Algiers.

HMJr: Now, wait a minute. Before you do that, there was one part in the beginning which I didn't get

Bell: All right.

HMJr: and that was the very first cable, did he say something about -- did I get the idea that the French Committee had backed this?

Bell: The French Committee what?

HMJr: Had backed this thing.

Bell: Had backed DeGaulle?

HMJr: No - no - no - no. Does it say anywhere that the French Committee had approved these notes?

Bell: No.

HMJr: I thought in the very -- in the first or second paragraph of the first cable.

Bell: Ah - let's see - he says that

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HMJr: There was something about the French Committee approving it, even if DeGaulle didn't.

B: Oh - no - no.

Harry White: That was he said if he were a French shop-keeper.

HMJr: No - no. There was something about the French Committee there right in the beginning.

B: Well, he says "He fights" -- talking about DeGaulle -- " He fights at every point, but we shall naturally strive to convince him to stick to the French Committee of National Liberation".

HMJr: Now repeat that. I don't hear you. What is that you said?

B: "He fights at every point"

HMJr: Yeah.

B: " but we shall naturally strive to convince him to stick to the French Committee of National Liberation".

HMJr: To "stick"?

White: To "stick", yes. In other words, he wants him to sign -- the Chief of that, rather than President of the Provisional Government, which is the new title they'd like to assume.

HMJr: Oh, well, what I thought he was trying to recognize was that the French Committee had approved this plan.

B: No - no.

White: No - no, definitely not. Because, then another cable will throw some more light on that.

HMJr: Yeah.

B: And this cable that comes from Africa, says "This afternoon the British Charge and I called on Massigli at his request".

HMJr: Called on who?

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White: Massigli. He's - he's the - he's the
Commissar, I think, of Foreign Affairs --
Foreign -- Foreign Minister

HMJr: Yeah.

W: of the Comite.

B: "Massigli seemed to be very agitated, and he
stated that a special session had been held
this morning by the Committee"

HMJr: Talk louder than that.

B: What's that?

HMJr: Talk louder. Can you talk louder?

B: Yeah. "Massigli seemed to be very agitated
and he stated that a special session had been
held this morning by the committee to consider
a cable from General DeGaulle regarding the
emission and use of franc notes by the Allied
Command (in reading from the cable by DeGaulle,
Massigli let slip the expression "counterfeit
money" used by the General). Given below is
the substance of the identic note delivered to
Holman and me, the text of which has been
cabled to DeGaulle, which was approved by the
Committee:".

HMJr: Who is Holman?

B: Holman is the British man, isn't he? British
Charge.

HMJr: Yeah.

B: "The provisional government of the French
Republic has received information with respect
to notes payable in francs being placed in
circulation by the Allied High Command in the
first liberated French territories. The pro-
visional government of the French Republic is
astonished that the Allied Command should have
taken this initiative which has never been
undertaken by a friendly army in the past.
The provisional government fully realizes the
practical exigency"

HMJr: The what?

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B: " the practical exigency requiring the military command to dispose of currency in the course of operations. Throughout the whole of French overseas territories military authorities have always received immediately and without limit such funds as have been requested by them. At the time when the French Metropolitan territories are about to acquire their full sovereignty, the same system could and should have been put into practice. The Government stands ready to take the necessary dispositions within the framework of the agreement, whose conclusion it has been seeking from the Allied Governments for some months. The provisional government cannot accord any legal value to the stamped paper" -- refers to them as "vignettes".

HMJr: The what?

B: "Stamped paper" they call it. In parenthesis they refer to them as "vignettes". " which has been placed in circulation without its consent since the right of issuing currency has traditionally belonged to the national authority in France and to it alone. Therefore it makes reservations as to the financial, political and moral consequences which may result from this action of which it has been informed. In this spirit the United States Government's most earnest attention is drawn to the grave consequences which under the existing circumstances in France, must follow the inevitable recognition of the fact that no agreement exists between the French authorities to which the French interior forces refer and upon which they depend, and the Allied Governments. It was stated by Massigli that according to information from London, General Eisenhower had been requested by the British Foreign Office, at DeGaulle's request, not to issue in Metropolitan France any proclamation with respect to the acceptance of this currency and that no proclamation had been issued so far as he knew. It was stated by Massigli, when asked specifically, that the French authorities here did not intend, at least for the time being, to give any"

HMJr: Talk a little louder, Dan.

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B: "It was stated by Massigli"

HMJr: Look, wait a minute. Can't - let Harry hang up a minute and see if that makes any difference.

B: "It was stated by Massigli"

HMJr: That's better.

B: " when asked specifically, that the French authorities here did not intend, at least for the time being, to give any publicity to the matter". That's the end of that cable.

HMJr: Yeah.

B: Now

HMJr: Just one minute. Just hold on a minute.

B: All right.

HMJr: Just a minute Hello?

B: Now McCloy

HMJr: Now, if you're going to start talking, let Harry listen again.

B: I was going to let Harry talk -- take this phone in a minute and tell you about the Conference.

HMJr: Well, then both -- you can both use both phones and while you were reading, I just couldn't hear.

B: Yeah, well, that's a bad phone over there. All right. I'll let Harry tell you about McCloy's conversation with Bernstein and Holmes in London, and also about the Conference

HMJr: Okay.

B: this afternoon.

HMJr: You - you called up Bernstein the way I suggested?

B: Yep. That is, McCloy did.

White: McCloy did.

HMJr: Well, let me ask you a question: why doesn't somebody say something that we should further see Monnet before we did this?

White: Ah - well, the matter has assumed apparently larger political importance than we thought.

HMJr: Harry, listen a minute, please.

W: Yes.

HMJr: Why didn't Jean Monnet -- why don't we put him on the spot, and say "Didn't you advise them that you were consulted on this?"

W: Well, you could easily put him on that spot, and I imagine he would answer that he had been advised, but that isn't going to help the situation in England, according to the British. We had discussed that. It appears from the telephone conversation which McCloy had with Holmes and Bernstein -- it was a very lengthy conversation -- that the matter in England is assuming large political importance, stimulated according to them over there, by some Cabinet members and also by more Parliamentary members, and the press is all taking it up and it may even assume the proportions of a request for a vote of confidence on the Prime Minister that the monetary aspect is being used apparently merely as the excuse for this drive to recognize the government, and they feel that -- and McCloy felt that if the situation is a little too dangerous to accentuate until we've thoroughly examined it. It's -- so it's no -- even the British said that, even if you got Monnet to make the statement, or if a statement were issued here pointing out that we had had this approval, that it would only high-light the matter, because they would deny that they were given the right of issue, which is what they're making -- the main point on now is that they are not issuing the currency, and that would precipitate an even broader political discussion between the press and the Parliament. So that it no longer is a question of whether or not they -- Monnet gave his approval. They apparently are not -- the French are not interested in that. They apparently are delighted at an excuse to

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W: (cont'd) stir up trouble. For example, the last cable which Dan read to you states that they are surprised - they can't imagine us issuing their currency. Well, that's a lot of hokum. They knew all the time we were going to issue it.

HMJr: I can't get over to you and Bell -- I would get Jean Monnet in a room; I'd hold a gun to his head and make him sign a statement that he had approved this thing. Now, what harm can there be in getting him to do that?

W: Well, we can get him to do that, but that still doesn't

HMJr: I know, but I suggested that, and I certainly would have that on hand.

W: Well, McCloy has Monnet, and he said he would get him in his office after the meeting, and try to get him to make some kind of a statement. He probably is there now. But I still don't

HMJr: What I'll read in the paper is that I issued counterfeit money, and I want a statement -- I'm -- I'm going to insist that I get a statement from Monnet that he approved of this.

W: Well, he approved of the notes, yes, but he never approved of our issuing the -- authority, but we can't

HMJr: Well, let's -- let's get what he did approve.

W: What he

HMJr: That they also requested us to print additional money.

W: That's right. That's right. We had that in the statement, and the

HMJr: Do I make any impression on you at all?

W: (Laughs) Well, yes, we drafted a statement along those lines, and we went up to the Committee, and Matthews of the State Department, and McCloy of the War Department, separately, as well as in the -- as the larger meeting -- urged us not to make an independent statement. McCloy,

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W: (cont'd) on my request, reserved the privilege of taking unilateral action, even if the British don't want to go along, because I had told him that you were insisting on a statement.

HMJr: But, Harry, that has nothing to do with getting this statement today, before Monnet's ordered not to give it to us.

W: Well, giving it yet today?

HMJr: Getting it from him today, for McCloy's sake and mine -- never mind whether we use it or not.

Bell: Well, we'll try.

HMJr: I mean, to get a statement from Monnet what he agreed to.

B: Well, we'll try to do that yet tonight.

HMJr: I mean, at least you have that, so if - if this thing ends up by an attack on me, I've got something to defend himself on.

White: Well, I don't think there's any question that it'll be ending up by an attack on you -- it's a broader question as to whether they should

HMJr: Well, you don't know.

W: whether they should have the issuing authority; that's the question now.

HMJr: Look, Harry, will you please do what I ask?

W: Yeah, we'll do that. We already said we'll do that. Now, we still have to answer the -- the President sent this letter over to you with instructions to prepare a draft reply for him.

HMJr: He sent

W: For his signature.

HMJr: Hello?

W: Hello?

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HMJr: Well, this - this is my feeling, see? Hello?

Bell: Yes.

White: We're listening.

HMJr: My feeling is this: we've done it; I think we were right; I think we should take the responsibility for it; then go right ahead.

B: Well, we agree with that. I think you should know too that, I understand, Eisenhower has already issued his proclamation.

HMJr: Has it been made public?

B: I understand it has.

White: Well, it's on the beaches in North Africa.

HMJr: Well, I don't see how we can let a man like DeGaulle hold us up.

W: Well, except that it isn't DeGaulle alone; it's a good part of the -- apparently, the British public.

Bell: What would you think of allowing DeGaulle, without our approval in any way, sign this supporting proclamation any way he wants to -- whether it's as President of Siam or what, but it wouldn't be with our approval?

HMJr: Well, I don't think that's - that's our business.

B: Well -- well, that's the question that's raised in one of the cables.

HMJr: No. Well, all -- look -- as Secretary of the Treasury, all I should answer the President is this, if I have heard your question: should we assume responsibility for this currency, even if DeGaulle denounces it? See? Hello?

Bell: Yes.

White: Yes.

HMJr: And my answer is: we've gone so far that we've got to assume responsibility.

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White: Well, we always have assumed responsibility.

HMJr: Well, I mean, I don't see why we can't say in answer to Churchill, "Yes, we will assume responsibility for this".

W: Yeah, we intended that as part of the answer.

HMJr: Well, now, whether -- hoe Mr. DeGaulle signs, see? Hello?

Bell: Yes.

HMJr: I would say that that is something that we cannot advise the President.

B: Well, we've got to write a letter for the President's signature.

HMJr: To whom?

B: To Churchill.

White: To Churchill.

B: We've got to write a cable. Now, we were thinking about putting in that cable, for the President's approval, that we're not going to attempt to say how DeGaulle should sign his name or what title he should put under it

HMJr: Yeah.

B: ... but whatever he says will not, in any way, be a recognition on the part of this Government.

White: This is in addition to what you've said -- in addition.

HMJr: Well, that part -- I would think the advice on -- I think the first paragraph we, in the Treasury, should write. Hello?

W: Yes, we've got that written.

HMJr: And then the second part, I think the State Department should write the second paragraph.

W: All right, we'll get in touch with them.

HMJr: Hello?

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W: Ah -- they have been -- they were present at the discussion, and they took

HMJr: Well, let them write the second one, and I would put it in the margin "The first paragraph was drafted by the Treasury; the second paragraph was drafted by the State Department".

Bell: Well, we could submit a joint memorandum over there, and I expect, maybe, McCloy will go out and talk to the President

HMJr: Uh - huh.

B: on it.

HMJr: Of course, you know, McCloy and I have wanted to put "Republique Francaise" on this money.

B: Yes.

HMJr: The President wouldn't let us.

B: That might have solved the whole problem.

HMJr: Now, let me ask you gentlemen this: have you gotten a satisfactory answer out of me?

White: Out of you?

HMJr: Yes.

Bell: Yes.

White: Yes. We know what to do.

HMJr: What?

White: Yes.

HMJr: Are you satisfied?

W: Yes, but do we also have your approval not to issue any statement tonight?

HMJr: Oh - oh, you took me seriously this morning?

Bell: Yeah - well, that's one we've been working

- 15 -

White: Well, naturally we took -- we always take you seriously.

HMJr: (Laughs)

Bell: The consensus at the meeting was that you shouldn't issue a statement. Hello?

White: Hello. I was cut off.

Bell: I say the consensus of the meeting this afternoon was that you should not issue a statement -- at this time.

White: Though we may have to Monday.

Bell: Hello? hello?

White: (Laughs) Do you have to put another quarter in?

Bell: Hello?

Operator: Hello.

B: We're cut off.

Operator: You were?

(Pause)

B: Hello. We were cut off.

HMJr: Yeah. Go ahead.

B: Well, I think we've gotten everything we want from you. You want any more, Harry?

White: No, just that when -- while he was on the phone -- he also got good news about things over there. They're going much better.

HMJr: Who said that?

Bell: McCloy.

White: McCloy.

HMJr: Oh! Well, I

- 16 -

White: What's that?

HMJr: Well, who's going to get this letter to the President, if he's asked the Treasury to do this?

White: Well, we were -- we were going to do it.

Bell: We thought certainly

White: What's that?

HMJr: You're going to get it to him?

W: Well, we'll get it -- the White House would get it to him, I suppose.

HMJr: But I thought you said McCloy was going to go out there.

Bell: Well, McCloy said ...

White: No, I didn't know that.

Bell: McCloy just said over the telephone a while ago that he thought maybe he might have to go see the President tomorrow.

HMJr: On this matter?

B: Well, yes, and on some other matters.

HMJr: Well, I think somebody should go with him from the Treasury.

B: All right. Now, I've got two questions I want to raise.

HMJr: Yeah.

B: Or one question and then give you some information on another matter. I was scheduled to go to New York tomorrow to open that Show. Do you think I better cancel it and let John go?

HMJr: What show is that?

B: That's the Central Park Show -- War Bond Show, opening up there tomorrow.

- 17 -

HMJr: Oh, I don't think -- I think you better stay in Washington.

B: Yeah, better let John go, hadn't I?

HMJr: Yeah.

B: All right. Now, the other is: I got some information from Clay, but it isn't exactly what you want, but he says he can't get that in time for you, but he thinks this will do.

HMJr: Yeah.

B: Casualties in Italy up to May 30, and this is from the landing on the coast of Italy at Salerno; it doesn't include Sicily.

HMJr: Wait a minute. From Salerno

B: Salerno on

HMJr: on to where?

B: to Rome.

HMJr: Rome.

B: This is up to May 30.

HMJr: When?

B: Up to May 30.

HMJr: You see, there's some God-damn person keeps listening on this phone all the time.

B: I wouldn't be surprised.

HMJr: Yes.

B: This is up to May 30, and they have to go by dates and not by territory.

HMJr: Yeah.

B: Killed:

HMJr: Wait a minute. Yeah.

B: nine thousand

- 18 -

HMJr: Yeah.

B: nine sixty-four.

HMJr: Nine thousand

B: Nine-six-four.

HMJr: Yeah.

B: Wounded:

HMJr: Wait a minute. Operator, won't you get the hell off this wire? That's just for the benefit of the operator.

B: Good. (Laughs)

HMJr: Hello.

B: Wounded:

HMJr: Yes.

B: thirty-eight thousand

HMJr: Thirty-eight thousand

B: five fifty-four.

HMJr: five fifty-four.

B: Missing:

HMJr: Missing:

B: nine thousand ought eleven.

HMJr: How much?

B: Nine thousand ought eleven.

HMJr: Nine thousand ought eleven.

B: Yeah. Total of fifty-seven thousand

HMJr: Fifty-seven thousand

B: five hundred and twenty-nine.

HMJr: five twenty-nine.

- 19 -

B: Yeah.

HMJr: Now, that's what they call "Casualties", isn't it?

B: That's called - that's all casualties, yes.

HMJr: I mean the Army

B: Now, he thinks that that

HMJr: Listen

B: How's that?

HMJr: that's what they call "Casualties", isn't it?

B: That's what they call "Casualties".

HMJr: Has that figure been used before?

B: I don't -- not in that form. It's been used -- it had been used as a total number, and I think they've included Sicily and Italy heretofore together.

HMJr: Yeah.

B: Now he says that - that he thinks that this will give you what you want, because there were very few casualties before they got into Naples.

HMJr: They got where?

B: Got into Naples.

HMJr: I see.

B: The fact of this whole thing is from Naples on, because there were very few casualties from Salerno and before they got to Naples.

HMJr: I see.

B: It will take two or three days more to get the figures you want, because they have to figure out the dates

HMJr: Yeah.

- 20 -

B: ... and then go by dates.

HMJr: Yeah. All right.

B: Is that what you want?

HMJr: No, but I'll - I'll see what I can do.

B: Well, I think you could pretty well cover it by generalizing from Salerno on.

HMJr: Okay.

B: He said he might have them by Monday, but he doubted if he could get them by Monday.

HMJr: Well, if he can, you can send them to us direct in Texarkana.

B: Okay.

HMJr: This would not be any good, because it doesn't fit in with the other figures.

B: I see. But he thinks that substantially all of these are from -- are from Naples on.

HMJr: I see.

B: You certainly could say "more than fifty thousand" or something like that.

HMJr: Yeah.

B: He used the total figure of casualties.

HMJr: Yeah.

B: All right?

HMJr: Yeah, and I don't know whether Harry knew that Fred Vinson called me, and said it had to be the Senator from New Hampshire.

B: No, I don't think he did. Just a moment. (Aside: Did you know that Vinson called him and said that it had to be the Senator from New Hampshire?) No, he said he did not know it.

HMJr: And he said he would get directly in touch with the President.

- 21 -

B: That Vinson would get in touch?

HMJr: Yeah.

B: All right.

HMJr: I've had a terrible connection. I mean, it's awful -- I don't know how it is up there, but I -- somebody's either putting on the switch all the time

B: Yes. Well, it's been very bad. We could hear you, except just at times.

HMJr: Well, now are you men satisfied?

B: Yes. I think we're satisfied. We hope we get it straightened

HMJr: terrible situation with DeGaulle, isn't it?

B: Oh, it's awful. It's getting worse.

HMJr: Yeah.

B: Well, we'll see what we can do. We may -- well, do you want to hear any more about it tomorrow?

HMJr: Yes, I'd like to.

B: If anything develops, we'll let you know.

HMJr: If you please.

B: All right.

HMJr: Thank you.

B: Good-night.

HMJr: Good-night.

June 10, 1944
7:30 p.m.

Dan
Bell: Yes.

War Dept.
Operator: Mr. McCloy.

John
McCloy: Hello.

Bell: Hello, Jack.

M: Yeah. You had a session with the -- with the Secretary, huh?

Bell: Yeah. A damn long one too.

M: (Laughs) Apparently.

Bell: He is - he wants to get this fellow Monnet in a room, put a gun to his - each side of his head, and make him sign a statement as to what he agreed and passed -- agreed to and passed upon on

M: Yeah.

Bell: in connection with this currency issue.

M: Yeah. Yeah.

Bell: He wants to do it tonight, before he gets instructions from the other side.

M: The other side.

Bell: (Laughs)

M: Well, Danny, we'll take a shot at it.

Bell: How can we do it?

M: Well, I'll get hold of him.

Bell: Have you -- you haven't been in touch with him yet?

M: Not yet. I've been sort of holding off, because I've had these telephone calls buzzing all the time, and I wanted to get

- 2 -

M: (cont'd) the President -- this message to the -- White seemed to think that it would be a good idea if I - we sent the President, along with the other papers, a sort of resume of my telephone call

Bell: Yeah.

M: up there, and I just completed dictating that.

Bell: Fine.

M: But I'll - I'll do that. I don't know whether Monnet will respond to that. He's a pretty cagey kind of a guy, you know. If he's got as much sense as I think he has, I know damn well he won't sign it. (Laughs)

Bell: (Laughs) He won't sign it.

M: (Laughs) He won't sign it, but -- because, he'll see the implications of that

Bell: Oh, sure!

M: and I don't think it does a hell of a lot of good either. We can say that he - that he - he agreed with it, and he won't deny it - I'm sure of that.

Bell: We've got a pretty good record. In other words, not a - not a verbatim record, but a memorandum record of each conference

M: Yeah.

Bell: with him.

M: Yeah. Oh, well - I've got this memorandum for the President on that telephone conversation. I was to send that over to Harry White.

Bell: Yeah.

M: Should I send it over to you or is he there?

Bell: Oh, Harry's right here.

M: He's right there. Well, I'll send it -- I'll send it over by a messenger now.

- 3 -

Bell: Send it over to him.

M: Now, we've got this question of whether we ought to issue a statement on our own. You -- without waiting for the English

Bell: Yeah.

M: to agree. Now, what did - did Harry think about that? Did he think we ought to hold off, or as a result of that **British** thing, did he think we ought to go ahead, and did the Secretary have anything to say about it?

Bell: Well, we think we ought to wait.

M: Wait.

Bell: Yeah.

M: So as you don't complicate

Bell: The Secretary was agreeable to that.

M: He was agreeable on that.

Bell: Yeah.

M: So you don't have to wait -- don't have to take the risk of further deteriorating the currency.

Bell: That's right. And he - and he was more concerned about getting something from Monnet

M: Monnet.

Bell: on paper

M: Yeah.

Bell: and he wondered about how we were going to handle this - President's letter. He thought that possibly there ought to be a conference with the President

M: Yeah.

- 4 -

Bell: and some of us ought to go see him.

M: Well, I think maybe there's something in that. I think there's something in that. I thought it would be very difficult to get the President to sign it without a little explanation of the thing.

Bell: Yeah. I did too.

M: Yeah. And I - I think that probably what we better do is - is to -- communicate, I suppose, through the White House when we get -- when we get it all set and ready to go up there, we ought to send up word -- we've got this - this thing is hot

Bell: Yeah.

M: and we'd like to have it -- drive up there and - and explain it to him.

Bell: Yeah. We'd have to do that tomorrow, wouldn't we?

M: Yes. Or send it up -- or shall we send it up without anybody?

Bell: I

M: If we can get hold of Pa Watson or somebody - whoever is up there - on it, and tell them - get him on the phone and tell him what the situation is.

Bell: I doubt if he'd sign any such statement as we're thinking about, without some explanation

M: Without the background on it.

Bell: Yeah.

M: Yeah. I think that's right.

Bell: And the Secretary thought that that might be the right approach. He didn't think it was any of our business as to how DeGaulle signed, but he thought the State Department ought to write that paragraph that discussed that phase of the matter.

- 5 -

M: He asked us -- that is primarily the State Department according to him. Have you cleared that -- have you cleared that with the State Department?

Bell: No No, we have not.

M: No. I think we might get a hold of Ed and get his judgment on it. Wouldn't be anything of yours or mine. Still he's State Department.

Bell: Yeah.

M: And he'd say one thing or the other. Probably what he'd do is say "Put it up to the President", because he's always -- he's very tender on this

Bell: Yeah.

M: this whole French business. Well, I'll send this thing over to you, then I'll stand by to do anything that you think we ought to do tomorrow. Already to, if - if you want me to call the President up, I will. If you, or Harry can do it, or you can do it, well and good.

Bell: Uh - huh.

M: Just let me know. I will not leave town; I'll stay here, so we'll be available all day.

Bell: All right. I'm going to do the same thing.

M: Yeah.

Bell: I think it'll be a good thing to do. I don't -- wait 'til I ask Harry, but I don't think that we'll need you tonight.

M: Okay. I'm perfectly ready to do anything tonight.

Bell: I think it better be in the morning

M: Okay.

Bell: sometime, and then

M: Check. I'll send my resume of his phone conversation over right away.

- 6 -

Bell: Send it over to Harry.

M: Yeah. Right away by hand.

Bell: O.K.

M: And then, ask him now whether he thinks we ought to stick araound, whether he wants me to stick around anymore:

Bell: Said not tonight.

M: He said, "not tonight."

Bell: Be in touch with you the first thing in the morning.

M: The first thing in the morning.

Bell: All right.

M: Good enough.

Bell: All right, Jack.

M: Good-bye.

Bell: Thanks.

Hot Springs, Arkansas
June 10, 1944

Willard B. Simmons, Chairman, Miller County War Finance Committee,
and James R. Bryant, Chairman, Bowie County War Finance Committee,
Texarkana, U. S. A.

I want to congratulate you on the job you have done in already raising more than your share of the sixteen billion dollars which must be secured in the Fifth War Loan drive. This is concrete proof that you really mean business in your civilian D-day. You are backing up those gallant men who now swarm across the English Channel, and fight their courageous way toward Berlin and the end of the European war.

When I come to Texarkana I will have with me some figures that reveal the costs of fighting this war. Within the past week I have talked to General Marshall and other military leaders, who assure me that the war's growing intensity will demand even more money in 1944 than we spent last year. The sixteen billion dollars we must get in the Fifth War Loan is only a small, but nevertheless a vital, part of the total costs of the fighting to come.

The people of the nation have volunteered to finance the war. Up to this time they have done wonderfully well. I know they will continue. The job you have done in Texarkana, so quickly and so willingly, is proof. Congratulations.

Henry Morgenthau, Jr.

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its de- signed character is in- dicated by a suitable symbol above or pre- ceding the address.

WESTERN UNION

1220

SYMBOLS

DL	= Day Letter
NT	= Overnight Telegram
LC	= Deferred Cable
NLT	= Cable Night Letter
Ship Radiogram	

R. B. WHITE
PRESIDENTNEWCOMB GARLTON
CHAIRMAN OF THE BOARDJ. C. WILLEVER
FIRST VICE-PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination

RL140 LG=TEXARKANA ARK 10 1012A

1944 JUN 10 AM 11 30

SECRETARY OF THE TREASURY HENRY MORGENTHAU JR=

:CARE MILLARD BANKS ARLINGTON HOTEL HS=

MR. SECRETARY:

ON THE EVE OF YOUR VISIT TO TEXARKANA TO PARTICIPATE IN OUR CIVILIAN D-DAY PROGRAM OFFICIALLY OPENING THE TREASURY DEPARTMENT'S \$16,000,000,000 FIFTH WAR LOAN DRIVE, WE SALUTE YOU AS THE NATION'S CHIEF FISCAL OFFICER, AND WE SALUTE OUR FIGHTING MEN AROUND THE WORLD, AND REPORT TO YOU AND TO THEM THAT THE \$4,675,000 FIFTH WAR LOAN QUOTA OF TEXARKANA ITS TWO COUNTIES ALREADY HAS BEEN OVERSUBSCRIBED.

WE REGARD OUR ABILITY TO SO INFORM YOU AS CORNERSTONE PROOF THAT IN THIS GRAVE HOUR OF DESTINY, THE HOME FRONT IS FULLY READY TO PLACE AT THE SERVICE OF THE FIGHTING FRONTS EVERYTHING IT HAS OF MATERIAL VALUE FOR WHICH OUR GOVERNMENT MAY FIND IT NECESSARY TO CALL.

WITH THE REPORT GO OUR PRAYERS FOR THE PRESERVATION AND SAFE RETURN OF SO MANY OF OUR MEN IN ARMS AS THE PROVIDENCE WHICH RULES BATTLEFIELDS MAY SPARE.

WE TAKE PRIDE IN MAKING OUR REPORT ONLY INSOFAR AS THE EXAMPLE WHICH TEXARKANIANS AND THEIR NEIGHBORS OF MILLER COUNTY, ARKANSAS, AND BOWIE COUNTY, TEXAS, HAVE

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Regraded Unclassified

CLASS OF SERVICE

This is a full-rate Telegram or Cablegram unless its designated character is indicated by a suitable symbol above or preceding the address.

WESTERN UNION

1220

SYMBOLS

DL = Day Letter

NT = Overnight Telegram

LC = Deferred Cable

NLT = Cable Night Letter

Ship Radiogram

R. B. WHITE
PRESIDENTNEWCOMB CARLTON
CHAIRMAN OF THE BOARDJ. C. WILLEVER
FIRST VICE-PRESIDENT

The filing time shown in the date line on telegrams and day letters is STANDARD TIME at point of origin. Time of receipt is STANDARD TIME at point of destination.

SET MAY SERVE TO INSPIRE OTHER COMMUNITIES THROUGHOUT THE LAND TO MEET WITH EQUAL READINESS THE FIFTH WAR LOAN'S CALLS UPON THEM. ALL OTHER PRIDE WE RESERVE FOR OUR SONS AND OTHER LOVED ONES WHO, AS TROOPS IN SUPPLY LINES AND ON BEACHHEADS AND IN FOXHOLES, AS SAILORS ON AND UNDER THE SEAS, OR AS CAVALRY OF THE SKIES, NIGHT AND DAY ARE OFFERING THEIR LIVES WITHOUT STINT IN THE CAUSE OF FREEDOM=

WILLARD B SIMMONS CHAIRMAN, MILLER COUNTY WAR
FINANCE COMMITTEE

JAMES R BRYANT, CHAIRMAN, BOWIE COUNTY WAR FINANCE
COMMITTEE.

D-DAY \$16,000,000,000 \$4,675,000.

THE COMPANY WILL APPRECIATE SUGGESTIONS FROM ITS PATRONS CONCERNING ITS SERVICE

Room 278

Under Secretary

Exp. Loans A & E

June 10, 1944

To Presidents, Federal Reserve Banks:

Boston, Mass.
New York, N. Y.
Philadelphia, Pa.
Cleveland, Ohio
Richmond, Va.
Atlanta, Ga.

Chicago, Ill.
St. Louis, Mo.
Minneapolis, Minn.
Kansas City, Mo.
Dallas, Texas
San Francisco, Calif.

Dan Bell has kept me constantly advised of the excellent arrangements made by your bank for handling the peak load of the Fifth War Loan not only in the issuance and delivery of securities but also with respect to the detailed daily reports which are such an essential part of any successful sales campaign. It makes a great difference as to manner in which these colossal tasks are approached and I want you to know how much I appreciate the spirit in which you and all your staff are approaching this biggest of all War Loan Drives. Your people are one of the most important units in the army of millions that will make a success of this huge home front operation.

EBH:DWB:NLE

Henry Morgenthau, Jr.
Secretary of the Treasury

(Initialed) D. W. B.

FEDERAL RESERVE BANK
OF NEW YORK

June 10, 1944.

CONFIDENTIAL

Dear Mr. Secretary: Attention: Mr. H. D. White

I am enclosing our compilation for the week ended May 31, 1944, showing dollar disbursements out of the British Empire and French accounts at this bank and the means by which these expenditures were financed.

Very truly yours,

/s/ H. L. Sanford,
Assistant Vice President.

The Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington 25, D.C.

Enc.

C O P Y

TREASURY DEPARTMENT
OFFICE OF THE SECRETARY

June 12, 1944

CONFIDENTIAL

Received this date from the Federal Reserve Bank of New York, for the confidential information of the Secretary of the Treasury, compilation for the week ended May 31, 1944, showing dollar disbursements out of the British Empire and French accounts at the Federal Reserve Bank of New York and the means by which these expenditures were financed.

EMB

ANALYSIS OF BRITISH AND FRENCH ACCOUNTS
(In Millions of Dollars)

Week Ended **May 31, 1944**

Strictly
Confidential

PERIOD	BANK OF ENGLAND (BRITISH GOVERNMENT)										BANK OF FRANCE		
	DEBITS				CREDITS						Total Debits (e)	Total Credits (e)	Net, Incr. (+) or Decr. (-) in Funds (d)
	Total Debits	Gov't Expendi- tures (a)	Transfers to Official Canadian Account	Other Debits	Total Credits	Proceeds of Sales of		Transfers from Official Australian Account	Other Credits (c)	Met. Incr. (+) or Decr. (-) in Funds (d)			
						Gold	Securities (Official) (b)						
First year of war (a)	1,792.2	605.6	20.9	1,166.7	1,828.2	1,356.1	52.0	3.9	416.2	+ 35.0	866.3(r)	1,095.3(r)	+ 299.0
War period through December, 1940	2,782.3	1,425.6	20.9	1,335.8	2,793.1	2,109.5	108.0	14.5	561.1	+ 10.8	878.3	1,098.4	+ 220.1
Second year of war (b)	2,303.0	1,792.2	3.4	407.4	2,189.8	1,193.7	274.0	16.7	705.4	- 13.2	38.9	8.8	- 30.1
Third year of war (c)	1,235.6	904.8	7.7	223.1	1,361.5	21.8	5.5	57.4	1,276.8	+ 125.9	18.5	4.4	- 14.1
Fourth year of war (d)	764.0	312.7	170.4	280.9	1,072.3	-	0.5	155.1	916.7	+ 308.3	10.3	1.0	- 9.3
1943													
September	49.4	16.8	10.6	22.0	86.2	-	-	15.0	71.2	+ 36.8	-	-	-
October	38.2	16.0	-	22.2	115.4	-	-	40.5	74.9	+ 77.2	-	-	-
November	65.9	42.4	5.9	17.6	89.0	-	-	3.5	85.5	+ 23.1	-	-	-
December	98.1	16.3	-	81.8	134.5	-	-	36.5	98.0	+ 36.4	-	-	-
1944													
January	44.6	22.2	10.6	12.0	127.5	-	-	1.0	126.5	+ 52.7	-	-	-
February	143.6	14.3	2.1	127.4	144.5	-	-	29.0	115.5	+ 0.7	-	-	-
March	152.9	71.1	12.5	69.3	133.3	-	-	24.5	108.8	- 19.6	-	-	-
April	134.8	14.9	-	119.9	122.2	-	-	27.5	94.7	- 12.6	-	-	-
May	125.1	28.8	8.1	88.2	164.7	-	-	37.0	127.7	+ 39.6	-	-	-
June													
July													
August													
Week Ended													
May 10, 1944	19.7	10.7	-	9.0	25.2	-	-	-	25.2	+ 5.5	-	-	-
17	12.0	2.1	1.0	8.9	18.2	-	-	5.0	13.2	+ 6.2	-	-	-
24	26.5	8.2	7.1	11.2	68.1	-	-	15.0	53.1	+ 41.6	-	-	-
31	12.9(1)	6.0	-	6.9(1)	13.1(r)	-	-	1.0	12.1(r)	+ 0.2	-	-	-

Average Weekly Expenditures Since Outbreak of War

France (through June 19, 1940) 519.6 million

England (through June 19, 1940) 327.6 million

England (through June 20, 1940 to March 12, 1941) 54.9 million

England (since March 12, 1941) 21.2 million

See attached sheet for footnotes.

Regraded Unclassified

- (a) Includes payments for account of British Ministry of Supply Mission, British Supply Board, Ministry of Supply Timber Control, and Ministry of Shipping.
- (b) Estimated figures based on transfers from the New York Agency of the Bank of Montreal, which apparently represent the proceeds of official British sales of American securities, including those effected through direct negotiation. In addition to the official selling, substantial liquidation of securities for private British account occurred, particularly during the early months of the war, although the receipt of the proceeds at this Bank cannot be identified with any accuracy. According to data supplied by the British Treasury and released by Secretary Morgenthau, total official and private British liquidation of our securities through December, 1940 amounted to \$334 million.
- (c) Includes about \$85 million received during October, 1939 from the accounts of British authorized banks with New York banks, presumably reflecting the requisitioning of private dollar balances. Other large transfers from such accounts since October, 1939 apparently represent current acquisitions of proceeds of exports from the sterling area and other accruing dollar receipts. See (k) below.
- (d) Reflects net change in all dollar holdings payable on demand or maturing in one year.
- (e) For breakdown by types of debits and credits see tabulations prior to March 10, 1943.
- (f) Adjusted to eliminate the effect of \$20 million paid out on June 26, 1940 and returned the following day.
- (g) For monthly breakdown see tabulations prior to April 23, 1941.
- (h) For monthly breakdown see tabulations prior to October 8, 1941.
- (i) For monthly breakdown see tabulations prior to October 14, 1942.
- (j) For monthly breakdown see tabulations prior to September 29, 1943.
- (k) Includes \$ 4.9 million apparently representing current and accumulated dollar proceeds of sterling area services and merchandise exports, and \$5.0 million in connection with the expenses of our armed forces abroad.
- (l) Includes \$2.0 million transferred to account of Reserve Bank of South Africa at this bank.

ANALYSIS OF CANADIAN AND AUSTRALIAN ACCOUNTS
(In Millions of Dollars)

Week Ended May 31, 1944

Strictly
Confidential

PERIOD	BANK OF CANADA (and Canadian Government)									COMMONWEALTH BANK OF AUSTRALIA (and Australian Government)							
	DEBITS				CREDITS					DEBITS			CREDITS				
	Total Debits	Transfers to Official British A/C	Others	Total Credits	Proceeds of Gold Sales	Transfers from Official British A/C			Net Incr. (+) or Decr. (-) in \$Rnds	Total Debits	Transfers to Official British A/C	Others	Total Credits	Proceeds of Gold Sales	Others	Net Incr. (+) or Decr. (-) in \$Rnds	
						For Own A/C	For French A/C	Other Credits									
First year of war (a)	323.0	16.6	306.4	306.7	412.7	20.9	38.7	32.4	+ 181.7	31.2	3.9	27.3	36.1	30.0	6.1	+ 4.9	
War period through December, 1940	477.2	16.6	460.6	707.4	534.8	20.9	110.7	41.0	+ 230.2	57.9	14.5	43.4	62.4	50.1	12.3	+ 4.5	
Second year of war (b)	460.4	-	460.4	462.0	246.2	3.4	123.9	88.5	+ 1.6	72.2	16.7	55.5	81.2	62.9	18.3	+ 9.0	
Third year of war (c)	525.8	0.3	525.5	566.3	198.6	7.7	-	360.0	+ 40.5	107.2	57.4	49.8	112.2	17.2	95.0	- 5.0	
Fourth year of war (d)	723.6	-	723.6	958.8	47.1	170.4	-	741.3	+ 235.2	197.0	155.1	41.9	200.4	-	200.4	+ 3.4	
1943																	
September	47.2	-	47.2	70.1	-	10.6	-	59.5	+ 22.9	16.8	15.0	1.8	20.0	-	20.0	+ 3.2	
October	32.1	-	32.1	71.3	-	-	-	71.3	+ 39.2	42.8	40.5	2.3	26.5	-	26.5	- 16.3	
November	15.4	0.1	15.3	95.1	-	5.9	-	89.2	+ 79.7	6.6	3.5	3.1	18.2	-	18.2	+ 11.6	
December	146.8	0.3	146.5	55.1	-	-	-	55.1	- 91.7	39.7	36.5	3.2	27.0	-	27.0	- 12.7	
1944																	
January	32.3	-	32.3	78.5	-	10.6	-	67.9	+ 46.2	6.0	1.0	5.0	11.3	-	11.3	+ 5.3	
February	25.4	-	25.4	118.5	23.1	2.1	-	93.3	+ 93.1	31.3	29.0	2.3	28.6	-	28.6	- 2.7	
March	30.3	0.5	29.8	88.6	15.0	12.5	-	61.1	+ 58.3	27.6	24.5	3.1	29.9	-	29.9	+ 2.3	
April	183.6	-	183.6	96.7	-	-	-	96.7	- 86.9	29.5	27.5	2.0	39.4	-	39.4	+ 9.9	
May	154.2	-	154.2	86.3	-	8.1	-	78.2	- 67.9	42.6	37.0	5.6	39.6	-	39.6	- 3.0	
June																	
July																	
August																	
Week Ended																	
May 10, 1944	64.9	-	64.9	25.8	-	-	-	25.8	- 39.1	-	-	-	5.1	-	5.1	+ 5.1	
17	43.7	-	43.7	23.5	-	1.0	-	22.5	- 20.2	8.5	5.0	3.5	15.4	-	15.4	+ 6.9	
24	36.0	-	36.0	14.8	-	7.1	-	7.5	- 21.4	15.1	15.0	0.1	15.1	-	15.1	(1)	
31	8.7(f)	-	8.7	9.9(f)	-	-	-	9.9(g)	+ 1.2	1.0	1.0	-	3.3(h)	-	3.3(h)	+ 2.3	

Average Weekly expenditures for

First year of war	6.2 million.
Second year of war	8.9 million.
Third year of war	10.1 million.
Fourth year of war	13.9 million.
Fifth year of war (through May 31, 1944)	17.1 million.

- (a) For monthly breakdown see tabulations prior to April 23, 1941.
 (b) For monthly breakdown see tabulations prior to October 8, 1941.
 (c) For monthly breakdown see tabulations prior to October 14, 1942.
 (d) For monthly breakdown see tabulations prior to September 29, 1943.
 (e) Reflects changes in all dollar holdings payable on demand or maturing in one year.
 (f) Does not reflect transactions in short term U. S. securities.
 (g) Includes \$ 2.2 million deposited by War Supplies, Ltd.
 and \$ 6.5 million received from New York account of Canadian Chartered Bank.
 (h) Includes \$3.0 million in connection with the expenses of our armed forces abroad.
 (i) Less than \$5,000.

Regraded Unclassified

Report of the War Refugee Board
for the Week of June 5 - 10, 1944

TEMPORARY HAVENS FOR REFUGEES IN THE UNITED STATES

Confirming the announcement made at his press conference on May 30, President Roosevelt outlined to the press on June 9 details of the plan whereby 1,000 refugees are to be brought to this country immediately from Italy, outside of the regular immigration procedure. An historic Army camp, Fort Ontario, at Oswego, New York, has been set aside as an Emergency Refugee Shelter for these refugees for the duration of the war.

In directing Ambassador Robert Murphy in Algiers to arrange for the immediate departure of these refugees from southern Italy, the President cabled:

"Information available to me indicates that there are real possibilities of saving human lives by bringing more refugees through Yugoslavia to southern Italy. I am also informed that the escape of refugees by this route has from time to time been greatly impeded because the facilities in southern Italy for refugees have been overtaxed. I am advised that this is the situation at the present moment and that accordingly possibilities of increasing the flow of refugees to Italy may be lost.

"I understand that many of the refugees in southern Italy have been and are being moved to temporary havens in areas adjacent to the Mediterranean and that efforts are being made to increase existing refugee facilities in these areas. I am most anxious that this effort to take refugees from Italy to areas relatively close by be intensified.

"At the same time I feel that it is important that the United States indicate that it is ready to share the burden of caring for refugees during the war. Accordingly, I have decided that approximately 1,000 refugees should be immediately brought from Italy to this country, to be placed in an Emergency Refugee Shelter to be established at Fort Ontario near Oswego, New York, where under appropriate security restrictions they will remain for the duration of the war. These refugees will be brought

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into this country outside of the regular immigration procedure just as civilian internees from Latin American countries and prisoners of war have been brought here. The Emergency Refugee Shelter will be well equipped to take good care of these people. It is contemplated that at the end of the war they will be returned to their homelands.

"You may assume that the Emergency Refugee Shelter will be ready to receive these refugees when they arrive. I will appreciate it therefore if you will arrange for the departure to the United States as rapidly as possible, consistent with military requirements, of approximately 1,000 refugees in southern Italy. You may call upon representatives of the War Refugee Board in Algiers to assist you in this matter. The full cooperation of our military and naval authorities should be enlisted in effecting the prompt removal and transportation of the refugees.

"In choosing the refugees to be brought to the United States, please bear in mind that to the extent possible those refugees should be selected for whom other havens of refuge are not immediately available. I should however like the group to include a reasonable proportion of various categories of persecuted peoples who have fled to Italy.

"You should bear in mind that since these refugees are to be placed in a camp in the United States under appropriate security restrictions, the procedure for the selection of the refugees and arrangements for bringing them here should be as simple and expeditious as possible, uncomplicated by any of the usual formalities involved in admitting people to the United States under the immigration laws.

"However, please be sure that the necessary health checks are made to avoid bringing here persons afflicted with any loathsome, dangerous or contagious disease.

"If you encounter any difficulties in arranging for the prompt departure of these refugees please let me know."

Cooperation of Other Government Agencies Assured

At the same time the President despatched the following memorandum to the Secretaries of War, Navy and Interior,

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and to the Director of the Budget, as well as to the Executive Director of the Board:

"There is attached a cable which I have despatched to Robert Murphy in Algiers, requesting that he make arrangements for the departure to the United States as rapidly as possible of approximately 1,000 refugees now in southern Italy.

"These refugees will be brought into this country outside of the regular immigration procedure and placed in Fort Ontario near Oswego, New York. While the War Refugee Board is charged with the overall responsibility for this project, the Army shall take the necessary security precautions so that these refugees will remain in the camp and the actual administration of the camp is to be in the hands of the War Relocation Authority.

"Accordingly, the following steps should be taken as expeditiously as possible:

- "(1) The War Department and the Navy Department shall send whatever instructions are necessary to the military authorities in Italy and North Africa to expedite the transportation of these refugees to the United States.
- "(2) The War Department shall arrange to furnish and properly equip Fort Ontario to receive these refugees; shall arrange for their transportation from the port of arrival to the camp; and shall arrange for the necessary security precautions.
- "(3) The War Relocation Authority shall make arrangements to handle the actual administration of the camp, which will be designated as an Emergency Refugee Shelter.
- "(4) Until UNRRA is in a position to assume the financial responsibilities involved, the Bureau of the Budget shall make arrangements for financing the project; using to the extent possible any available funds of the War Department, the War Relocation Authority, and the War Refugee Board, and from the Foreign War Relief appropriation, and if necessary drawing upon the President's Emergency Fund."

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U. S. Missions Asked to Act

As a result of the President's action, we are now in a stronger position to urge Allied and neutral countries to expend existing refugee facilities. Moreover, by opening our own doors to a limited number of refugees we are bringing new hope to all the oppressed peoples of Europe.

We are promptly communicating to Ambassador Winant in London the text of the President's cable to Murphy in Algiers, as well as certain other details with respect to the establishment of the Emergency Refugee Shelter. Winant is being asked to bring the President's action to the attention of the British Government and to emphasize its significance. We are also asking that Winant explore with the British the question of expanding existing refugee facilities in the Mediterranean and of finding new havens of refuge in that area. The possibility of taking refugees to Cyprus, as suggested by the President, is likewise to be explored.

In similar cables to our Missions in Portugal, Spain, Sweden, Switzerland and Turkey, we are asking that it be made clear to the governments of these various countries that we are determined to find havens of refuge for all persecuted peoples who can escape from German-controlled territory. With this principle in mind, our representatives are to explore carefully with the governments to which they are accredited all possible means by which they can facilitate the rescue and relief of the victims of enemy oppression.

We are also asking that our representatives abroad do everything possible, consistent with the military situation, to publicize the President's action in enemy territory as well as in the various neutral countries.

A circular airgram along the same lines is being despatched to our Missions in Latin America.

Public Response Heartening

Since the President's original announcement to the effect that he favored the establishment of temporary havens for war refugees in this country and elsewhere, we have received a number of telegrams of congratulation. News coverage and editorial comment have likewise been encouraging. Editorials endorsing the President's move promptly appeared in the New York Times, the New York

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Herald Tribune, the New York Post, the Baltimore Sun, the Washington Post, and the Washington Evening Star, among others. The latter editorial, which appeared on June 10, said in part:

"President Roosevelt's announcement that 1,000 European refugees will be granted temporary shelter in this country will be welcomed by all who have given any thought to the plight of those great numbers of people who have been uprooted by the war and put to flight by the Nazis. Life has dealt harshly with these men, women and children, and they need the support of every nation that can serve as a haven for them. Heretofore the United States has limited its assistance to diplomatic efforts to establish homes for them in other lands; now, on the strength of the President's decision, we shall share directly in the task of caring for them In view of the dimensions of the problem, the number seems surprisingly small and perhaps we shall find it desirable, later on, to open our doors to many more -- a gesture contemplated by a Congressional proposal to set up several "free ports" to accommodate additional thousands. In any event, no one with the least humanitarian impulse will question the fitness of Mr. Roosevelt's action; it is simply a step in recognition of the moral responsibility which every nation, in a position to help, bears toward the oppressed and stricken of the world."

EVACUATIONS TO AND THROUGH ITALY

Our efforts to find still other places of refuge relatively close by southern Italy have been intensified. In pressing for the establishment of refugee centers elsewhere, we have encountered real evidence of the fact that by opening our own doors for the duration of the war to even so limited a number of refugees, our hand has been materially strengthened.

Temporary Refuge in Palestine

According to a cable from Ambassador Winant, the head of the Refugee Department of the British Foreign Office, in response to our proposal that Jewish refugees be removed from southern Italy and cared for temporarily in Palestine, has now indicated that the British have no fundamental objection to such evacuations. It was pointed out by the Foreign Office, however, that facilities in Palestine for

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the reception of such refugees are not unlimited and that it has thus far been the policy of the British Government to facilitate the entry primarily of those refugees whose lives were in immediate danger, such as those now in Hungary.

According to a cable from the U. S. Consulate in Jerusalem, a group of 769 Jewish immigrants arrived in Palestine via Egypt on June 2. Of these, 571 are reported to have come on the Polish steamer "Batori" from Italy, where they had been confined in camps at Ferramonte, Santa Maria and Bari.

U. S. and Britain Jointly to Establish Haven in Tripolitania

The British have also responded to our own gesture by agreeing to the establishment of a refugee camp in Tripolitania, former Italian colony in North Africa. The cost of maintaining this camp is to be shared by the U. S. and British Governments.

According to Ambassador Winant, the head of the Refugee Department of the Foreign Office informally stated that such a camp should be able to accommodate between 1,000 and 1,5000 people. It was indicated that obtaining adequate medical and administrative personnel is expected to be the greatest difficulty, and suggestions on this matter were invited.

With respect to the possibility of setting up a temporary haven in Cyrenaica, Winant was confidentially advised that the political problems involved are so acute that the British have reluctantly concluded that the establishment of such a center there is absolutely impossible.

RELIEF THROUGH THE BLOCKADE TO COOPERATING NEUTRALS

We have also been advised by Winant that the British, in response to our approaches, are now prepared to instruct their representatives in Turkey, Spain and Portugal to join with our representatives in giving assurances that if a more generous policy toward receiving and caring for refugees is adopted by these countries, the provision of additional supplies will be arranged to meet the needs of such new refugees. It was pointed out that the word "provision" is preferred by the British in place of the word "shipment," since it was felt that the general shipping situation might make it impossible to send supplies by means of Allied ships.

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FOOD AND CLOTHING STOCKPILES IN NEUTRAL COUNTRIES

Although it had been proposed on several occasions in the past that foodstuffs and clothing in package form be shipped to the International Red Cross for distributing to unassimilated groups in enemy territory, such proposals have previously been rejected, primarily because adequate assurances were lacking that the relief provided would go to the intended beneficiaries and not to the enemy.

Because of the alarming scarcity of food and clothing in neutral markets at the present time, the International Red Cross has again urged that we create stockpiles of food and clothing parcels to be held in Geneva and at other neutral locations for distribution exclusively to unassimilated groups in camps. In transmitting this request Minister Harrison strongly recommended favorable action. The concurrence of State and the Foreign Economic Administration in this matter has now been obtained.

SITUATION IN HUNGARY

According to information transmitted by our Legation in Bern, steps recently taken in Hungary are unmistakable preliminaries to the mass deportation and extermination of the Jewish population, especially in the Carpatho-Russian and Marmaros regions. The number of persons immediately involved is said to be about 200,000, with all signs pointing to the extension of such actions to the Jewish population in Hungary proper.

From all reliable reports, including stories appearing in the Hungarian press, the Hungarian population has not sympathized with the brutal anti-Jewish measures reported. On the contrary, Hungarians in general are reported to have sided openly with the persecuted Jews and to have tried to aid them by furnishing food and clothing.

Hungarian authorities are said to have taken severe measures to isolate the camps in which these people have been placed. According to one newspaper account, the mass attempt on the part of the general public to get food and clothing to Jews in concentration areas has been an "incomprehensible phenomenon. As a result, the authorities have been forced to take the necessary police measures to cut off such Jews from all contact with the population."

The lot of the Jews in such improvised camps is said to be wretched. The cattle markets, tile factories, and wood yards in which they are confined are reported to be almost completely devoid of sanitary facilities. In many instances,

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thousands of men, women and children, along with the sick and the aged, are forced to live in the open under frightfully over-crowded and degrading conditions. Since the persons confined in these camps were permitted to take nothing with them in the way of blankets or covers, it has become tragically obvious, according to this report, that a great many of them will die from exposure as well as from disease and slow starvation, even before they are jammed into cattle cars for deportation.

It was urgently suggested through our Legation in Bern that an attempt be made to persuade the Soviet Government to issue a declaration on atrocities against Jews similar to that issued by President Roosevelt late in March. It was stated that since Soviet armies are standing on the frontiers of Hungary and since there is already a mortal fear of the Russians in the hearts of a large number of "collaborators" in Hungary, a declaration by the Soviet Union would have all the more weight. Moreover, it was urged that any such Russian declaration be publicized in pamphlet form, as well as over the radio, since most Hungarians in the regions concerned do not have radios.

It was also indicated that certain channels of particular value, especially Communist, would be opened up through which relief and rescue operations from Switzerland could be carried on in the Balkans if such a Soviet declaration were to be forthcoming.

Soviet Cooperation to be Solicited

The substance of these reports has been communicated to Ambassador Harriman in Moscow. Harriman has been asked to relay to appropriate Soviet authorities the nature of these reports, along with the text of the statement recently directed to Hungarians by the Senate Foreign Relations Committee, in an effort to obtain Soviet action along the lines suggested.

Spanish Relations with Hungarian Regime

Ambassador Hayes has informed us that, in response to certain inquiries directed to the Spanish Foreign Office with respect to the situation in Hungary, he has been advised that the measures taken by the Germans thus far in Hungary have applied mainly to Czech, Polish and German Jews. The Spanish "representative" in Budapest is said to have reported that the Sephardic Jews, for example, have not been confined in concentration camps, nor had he been unduly hindered in carrying out his instructions

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to make arrangements for evacuating these people. It was his hope, the Foreign Office added, that the Germans would be sufficiently preoccupied in organizing Hungary for waging war to prevent their taking steps similar to those taken in Poland.

Hayes reported having urged that instructions be sent to Budapest directing the Spanish "representative" and his staff to be as active there as possible, since their presence might have a deterring effect on the Germans. The Spanish Foreign Office is said to have agreed to this.

In view of the fact that the Foreign Office went out of its way throughout the interview to refer to its envoy in Hungary as a "representative" and not as a Minister, Hayes felt that it would be useless to suggest that additional personnel be sent to the Spanish mission in Hungary, especially since such action would be against Spain's current policy of minimizing its connections with the present Hungarian regime.

Portuguese Relations with Hungarian Government

Minister Norweb has advised us from Lisbon that in his opinion representations to the Portuguese Government with respect to enlarging the Portuguese mission in Hungary would be impolitic and perhaps even prejudicial to the favorable attitude now existing in Portugal with respect to the reception of refugees. Norweb pointed out that as a result of having made fairly strong representations, following the invasion of Hungary, seeking to persuade the Portuguese Government not to recognize the puppet government in Budapest, it would seem inappropriate that he now approach the Portuguese with the proposed request. As a practical matter, and aside from this consideration, Norweb voiced grave doubts that the Germans would allow any increase in personnel in the Portuguese mission in Hungary at this time.

Report from Sweden.

Minister Johnson has reported that, in response to his inquiry, the Swedish Foreign Office replied that thus far no information has been received from its Budapest Legation to indicate that the mass annihilation of Jews in Hungary is contemplated.

Turkish Position vis-a-vis the Hungarian Government

According to a cable from Ambassador Steinhardt, Hungarian-Turkish relations are virtually non-existent at

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the present time, due to the strain resulting from the Turkish Government's having materially reduced the shipment of strategic materials to Hungary, at the request of the Allies. Steinhardt indicated that the Turkish Government therefore does not feel that it is in a position to ask the Hungarian Government for permission to expand the Turkish diplomatic and consular force in Hungary, as we had requested. Moreover, it was reported that the Turkish authorities were convinced that any such request would be refused, especially since the Germans would have to approve it.

In Steinhardt's opinion, any approach to the Hungarian Minister in Ankara or to his staff in an effort to restrain the Hungarian Government in its persecution of Jews would be of no use whatever, since their pro-Nazi attitude is notorious.

With respect to the suggestion that the Turks be asked to allow refugees to enter Turkey without Turkish visas, Steinhardt indicated that the acceptance of such a proposition by the Turks is an extremely remote possibility. In this connection Steinhardt pointed out that in obtaining permission for Jewish refugees to enter and pass through Turkey without Turkish visas, he has had to make separate representations to the Foreign Minister concerning each group or individual upon arrival.

Approach Proposed to Hungarian Government through the Swiss

In a cable to Minister Harrison and Board Representative McClelland in Bern we have indicated that we have had under consideration the advisability of asking the Swiss Government to address an inquiry on behalf of this Government to appropriate authorities in Hungary, asking them to state their intentions with respect to the future treatment to be accorded Jews in ghettos and concentration camps and, more specifically, whether they contemplate forced deportations to Poland or elsewhere, the imposition of discriminatory reductions in food rations, or the adoption of any other such measures. At the same time the Swiss Government would be requested to remind Hungarian authorities of the grave view which this Government takes with respect to the persecution of Jews and other minorities, and of our determination to see to it that all those who share the responsibility for such acts are properly dealt with when hostilities cease. The widest possible publicity in Hungary, through broadcasts and otherwise, would be given such a request when made.

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Harrison and McClelland have been asked to give careful consideration to this matter, and unless they are of the opinion that positive disadvantages would be involved, they are to proceed promptly to make the requests outlined.

EVACUATIONS TO AND THROUGH TURKEY

According to word reaching Minister Harrison in Bern, when the German Legation at Bucharest was asked by the Rumanians to grant safe-conduct for the "S.S. Tarz," the Rumanians were told that the German authorities would not be opposed to such evacuation operations from Rumania provided they were not directed toward the countries with Arabian interests, including Palestine. It was explained that the Germans consider the Arabs their friends and have no intention of aiding immigration viewed with disfavor by the Arabs.

Harrison pointed out that although such a position does not necessarily mean that the Germans would permit the emigration of Jews from Rumania to non-Arabian countries, there might be such a possibility which we would want to explore.

German Safe-Conduct for "Bardaland" Denied

We have now heard from Ambassador Winant in London that, according to the British Foreign Office, the Germans have likewise refused to grant safe-conduct for the "Bardaland." Statements of the British Foreign Office in this connection tend to support the conclusion that it is settled German policy to refuse to facilitate in any way the evacuation of Jews to Palestine.

Winant indicated that the British therefore intended to accept notice of the sailing of the "Bardaland" from Piraeus on June 10, as previously scheduled, unless there were objections on our part.

We promptly cabled Winant, urgently requesting that the British withhold acceptance of the "Bardaland's" sailing. Winant was asked to approach the Swedish Government at once with the request that the Germans be asked to grant safe-conduct for the "bardaland" for voyages across the Black Sea from Rumania to Turkey, with the assurance to the Germans that refugees evacuated on the "Bardaland" would be taken to havens of refuge other than Palestine.

We have also asked that Winant convey to the British Foreign Office our conviction that if the German refusal of safe-conduct for evacuation voyages across the Black

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Sea is based upon their opposition to taking such refugees to Palestine, the British and American Governments should leave no stone unturned in attempting to find havens of refuge elsewhere. It was suggested that Winant refer specifically to the possibility of taking such refugees to Cyprus, Tripolitanis, and Cyrenaica.

A cable subsequently received from Minister Johnson in Stockholm confirmed the Germans' refusal of safe-conduct for the "Bardaland." We are advising Johnson of our instructions to Winant in this connection, and Johnson is to discuss with the Swedish Government the possibility of again taking up the matter with the Germans on the basis of the assurances proposed.

WRB Representative Returning to Istanbul

Arrangements have been completed for the return to Turkey of Board Representative Ira Hirschmann, who is now en route there. Herbert Katzki is being sent to Ankara to serve as Hirschmann's Administrative Assistant.

Rescue Work to be Centralized under WRB Representative

Ambassador Steinhardt has advised us that the Secretary General of the Turkish Foreign Office has proposed that all requests for aid on behalf of Jewish refugees hereafter be made of the Foreign Office through the Board's representative in Ankara or, in his absence, by some other officer of our Embassy there. Steinhardt indicated that he, too, was of the opinion that more satisfactory progress with greater speed and less confusion will be made if the Jewish refugee work is centered in the hands of permanent representatives situated in Turkey and under Hirschmann's supervision on his return. Steinhardt pointed out that competitive bidding in Turkey on the part of an increasing number of organizations and individuals merely tends to increase the cost of rescue operations without increasing the limited number of vessels available for such purposes.

Plans for the "Bardaland" Re-examined

In another cable from Ankara, Steinhardt has indicated that, while he does not believe that the Turkish Government would have any objection to the proposed refitting of the "Bardaland" at Istanbul with the necessary passenger accommodations, information reaching him indicates that material and labor facilities for such work are greatly limited. Delays are said to be interminable and the cost highly excessive under present conditions. Steinhardt

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could suggest only one alternative: refitting the "Bardaland" in some Egyptian port where British naval facilities might be made available upon request.

In connection with the proposed destination of Istanbul in place of Haifa, Steinhardt again stressed the limited nature of rail facilities across Turkey to Palestine. The fear was voiced that if many refugees should be landed from the "Bardaland" at Istanbul for movement by rail to Palestine, the resulting congestion might threaten the constant "illegal" transportation of refugees already tacitly sanctioned by the Turkish Minister.

"Tari" to Remain at Our Disposal

In order to keep the "Tari" at our disposal on short notice in the event a Bulgarian or German safe-conduct is eventually obtained, and at the same time avoid having to pay the penalty of £ 5,000 in Turkish money per day that has been demanded of us for non-use of the "Tari," Ambassador Steinhardt has persuaded the Turkish Minister to issue instructions permitting the "Tari" to be used by the State Steamship Lines for short voyages between Istanbul and Izmir or Samsun, on the understanding that none of the accommodations put in for refugees are to be disturbed and that the ship will be available to us when each such voyage is completed. Under the arrangements made, no such interim trip of the "Tari" is to last over two weeks.

With respect to further "illegal" voyages by such boats as the "Bellacitta" and the "Milka," it was indicated that no definite schedule exists, nor can any prediction be made with any degree of accuracy because of the clandestine nature of their operations.

EVACUATIONS TO AND THROUGH SPAIN

According to a communication from Madrid, certain rescue and relief operations authorized under a license issued by the Treasury in March are apparently being carried on in Spain, despite certain objections previously raised by Ambassador Hayes.

In a cable to Madrid we are indicating that our views on this matter will be discussed with Hayes by James G. McDonald, who is now awaiting completion of technical arrangements before his departure on a special Board mission to Spain. We are suggesting that if more immediate information is desired on these matters, Hayes may wish

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to get in touch with Assistant Executive Director James Mann, who reached Lisbon recently and is conferring there with Minister Norweb and Board Representative Dexter concerning problems confronting the Board in Portugal. We are also indicating that, if Hayes desires, Mann could proceed to Madrid for a conference immediately after completion of his mission in Lisbon.

Evacuations to North Africa

Board Representative Ackermann advised us from Algiers that the British, who are charged with transporting refugees from Spain to French North Africa, had indicated that the French ship originally assigned to embark some 700 refugees on June 7 was taken off this run by the French for another trip, and will not be ready to move refugees until the latter part of June.

Ambassador Hayes also cabled his concern, upon learning from the British that shipping would not be made available as scheduled.

Ackermann subsequently indicated that, with the assistance of War Shipping Administration representatives in Algiers, a new tentative date for the ship's sailing from Spain has been set for somewhere around June 25. A definite date is to be set about June 15.

Since a French ship is to be used, French authorities are said to have asked whether pesetas are to be paid for port dues in Spain. This question was in turn referred to us, and we have arranged for up to 100,000 pesetas to be made available in Madrid for this purpose. Ackermann has now been asked to inform Hayes of the amount of pesetas necessary, as well as the names of the persons to whom such pesetas should be delivered.

Evacuation of Children to Tangier

According to a communication from our Legation in Tangier, favorable consideration has been given by the High Commissioner there to the request of the Jewish communities of Tangier and Tetuan that 500 refugee children be permitted to go to Tangier temporarily from Hungary. The High Commissioner is said to have stated that since Madrid would have to make the final decision, the request was forwarded by him with a favorable recommendation. The important question, it was said, is not so much a financial one as finding the necessary supplies in Tangier for the children.

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EVACUATIONS TO AND THROUGH PORTUGAL

According to information received from the Unitarian Service Committee, the President of Mexico has personally agreed to the issuance of 500 Mexican residence visas to certain Spanish and other refugees in hiding in Portugal. These visas to be issued by the Mexican Minister in Lisbon at his discretion. In a cable to Minister Norweb and Board Representative Dexter in Lisbon, we are asking for a prompt report as to the manner in which the granting of U. S. transit visas could best be accomplished for these refugees, in view of the danger to the applicants if they should be apprehended by the International Police before they are in possession of both Mexican residence and U. S. transit visas.

EVACUATIONS TO AND THROUGH SWEDEN

We have arranged for the transfer of \$50,000 to Board Representative Olsen in Stockholm for use in connection with the rescue of persons now in hiding in the Baltic States.

The remittance to Stockholm of \$10,000 by the Union of Orthodox Rabbis has been authorized by the Treasury, upon our recommendation, to be used for rescue operations in the Baltic countries, as authorized by Board Representative Olsen.

EVACUATIONS TO AND THROUGH SWITZERLAND

In a detailed report Board Representative McClelland has informed us that, after a careful examination of rescue and relief possibilities from Switzerland, he has concluded that any really effective action must be taken through underground channels.

After careful consideration of McClelland's findings, we are arranging for \$125,000 to be sent at once to Bern for certain urgent relief and rescue projects outlined.

Rescue of Abandoned Children from France

In a cable to Bern, in response to a suggestion recently made by McClelland, we are indicating our feeling that the issuance of U. S. visas to children who entered Switzerland prior to 1944 would not accomplish the purpose for which the visas were made available. We are pointing out that the principal motivation behind the authorization of these visas was the encouragement such authorization might give to the Swiss Government to permit the entrance

- 16 -

of still other child refugees. We are asking McClelland to let us know, however, if, after consultation with Minister Harrison and appropriate Swiss authorities, there is any reason to believe that the escape of child refugees into Switzerland would be accelerated by the issuance of visas to children who arrived there prior to January 1 of this year.

RECOGNITION OF LATIN AMERICAN PASSPORTS

We have been advised by Minister Harrison that the Swiss Foreign Office has now furnished our Legation therewith the names and citizenship claims of 162 persons removed by the Germans from Camp Vittel to an unknown destination.

Our Embassy in Madrid has transmitted the text of a note received from the Spanish Ministry of Foreign Affairs in response to our request that the Spanish Government make representations to the Germans for the return of the internees removed from Vittel. This note stated in substance that since Switzerland is charged with the protection in Germany of North American interests, as well as those of the majority of the South American Republics, except for Bolivia and Paraguay, it would be advisable if our request were directed to the Swiss Government, "thus avoiding any misinterpretation which might arise should the Spanish Government carry out the desired intervention."

Charge d'Affaires Butterworth has reported that, in reply, he informed the Spanish Ministry that representations have, in fact, already been made to the Swiss Government on this score. Butterworth pointed out that the request addressed to the Spanish Government had been put forward on a humanitarian basis. He also indicated that there was reason to believe that the Vittel group contains a number of persons holding documentation issued in the names of the governments of certain American Republics with whose interests the Spanish Government has been entrusted.

Chilean Government Acts

We have been informed by our Embassy in Santiago that, according to a letter from the Chilean Ministry of Foreign Affairs, our representations concerning the Vittel group are being supported by Chile in both Madrid and Bern.

Cuba to Protect Passport Holders

Ambassador Braden has advised us from Havana that the Cuban Minister of State has informed the Netherlands Embassy

- 17 -

in Washington, which had previously made inquiry about the matter, that the Cuban Government will not permit the validity of any of its passports to be questioned by the Germans. Braden indicated, however, that there was an oral reservation not transmitted to the Netherlands Embassy, to the effect that if conclusive proof were presented regarding the falsification of a Cuban passport, the Minister of State could not insist upon its recognition because of his feeling that to do so might endanger the holders of legitimate passports.

In cables to our Missions in Cuba, Nicaragua, Peru and Uruguay, we are pressing for certain more active steps in connection with the protection and rescue of Latin American passport holders.

AMERICAN EXCHANGE STANDARDS BROADENED

Certain necessary steps have now been taken as a preliminary to placing before the German Government concrete proposals involving the exchange of persons bearing American Republics' documentation but now detained by the Germans in concentration camps.

Recent German-American Republics' exchanges, such as that accomplished by means of the "Gripsholm" earlier this month, have been limited in theory to small numbers of bona fide American nationals nominated by their governments in accordance with a restrictive joint resolution of the American Republics adopted last year by the Emergency Advisory Committee for Political Defense. One reason for the strict limitations embodied in this resolution was the general desire to prevent the return to Germany of individuals capable of aiding her war effort.

Since the security requirements reflected in this resolution have substantially declined in importance, and in view of the fact that recent actions on the part of the Germans indicate that the lives of many holders of Latin American passports are in increasing danger, a new resolution was drafted and, with the joint approval of the State Department and the Board, forwarded to Montevideo. In this draft resolution the way was paved for the progressive exchange of all non-Germans, including Jews and persons of doubtful nationality interned or otherwise confined in German territory, against German nationals currently residing in the Western Hemisphere. First consideration in any exchange effected, however, would be given to persons bearing passports, visas, or other documentation of non-European origin.

This resolution was subsequently unanimously approved by the Committee on May 31, except for a few minor changes.

"In the opinion of this Committee," the resolution states, "the need to rescue . . . persons [identical with European racial or political minority groups] constitutes a sufficient basis for their admission to this hemisphere in exchange for German nationals resident in the American Republics selected with due regard for security requirements . . ." This resolution calls upon all American Republics to inform the German Government through appropriate channels that individuals possessing documents "issued by or on behalf of an American Republic, are entitled to full protection in accordance with the terms or customary incidence of such documents." Finally, the American Republics are called upon to authorize negotiations with the German Government on their behalf "in order to effectuate the exchange of such individuals for German nationals from the Western Hemisphere who desire to be repatriated and who are selected in accordance with such security safeguards as the Republics may mutually determine appropriate . . ."

Since most of the required assurances concerning the protection of holders of Latin American papers and the support of exchange negotiations have already been obtained by us, the State Department is now in a position to start proposals for exchange. We have indicated that, in cooperation with other official and humanitarian agencies, we are prepared to underwrite all expenses of such exchanges. In the event that any of the individuals rescued are not admissible to the countries whose documentation they bear, we are prepared to arrange and finance safe havens elsewhere.

RELATIONS WITH OTHER GOVERNMENTS

Support of Polish Government-in-Exile Pledged

There has been forwarded from London a copy of a declaration issued by the Polish Government and approved by the Council of Ministers, in which full support is pledged to every endeavor made by the United States in connection with the rescue and relief of refugees.

No Reply from Ethiopia

According to an airgram from our Legation in Addis Ababa, representations and repeated inquiries have thus far failed to evoke any statement from the Ethiopian Government concerning the extent to which it is prepared to cooperate in the rescue and relief of Jews and other persecuted minorities. The Vice Minister of Foreign Affairs, however, is said to have informed a member of

- 19 -

the Legation's staff that, since the country is still engaged in reconstruction efforts, the assistance it could afford refugees is necessarily limited.

Haitian Cooperation Solicited

In a cable to our Embassy in Haiti we are requesting that appropriate authorities of the Haitian Government be asked to make a prompt declaration to Germany, through the protecting power, to the effect that the decree-law of February 4, 1942, does not apply to persons who continuously since prior to that time have been within territory under the control of Germany or Italy. Under the law whose application we are seeking to limit, persons naturalized in Europe since May 29, 1939, would lose their Haitian citizenship unless they succeeded in reaching Haiti on or before August 5, 1942. We are pointing out that by exempting persons, who, through no fault of their own, have been unable to comply with the condition subsequently imposed, protection can be extended to save a number of innocent lives.

Paraguayan Immigration Policy Outlined

Ambassador Frost has forwarded to us a copy of a letter received from the Paraguayan Foreign Office stating the policy to be followed by Paraguay on immigration. In this letter it was stated that Paraguay may possibly receive more than 100,000 families as immigrants. The proposed immigrant groups would be offered the opportunity of establishing themselves in partially developed agricultural colonies. It was stated that a preliminary step to this program would be the systematic classification of would-be immigrants before they embark, for the purpose of giving preference to young families of farmers or artisans skilled in small industries. The families of merchants or workmen without special talent would not be accepted.

(Signed) J. W. Pehle

J. W. Pehle
Executive Director

LTK - 172
Distribution of true
reading only by special
arrangement.
(SECRET W)

Algiers

Dated June 10, 1944

Rec'd 6:54 p.m.

Secretary of State,
Washington.

1926, June 10, 4 p.m.

FOR WAR REFUGEE BOARD FROM ACKERMAN 26.

It appears now is psychological time revival dissemination President's statement 24 March. Local OWI informs it can give greater coverage if directive received from OWI Washington. I am also informed that leaflets may not have been dropped over Hungary. Since greatest number Jews in occupied territory are in Hungary believe pamphlets should be dropped there giving particular emphasis to portion of statement asking people to hide Jews or aid their escape.

CHAPIN

BB
RB

NCB-288
Distribution of true
reading only by special
arrangement. (SECRET W)

Algiers

Dated June 10, 1944.

Rec'd 11:50 p.m.

Secretary of State,

Washington.

1935, June 10, 7 p.m.

FOR WAR REFUGEE BOARD FROM ACKERMANN. NO. 28.

Ship now scheduled arrive Spain twentieth.

British in Madrid have cabled that date is acceptable.

CHAPIN

BB
REP

AIRGRAM

AMERICAN EMBASSY

SAN JOSE, COSTA RICA

Date: June 10, 1944,

Rec'd: June 15 8 a.m.

CONFIDENTIAL

SECRETARY OF STATE

WASHINGTON

A-375 of June 10, 1944

Referring to the Department's confidential circular airgram of April 20, 1944, 7:35 p.m., concerning immigration visas to refugee children by consular officers in Switzerland and particularly the inquiry as to whether there are private agencies in Costa Rica willing and able to undertake a program for the care of refugee children, Foreign Minister Acosta has just informed the Embassy, in reply to its note on the subject, that this question has been referred to and is receiving the consideration of the Ministry of Social Welfare.

The Foreign Minister promises to keep the Embassy informed of the Social Welfare Department's decision.

DES PORTES

MM-,gm

A-968

SECRET BY COURIER

4:50 p.m.

June 10, 1944

Sent by secret airgram

AMEMBASSY,

HAVANA (CUBA).

FOR THE PERSONAL AND CONFIDENTIAL INFORMATION OF THE
AMBASSADOR.

Reference is made to your A-1127 of May 26. We appreciate the Cuban intention of informing the Netherlands Embassy in Washington that the Cuban Government would not permit the validity of any of its passports to be questioned by the Germans. However, it is essential that such communication be also addressed by Cuba to its protecting Power for transmission to Germany. If this communication has not yet been made, please urge that it be speedily transmitted.

The reservation made to you orally by the Minister of State and intended to be omitted from the communication to the Netherlands Embassy should also, of course, be omitted from the communication to the protecting power.

Please advise whether Cuba has consented to the exchange negotiations pursuant to Department's A-738 of May 3.

STETTINIUS

ACTING

WRB:MMV:KG
6/9/44

CCA

PARAPHRASE OF TELEGRAM SENT

FROM: American Embassy, London
TO: Secretary of State, Washington
DATED: June 10, 1944
NUMBER: 4659

SECRET

MEW and Admiralty have informed the Embassy that today from Piraeus the BARDALAND sailed. Department's cable of June 9, No. 4594 was not received until this afternoon and therefore it was too late to stop the sailing.

We have discussed in detail with the Foreign Office the possibilities of establishing other refugee havens as mentioned in the Department's cable under reference. (Refer to Embassy's cables dated June 7, Nos. 4556 and 4557). However, these matters will again be discussed by the Embassy with the appropriate British officials and the War Refugee Board will be kept informed currently.

Foregoing sent to Stockholm as Embassy's message of June 10, 1944, No. 213.

WINANT

SECRET BY COURIER

A-204

5:00 PM

Sent by secret airgram

AMEMBASSY

June 10, 1944

MANAGUA (NICARAGUA).

PERSONAL AND CONFIDENTIAL FOR THE AMBASSADOR.

Reference is made to your A-200 of May 5 and your A-226 of May 27. This government appreciates the attitude of the Nicaraguan authorities concerning exchange. Appreciation is also expressed of the Nicaraguan approach to Spain concerning the return of deportees to Vittel, reported in your A-226, as requested in Department's circular airgram of April 22, 7:30 p.m.

On the other hand, it does not appear from your communications that Nicaragua has yet approached Germany through the protecting power with a demand that the lives of all persons holding passports issued in Nicaragua's name or claiming Nicaraguan citizenship on the basis of consular documents be safeguarded and that they be given all rights, privileges and immunities accorded to civilian internees of enemy nationality.

Please represent to Nicaraguan authorities the extreme urgency of making this approach.

Stettinius

ACTING

WRB:MMV:KG
6/9/44

CCA

GHW

June 10, 1944

My dear Mr. Berle:

Reference is made to your letter of June 3, 1944, which apparently was written following our discussion on the same day. I assume that this letter is in substitution for your original reply, dated May 31 (VD 811.111 Refugees/2195), to my memorandum of May 24.

I regret that your letter arrived too late to be taken up with Mr. Mann, who left for Lisbon on May 29.

Attached hereto is a proposed cable to Minister Norweb in Lisbon embodying the suggestions made in your letter of June 3. In view of the fact that transit rather than residence visas are involved, and in view of the Department's policy of permitting transit through the United States of known Communists in circumstances deemed appropriate by the Department even though a matter of life and death may not be involved, it is assumed that the security question will not be an acute one in the instant case.

As you know, the Unitarian Service Committee has advised us that the President of Mexico has personally agreed to the issuance of 500 Mexican residence visas to the refugees concerned, these visas to be issued by the Mexican Minister in Lisbon at his discretion. You will note that the attached proposed cable requests our representative in Lisbon to consult with the Mexican representative there in order to ascertain whether he has received appropriate instructions concerning this matter from his Government. Meanwhile the Mexican Embassy in Washington will be consulted in a similar vein.

It is, of course, not our intention to violate the laws of Spain, Portugal or any other country with which this Government maintains diplomatic relations.

-2-

I agree with you that time must not be lost. Therefore, I would appreciate your having the attached cable despatched as quickly as possible.

Sincerely yours,

(s) J. W. Pehle

J. W. Pehle
Executive Director

Honorable Adolf A. Berle
Assistant Secretary of State
Department of State

Attachment

CABLE TO MINISTER NORWEB, DEXTER AND MANN, LISBON, FROM WAR REFUGEE BOARD

You are, of course, familiar with the problem of certain Spanish loyalist refugees and others who are in hiding in Portugal who desire to go to Mexico. War Refugee Board is advised that the Mexican Government has granted the appropriate Mexican officials in Lisbon authority to issue 500 residence visas for refugees of class described. It is understood that the Mexican Minister in Lisbon is being given full authority to grant these visas to such of the described persons as he may desire. Such visas presumably will be issued following discussions between Dexter and the Mexican Minister as it is thought he will rely largely upon Dexter to contact the proper people. You should, of course, consult the Mexicans and determine whether such instructions have been received and advise the result of your investigation on this point.

The Department is anxious to expedite the voyage of these refugees to Mexico and accordingly has agreed with the War Refugee Board and Unitarian Service Committee to expedite the granting of transit visas. You are requested therefore to report promptly the manner in which this could best be accomplished bearing in mind the danger to the applicants should they be apprehended by the International Police before they have been granted both Mexican residence and United States transit visas. Your report should outline in detail the procedure which you expect to follow in order to obtain transit visas for these people in the earliest possible time. It is thought that many if not all of the people to whom Mexican visas will be issued will not have passports or proper traveling papers. The transit visa probably will take the form of attaching form 257 to papers given the applicants by the Mexicans. However, if you feel that this should be handled otherwise please advise the Department.

The requirement for photographs should either be waived in these cases or alternatively the applicants should be permitted to furnish the Consul with photographs after the visa has been issued. Some kind of medical certificate, however, will be necessary. Both the Department and War Refugee Board desire that this be obtained with least possible inconvenience and danger of apprehension for applicants. It is felt that Dexter will be able to arrange for applicants to obtain a certificate that they have no contagious disease and if such is obtained it will suffice for visa purposes. Should the requirement of a medical certificate prove a stumbling block, consideration will be given to relaxing this requirement, based, of course, upon any suggestion which you may care to make.

In view of the facts as the Department and War Refugee Board have them it is contemplated that as soon as possible Dexter will furnish the War Refugee Board and Department the name, date and place of birth of each person who is going to receive a Mexican visa together with information as to whether such person is or has been a Communist and any other relevant information which may be of interest to the Department. The Department will then proceed to check these names and instruct the Consul to issue visas unless of course the Department should perceive some objection to a specifically named person. The Depart-

-2-

ment has agreed to check such names and advise of the action to be taken as promptly as possible. It is expected that names will be cleared within one week after receipt. In any case involving Communist affiliation the matter would, of course, be taken up with appropriate officials of this Government in order to consider the exercise of existing authority to admit such persons temporarily. When such instructions have been received by the American Consul it would then be possible for the applicant to come out of hiding and receive his papers in one visit to the Mexican officials and the American Consul respectively. Then he could reveal himself to International Police provided you are certain in all cases that the International Police would permit passage from Portugal to the United States en route to Mexico. In view of the danger of apprehension to the applicants, it seems essential that plans be made so that both visas can expeditiously be obtained and that only one visit be made to the American Consulate. Please give the Department and War Refugee Board a full expression of your views in this matter.

This is War Refugee Board Cable to Lisbon No. 39.

June 10, 1944

11:00 A.M.

ROC -25
Distribution of
true reading only by
special arrangement.
(SECRET W)

Lisbon

Dated June 10, 1944

Rec'd 9:33 a.m.

Secretary of State,

Washington.

1786, June 10, noon.

JDC 13. WEB 65. FROM PILPEL FOR LEAVITT.

Please remit \$25,000 to Saly Mayer for Shanghai.

This is replying to your telegram June 3. Will advise you whether Shanghai Intercessors able to receive and supervise funds. Manuel Siegel and Laura Margolis appointed Functioning Committee, Shanghai. Members Brahm Schiffrin, Bitger, Gluessmann and Langwachenner.

NOHMB

JT
EJH

MJK-301

PLAIN

LISBON

Dated June 10, 1944

Rec'd 1:46 a.m., 11th

Secretary of State,

Washington.

1787, Tenth, noon.

WRB 64, for Edward Cahill, 25 Beacon Street, Boston,
from Elisabeth Dexter USC 291.

"Writing about Spain. Cannot support Henry Greene's
visa application without knowing his status. Is he to
work for Unitarian here or is he in transit? If for
Unitarian please amplify doubt success another visa appli-
cation now Payson just granted assume Ammens in process
and have just heard Justin Greene probably available
shortly important clear these before another application
made.

NORWEB

HTM

Distribution of true
reading only by special
arrangement. (SECRET W)

June 10, 1944

4 p.m.

AMEMBASSY,

MADRID

1690

The cable below is from the War Refugee Board in reference your 1931 of May 31 regarding failure of evacuation ship to sail on June 7 from Cadiz.

Repeated delays in evacuation of refugees in Spain to North Africa also disturbing to Board. The Board's representative in Algiers has repeatedly tried to hasten sailing date, although under terms of understanding between British and United States Governments concerning transfer of refugees to Camp Lyautey from Spain, ocean transport to North Africa is a British responsibility. Ship will sail about June 25, with definite sailing date to be fixed about June 15, according to latest information from him.

STETTINIUS
ACTING
(GHW)

Distribution of
true reading only by special
arrangement (SECRET W)

June 10, 1944

Midnight

AMEMBASSY,
MADRID.
1699

The following from the War Refugee Board refers to
your 1861 of May 26.

Extent and nature of operations in question can
best be ascertained in field from Sequerra and Schwartz.
Views of Board will be discussed with you by McDonald
whose departure only awaits completion of technical
arrangements. James H. Mann, Assistant Executive Director
of War Refugee Board, has recently arrived in Lisbon to
confer with Minister Norweb regarding certain problems
confronting the Board in Portugal. You may wish to
contact him if you desire immediate information concern-
ing matters raised in your cable. He is completely
conversant with Board programs in Portugal and Spain
together with activities of private relief agencies
licensed by Treasury to operate therein. Immediately
upon completion of his mission in Lisbon Mann could pro-
ceed to Madrid to confer with you, if you so desire.

STETTINIUS
(ACTING)
(GLW)

WE

WRB:MMV:KG
6/10/44

CABLE TO MINISTER HARRISON AT BERN FOR McCLELLAND

The War Refugee Board requests that you deliver the following message from Jacob Pat, Jewish Labor Committee, New York, to Professor Liebmann Hersch, 18 Avenue Pierre Odier, Geneva, Switzerland:

QUOTE We ask you kindly get in touch with Dr. Friedrich Siegmund Schultz Hegebachstrasse 123 Zuerich Founder of the World Alliance for promoting international friendship through the churches for the purpose of common work for the refugees and sufferers of war STOP Reverend Dr. Henry Smith Leiper and his friends already cabled Dr. Siegmund-Schultz about your eventual call STOP In case of financial needs contact Saly Mayer STOP Inform us of development of your efforts especially about Mayer's allocations. UNQUOTE

THIS IS WEB BERN CABLE NO. 40.

June 10, 1944
4:05 p.m.

LA LSerials 6/10/44

PROPOSED CARDS TO AMERICAN LEGATION, BERN, FOR McCLELLAND

Reference last paragraph your 3107, May 16.

Board feels that the issuance of visas to children who entered Switzerland prior to January 1, 1944, would not accomplish the purpose for which visas were made available since principal motivating force behind the authorization to issue these visas was the encouragement such authorization might give to the Swiss Government to permit acceleration of the entry of additional children. While revising the January 1 date backward might assure the Swiss that some refugee children now in Switzerland would not remain there after the war, it would not focus the attention of the Swiss to the relationship between the availability of American visas and the admission of additional children.

For your information, action paralleling that taken in this matter by the United States is being contemplated by a number of the governments in Latin America. Board hopes in the near future to furnish you with the details of offers from those governments to the Swiss which, it is believed, may provide for children who entered Switzerland prior to January 1.

If, after consultation with the Minister and appropriate Swiss authorities, it appears with some clarity that the movement of children into Switzerland would be accelerated by issuance of visas to children who entered prior to January 1, please so inform the Board.

Reference Legation's 2810, May 3. Please report if Minister Bern has received any additional information from Stucki at Vichy regarding his efforts there.

THIS IS WEB CARDS TO BERN NO. 39.

June 10, 1944

3:00 p.m.

MS:andsh:ls:cm

5/31/44

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Bern
DATED: June 10, 1944
NUMBER: 1994

CONFIDENTIAL

From War Refugee Board to Harrison for McClelland

Arrangements being made to send you \$125,000 at once for urgent relief and rescue work. Balance of \$125,000 will be sent to you through same channels when needed.

THIS IS WRB BERN CABLE NO. 38.

STETTINIUS
(Acting)

PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Embassy, Ankara
DATED: June 10, 1944
NUMBER: 522

SECRET

Pehle sends the following, secret and personal, for the Ambassador.

You are informed that on Sunday, June 11, Hirschmann is departing for Ankara by quickest route. If possible, we consider it desirable, in view of the nature of the matter referred to in our no. 514, for you to await Hirschmann's return to Ankara in order for you to receive from him a full report of the views of the Government in connection with the procedures which you and he should take and in order that you may have an opportunity to exercise your direction and judgment in this matter before your departure. Please inform.

Following is personal from the Under secretary.

I leave to your discretion whether or not to delay your departure on this account for I know how anxious you are to return to Washington.

STETTINIUS
Acting

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
 TO: American Embassy, Moscow
 DATED: June 10, 1944
 NUMBER: 1470

SECRET

Mayer of the OWI stationed at the Legation at Bern advises that reliable information confirms reports of concentration of Jews in factories, lumber yards, cattle markets and similar places pending deportation. Persons immediately involved already approximate 200,000, and indications are that Hungarian populace is unfriendly towards this action of their puppet government. Apparently repeated attempts of non-Jews to be of assistance by bringing food and clothing to Jews has resulted in open newspaper criticism of such actions and the reconcentration of Jews in places remote from towns. Message from Bern concludes substantially as follows: "It is my urgent suggestion, in close collaboration with the War Refugee Board representative here, that the Government of the USSR be prevailed upon in regard to the purpose of the occupation of Hungary by the Nazis, to associate itself with the declaration of March 24 by President Roosevelt (Eben March 31). Since the Soviet armies are standing on the frontiers of Hungary and the fear of the Russians in the hearts of a large number of 'collaborators' in Hungary is mortal, a declaration by the Soviet Union would have all the more weight. Logically it is to be expected furthermore that the Russians would issue such a statement since their government carried out the 'Kharkov trials' after having subscribed to the 'War criminal' clause of Moscow agreement. By pamphlets especially should the Russian appeal (or rather threat) be publicized since most of the Hungarians do not possess radios in the regions concerned. In any propaganda campaign the emphasis ought to be placed on the complicity of the satellite Hungarian authorities' inveigling, lending willing hands and carrying out this persecution. Facts which should not be forgotten are that the former Government of Hungary not only had pursued a long-standing policy of anti-Semitism, but also that in the guilt of deportation to Galicia and Poland of some 17,000 Jews (for the reason that they were not able to establish adequately their Hungarian Jews deported in 1942 in forced labor battalion to the eastern front in most cases to death from military action, exposure, disease and hunger; and had been directly responsible for the massacres of several thousand Serbs and Jews at Zabljak and Ugvidik

-2-

In addition, the Soviet Government should associate itself with the declaration of the President on the event of the establishment of the War Refugee Board, it is strongly suggested. Certain channels of particular value (especially Communist) would be opened up, through which relief and rescue operations from Switzerland could be carried on in the Balkans if, like the British Government, the Russians would associate themselves with this initiative. Several well-organized underground channels will either be only partly available to WRB activities from Switzerland or remain entirely closed unless the Soviet Government issues such a declaration. (As the work might be hampered and the reaction unfavorable, no mention of Switzerland in particular should be made in any such declaration)."

On June 3 members of the Senate Foreign Relations Committee issued the following statement signed by Senators Connally, George, Wagner, Guffey, Clark, Reynolds, Gillette, Green, Tunnell, Barkley, Capper, LaFollette, Vandenberg, Davis and Murray: "The people of the United States and all freedom-loving people are horrified by the news that Hitler has designated the 800,000 Jews in Hungary for death. That the people of Hungary should countenance the cold-blooded murder of innocent men, women and children is unthinkable. Once Hungary was the haven of tens of thousands who fled the Nazi terror in other lands. Once Hungary protected the helpless who sought refuge within its borders. Once Hungarians shielded their Jewish fellow-citizens. But now the Hungarian puppet Government has joined the Nazis in their ruthless determination to do away with the Jews. While there is yet time the people of Hungary can demonstrate to the world that this unholy scheme is a betrayal of the true Hungarian spirit. They can hide the Jews until such time as they may help them to safety across the borders. They can refuse to purchase property stolen from the Jews. They can use every means to obstruct the Nazis and those Hungarians who are in league with the Nazis. They can keep watch and remember those who are accessories to murder and those who extend mercy, until the time when guilt and innocence will weigh heavily in the balance. That time is near."

The foregoing has been broadcast by the OWI in Hungarian, French, German and the Balkan languages. In view of the urgency of the situation and the considerations raised by the message from Bern above quoted, please endeavor to secure Soviet action along the lines suggested by the Legation at Bern and in the Department's 1225 of May 17. In this connection, please communicate the text of the Senate Foreign Relations Committee statement to appropriate Soviet authorities in an effort to secure Soviet action. Please advise the Department of any developments since your 1800 to the Department of May 20.

STETTINIUS
(Acting)

CABLE TO AMBASSADOR HARRIMAN AT MOSCOW

For your further information with respect to the situation in Hungary, there is repeated to you the substance of a cable received from Bern: QUOTE: According to all reliable information (including some published in Hungarian newspapers particularly provincial press) unmistakably steps are being taken preparatory to massive deportation and extermination of the Jewish population especially in Carpatho-Russian and Maramaros regions. The number of people immediately involved is about 200,000 and the action shows every sign of being extended to the Jewish population in Hungary proper. This action has all the namelessly tragic and brutal earmarks of similar actions carried out in Poland by the Nazis and their henchmen. It is being most savagely taken in northeastern Hungary (along Slovakian border and in Carpatho-Ukraine) the principal towns involved being: Kassa, Ungvar, Munkacs, Beregszasz, Maramaros, Sziget and Nagy Szollos. About 200,000 Jews live in this region (namely some 20% to 22% of the population). During the second half of April concentration of the Jewish population began in the districts of Ung, Bereg, Maramoros and Peremvidek. In the outlying towns they were first assembled in the synagogues and in the case of the town of Ungvar (district of Ung) concentrated in the Moskovics tile factory, in the Kaposerstrasse and Randvanyerstrasse. At first, some 8,700 Jews from surrounding townships were brought here; later when the number grew to 14,000 and there was not room enough in the tile factory, those newly driven in were concentrated from April 30 on in a wood yard belonging to Glueck and Company. The Mayor of the town of Ungvar, Dr. Megay Laszlo, as a result of the general attempt of Christian population to bring clothing and food to these Jews, ordered that such concentration camps be isolated and that all traffic in adjoining streets be stopped. He further requested central authorities to get the Jews out of town as quickly as possible because their presence endangered not only the public peace but hygienic conditions.'

In the town Munkacs Jews from surrounding villages were concentrated at first in area bordered by Kostuhlajos and Zrinyi streets and later transferred to cattle market in the same town. This brutal action considerably aroused the whole (*). In the town Beregszasz Jews from outlying districts were brought to Vari and Kont tile factories. Vari tile factory could house a maximum of four thousand people but twelve thousand to fifteen thousand persons were crowded into it. In the town Kassa Jews were also concentrated in the open cattle market and in the municipal slaughter houses. In this town in particular the action aroused great popular feeling since the Jewish population played an important part in the town's industries and commercial establishments. For all reliable reports - and this is even reflected

-2-

in the Hungarian press especially in the provinces - the Hungarian population have not sympathized with such brutal anti-Jewish measures. On the contrary they have openly sided with the persecuted Jews and have continually attempted to aid these wretched souls by bringing them food and clothing. On the other hand the Hungarian authorities have taken severe measures to isolate such concentration camps and to cut off all assistance from outside. To quote from one paper: 'The mass attempt to get food and clothing to Jews in concentration areas on the part of the population has been incomprehensible phenomenon. As a result the authorities have been forced to take the necessary police measures to cut off such Jews from all contact with the population.' The lot of these Jews in such improvised 'camps' is wretched. Such cattle markets, tile factories and wood yards are almost completely devoid of sanitary facilities and in many instances thousands of men women children old and sick people are forced to live in the open under conditions of frightful crowding and promiscuity. They were permitted to take nothing with them in the way of blankets or covers and it becomes tragically obvious that a great many will die of exposure disease and slow starvation even before they are jammed 80 to 100 to a wagon into cattle cars for deportation. UNQUOTE

June 10, 1944
11:40 A.M.

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Embassy, Montevideo
DATED: June 10, 1944
NUMBER: 335

SECRET

Reference is made to your 457 of May 17. Readiness of Uruguayan government to cooperate is appreciated. Please advise Department to what extent action has been taken along the lines indicated in Department's A-194 of May 1 and circular airgrams of May 1 and May 11.

If positive action not yet taken, please urge need for extreme speed in carrying out the measures suggested.

STETTINIUS
(Acting)

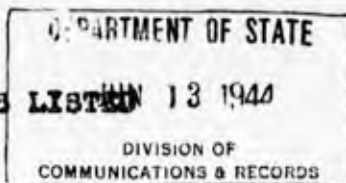
DEPARTMENT
OF
STATE

This telegram must be
communicated to anyone
other than a Government
Agency. (RESTRICTED)

**OUTGOING
TELEGRAM**

June 10, 1944 108
6 P.M. DIVISION OF
COMMUNICATIONS
AND RECORDS X

CIRCULAR TELEGRAM TO PLACES LISTED JUN 13 1944
US URGENT



You are requested to deliver following message from
the Secretary of the Treasury to the Minister of Finance
of the Government to which you are accredited:

"In connection with the United Nations Monetary and
Financial Conference to be held in the United States
beginning July 1, the American technical experts in
consultation with those of the United Kingdom, the
U.S.S.R. and China are inviting the technical experts
of a number of other countries to cooperate with them
in the preparation of a draft agenda which will be sub-
mitted to the United Nations Monetary and Financial
Conference for its consideration.

The countries invited are the following:
Australia, Belgium, Brazil, Canada, Chile, Cuba,
Czechoslovakia, India, Mexico, Netherlands, the Philippines,
and the French Committee of National Liberation. "

STETTINIUS
(Acting)
()

FMA:EGC:ecg
6/8/44

IC

DEPARTMENT

OF

STATE

OUTGOING
TELEGRAM

June 10, 1944

7 p.m.

DIVISION OF
COMMUNICATIONS
AND RECORDS X

This telegram must be
paraphrased before being
communicated to anyone
other than a Government
Agency. (RESTRICTED)

CIRCULAR TELEGRAM TO PLACES LISTED
US URGENT

DEPARTMENT OF STATE
DIVISION OF

JUN 13 1944

COMMUNICATIONS
AND RECORDS

FROM THE SECRETARY OF THE TREASURY

Please inquire informally of the Minister of Finance whether he would designate one or more experts to the informal committee that will meet on June 24 in Atlantic City to prepare a draft agenda to be submitted for consideration by the United Nations Monetary and Financial Conference to be held in Bretton Woods, New Hampshire, on July 1. The American experts will be available in Atlantic City beginning June 19 for preliminary discussions with experts or delegates after that time.

It would be appreciated if the Finance Minister would inform us of the representatives designated for the informal committee and when they will arrive.

STETTINIUS
ACTING
(WC)

FMA:EGC:ccc
6/9/44

S/CR

-2-

-2- CIRCULAR, June 9.

CODE ROOM:

This telegram should be sent to the following:

AMLEGATION, Canberra (Australia)
AMEMBASSY, London (England)
AMEMBASSY, Rio de Janeiro (Brazil)
AMEMBASSY, Ottawa (Canada)
AMEMBASSY, Santiago (Chile)
AMEMBASSY, Habana (Cuba)
AMERICAN MISSION, New Delhi (India)
AMEMBASSY, Mexico (Mexico)
AMEMBASSY, Moscow (Union of Soviet Socialist Republics)
AMEMBASSY, Chungking (China)
AMREP, Algiers (Algeria)

CODE ROOM:

Add the following to the telegram to the American
Embassy, London:

"Repeat immediately to Schoenfeld for notification
to Belgian, Netherlands and Czechoslovak Governments."

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

111
DIVISION OF
COMMUNICATIONS
AND RECORDS

HLK-13

PLAIN

London

Dated June 10, 1944

Rec'd 8:38 a.m.

Secretary of State,

Washington.

8, Tenth

BELGE

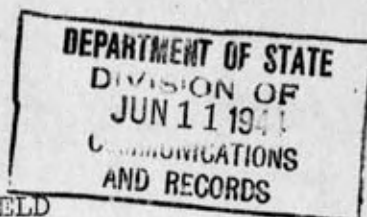
FROM SCHOENFELD

My 7, June 9

Baron Boel has been added to Belgian Delegation
to Monetary Conference.

WINANT

RB



DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

112
DIVISION OF
COMMUNICATIONS
AND RECORDS

MRE-68

This telegram must be
paraphrased before being
communicated to anyone
other than a Government
agency. (RESTRICTED)

Ottawa

Dated June 10, 1944

Rec'd 1:30 p.m.

Secretary of State

Washington

22, June 10, Noon

Reference is made to the Department's circular
telegram dated June 3, 6 p.m. regarding Monetary
Conference.

Preliminary estimate Canadian delegation 12
or 13 male officers, 2 female clerical. Minimum
office space required, one room.

ATHERTON

EJH LMS



DEPARTMENT
OF
STATE

**OUTGOING
TELEGRAM**
This telegram has
been paraphrased before being
communicated to anyone
other than a Government
Agency. (SECRET-O)

**DIVISION OF
COMMUNICATIONS
AND RECORDS**
JUNE 10, 1944
11 a.m.

CONFIDENTIAL

For security reasons the
text of this message must
be closely guarded.

DEPARTMENT OF STATE
DIVISION OF

JUN 13 1944

COMMUNICATIONS
AND RECORDS

AMEMBASSY,

CHUNKING.

799

TO ADLER FROM THE SECRETARY OF THE TREASURY

Treasury has no objection to your following procedure
adopted by other U. S. government civilian officials,
(reference cable No. 744, May 29, 1944).

STETTINIUS
(Acting)
(GL)

FHA:GL:db

6/9/44

JUN 10 1944

To: Mr. Collado

From: Mr. White

Will you please send the following cable to the American Embassy, Chungking, China:

FOR ADLER FROM THE SECRETARY OF THE TREASURY

You are requested to express personally to Dr. Kung my pleasure that he is coming to the United States.

You are informed that Friedman, who is now in Cairo, has been instructed to depart immediately for Chungking to substitute for you as Treasury representative. You are instructed to present yourself to Vice-President Wallace upon his arrival in China, if you have not already done so, and to make available to him whatever economic data you have on the Chinese economic situation which he may desire and otherwise to assist him in every possible way.

It is requested that you return to the United States to report and to participate in the United Nations Monetary and Financial Conference, but you should not leave Chungking until it is no longer necessary for you to be available to the Vice-President. In addition, you should not leave Chungking after Friedman's arrival until you have had the opportunity to get him started and to acquaint him with the necessary

- 2 -

details. Please cable us as soon as possible the probable date of your departure from China.

It is suggested by White that if appropriate you might suggest to the proper Chinese authorities that if Dr. Chi, whose book on foreign exchange White had the pleasure of reviewing, could come to the Monetary Conference as one of the technical assistants, that his excellent knowledge of the English language and his technical competence in foreign exchange problems would probably prove to be very helpful.

EDW/AL/efs 6/9/44

DEPARTMENT
OF STATE

communicated to anyone
other than a Government
OF Agency. (SECRET O)

6-10-44
7 p.m.
OUTGOING
TELEGRAM

116
DIVISION OF
COMMUNICATIONS
AND RECORDS

AMEMBASSY,

CONFIDENTIAL

For security reasons the
CHUNGKING. This message must
be closely guarded

JUN 12 1944

DIVISION OF
COMMUNICATIONS & RECORDS

FOR ADLER FROM THE SECRETARY OF THE TREASURY

You are requested to express personally to Dr. Kung my pleasure that he is coming to the United States.

You are informed that Friedman, who is now in Cairo, has been instructed to depart immediately for Chungking to substitute for you as Treasury representative. You are instructed to present yourself to Vice-President Wallace upon his arrival in China, if you have not already done so, and to make available to him whatever economic data you have on the Chinese economic situation which he may desire and otherwise to assist him in every possible way.

It is requested that you return to the United States to report and to participate in the United Nations Monetary and Financial Conference, but you should not leave Chungking until it is no longer necessary for you to be available to the Vice-President. In addition, you should not leave Chungking after Friedman's arrival until you have had the opportunity to get him started and to acquaint him with the necessary details. Please cable us as soon as possible the probable date of your departure from China.

From GL db

STETTINIUS
Acting
(GL)

DEPARTMENT
OF
STATEINCOMING
TELEGRAMDIVISION OF
COMMUNICATIONS
AND RECORDS

DSH-11

This telegram must be
paraphrased before being
communicated to anyone
other than a Government
Agency. (RESTRICTED)

Cairo

Dated June 10, 1944

Rec'd 8:35 a.m.

Secretary of State,

Washington.

YUGOS

116, June 10, 11 a.m.

DEPARTMENT OF STATE

JUN 12 1944

DIVISION OF
COMMUNICATIONS & RECORDS

Deputy Minister for Foreign Affairs advises that
contents of Department's circular telegram of June 3,
6 p.m. which were conveyed to him have been telegraphed
to the Yugoslav Prime Minister in London and that the
Embassy will be informed of any instructions that may
be forthcoming.

MACVEAGH

RB
NPL

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

118
DIVISION OF
COMMUNICATIONS
AND RECORDS

EOC-99

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (RESTRICTED)

Cairo

Dated June 10, 1944

Rec'd 4:21 p.m.

Secretary of State,
Washington.

DEPARTMENT OF STATE

JUN 11 1944

DIVISION OF
COMMUNICATIONS & RECORDS

US URGENT

1500, June 10, 6 p.m.

Egyptian Foreign Office in note dated June 10 states that Egyptian Government accepts invitation extended by the President of the United States to attend the Monetary and Financial Conference (Department's circular telegram June 3, 6 p.m.) and that the delegates will be those listed below and one other secretary yet to be named:

Delegates: Sany Lackany Bey, chief of the delegation, former Deputy Auditor General; Mahmoud Salch el Falaky Bey, Director General of Administration and of the Central Treasury Ministry of Finance; Ahmed Selim Bey, Financial Secretary Ministry of Finance; Counselor Joseph I. Craig Government Commissioner for Customs Ministry of Finance; Secretary: Mrs. Frances Carritt who is also the private secretary of the Minister of Finance.

It is understood

Regraded Unclassified

-2-#1580, June 10, 6 p.m. from Cairo.

It is understood that the first three members listed will be issued Egyptian diplomatic passports and authority is requested to issue them diplomatic 3(1) visas. Last two members are British subjects and will travel on their British passports. Legation contemplates issuing them official section 3(1) visas unless Department instructs otherwise.

The delegation requests that one large room at Mount Washington Hotel be reserved as office space.

No subordinate personnel will accompany the delegation but the Egyptian Legation in Washington is being requested that one stenographer be assigned to it.

Air priority for the delegation has been requested of ATC to enable them to arrive in the United States on or about July 27.

EJH LMS

JACOBS

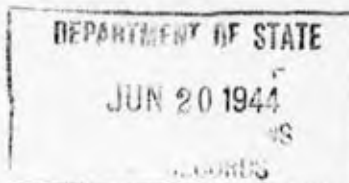
AIRGRAM

FROM American Consulate
Bombay, India

DATED: June 10, 1944

REC'D: June 10, 8am

SECRETARY OF STATE,
WASHINGTON.



A-74, June 10, 1 p.m.

Reference is made to the Consulate's despatch No. 1372 of May 15, 1944, entitled "Meeting of the General Policy Committee of the Reconstruction Committee of the Viceroy's Executive Council Held at Bombay to Discuss World Monetary Fund Proposals", and to the Consulate's telegrams nos. 311 of June 6, 1944 and 318 of June 7, 1944, regarding the personnel of the Indian delegation which will shortly leave this country to attend the International Monetary Conference in the United States.

On the eve of his departure for the United States, Mr. A. D. Shroff, one of the Indian delegates to the International Monetary Conference, was quoted in the Bombay Free Press Journal of June 8, 1944, as stating that the Indian delegation would raise at the Conference the question of arriving at a satisfactory arrangement with

- 2 -

Bombay/A-74

with the British Government for an orderly liquidation of the Indian sterling balances at an early date. According to Mr. Shroff, no scheme of international monetary arrangement can be of "supreme interest" to India unless "a satisfactory arrangement is reached between India and His Majesty's Government regarding an orderly liquidation of the sterling balances".

In the interview published in the Free Press Journal Mr. Shroff is reported to have said that "the delegation appointed by the Government of India, consisting of officials and non-officials, would not be working on any brief or directions by the Secretary of State for India at London".

According to Mr. Shroff, the Indian delegation is interested in seeing that in the International Monetary scheme itself, "undue emphasis is not given to the maintenance and promotion of international trade which, although a matter of importance to all countries, is not of that comparative interest to India, as the question of internal economic development". Expanding upon this point, Mr. Shroff said that "India can only be attracted towards an international arrangement, which not only leaves her free to pursue her own policies in her best economic interests

- 3 -

Bombay/A-74

interests but will also assist her in obtaining those conditions of high level of employment and better standards of living which are supposed to be the purpose of the International Monetary Fund".

Concluding the interview, Mr. Shroff remarked that "India, in common with China, will also have to press for effective representation on the Executive Committee of Management to ensure that it is not only the Western Hemisphere that is exclusively concerned in impartial and efficient management of this fund".

DONOVAN

Sol
RLT:cw

Copies to:

American Mission, New Delhi
American Consulate General, Calcutta
American Embassy, London

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

123
DIVISION OF
COMMUNICATIONS
AND RECORDS

MJK-5

This telegram must be
paraphrased before being
communicated to anyone
other than a Government
Agency. (RESTRICTED)

Wellington

Dated June 10, 1944

Rec'd 7:18 a.m

Secretary of State,
Washington.

DEPARTMENT OF STATE

JUN 10 1944

DIVISION OF
COMMUNICATIONS & RECORDS

255, June 10, noon.

Announcement will be made in a few days by New Zealand Government confirming last paragraph of my (246?) (June 2?) telegram No. 286, July 2, 5 p.m., and naming two additional delegates, that is, E. C. Fussell, Deputy Governor of Reserve Bank of New Zealand, a most excellent choice, and, if he accepts, as fourth Dr. A. G. B. Fisher, native New Zealander formerly professor here and Australia but for past few years doing economic research in London Foreign Office largely on New Zealand affairs.

Since head of delegation Nash is already in Washington he will presumably supply additional details requested in my cable of June 3, 1 p.m. Fussell is leaving here in a few days by air to reach Washington about June 20.

CHILDS

EDA
HTM

NOT TO BE RE-TRANSMITTED

SECRETCopy No 11OPTEL No. 190

Information received up to 10 A.M. 10th June 1944.

1. NAVAL

Discharge over beaches continues satisfactorily. Port of COURSEULLES now being used by minor landing craft and barges. During 24 hours ending 9 A.M. 9th, 46 landing targets engaged by Allied warships and bombardments by battle-ships and cruisers have helped to hold the German counter attack on left flank of British sector. On 9th/10th E-Boats were active off CAPE BARFLEUR and early this morning 3 German destroyers were reported West of LE HAVRE. One of H.M. net layers was mined and sunk.

2. MILITARY

France To noon 9th. All bridgeheads now substantially reinforced and progress made in both U.S. bridgeheads which are in mutual contact by patrols. U.S. Troops about 1 mile S.W. MONTEBOURG and across CHERBOURG-CARENTAN Railway on about 6 mile frontage West of STE.-MERE-EGLISE. Bridge over AURE at ISIGNY captured intact and U.S. Troops have joined up with British 50th Division West of BAYEUX. Heavy fighting along whole British front with no substantial changes of positions; Canadians successfully held violent armoured attacks in area 3 1/2 miles N.W. CAEN. Preliminary figure prisoners to midnight 8th. 4/5000/

Italy In ADRIATIC sector Germans are withdrawing; India troops have occupied TOLLO with patrols forward to MIGLIANICO. North of ROME pursuit continues, armoured forces have occupied VITERBO and are in contact with enemy 14 miles further North.

Burma Our troops have cleared the KOHIMA-IMPHAL Road to a point 14 miles south of KOHIMA.

3. AIR OPERATIONS

Western Front 8th/9th. Total 1,550 tons dropped on railway centres behind the battle area. In spite of considerable cloud accurate bombing and good concentrations reported on all main targets as result of careful marking and control by master bombers.

9th. Operations severely restricted by bad weather and only 61 fighters (2 missing) could patrol bridgehead areas. 24 Beaufighters effectively attacked a beached destroyer off the ILE DE BATZ.

9th/10th. Aircraft despatched: ETAMPES railway junction 117, (6 missing), LE MANS factory airfield 112; LAVAL airfield 111, (2 missing), FLERS landing ground 107; RENNES airfield 71; BERLIN 36 Mosquitoes; other tasks 45. At five first named objectives bombing carried out from below cloud base and accurate concentrations reported except from LAVAL whence full reports not yet received. About 45 German aircraft operated over the bridgehead area: night fighters destroyed 4.

Italy 8th. 902 medium bombers, fighter bombers and fighters (5 missing) attacked communications in Central ITALY and the battle area. About 275 motor vehicles and 25 units of rolling stock were destroyed or damaged.

South Germany and Northern Italy 9th. Fortresses and Liberators dropped about 718 tons on MUNICH and 137 tons on PORTO MAGHERA. 19 bombers, 1 fighter missing.

June 11, 1944
3:00 p.m.

D. W.
Bell: Good morning. How are you?

HMJr: Okay.

B: Jack McCloy and the

HMJr: Hello.

B: Hello.

HMJr: I'm all right.

B: Can you hear good?

HMJr: What?

B: Can you hear me?

HMJr: I hear you all right.

B: Fine. Well, we've been working on the draft of the reply for the President.

HMJr: Yeah.

B: First, let me tell you that Harry tried to get in touch with Monnet last night, and he was in New York.

HMJr: Oh!

B: He came down this morning, however, and we had a conference.

HMJr: Yeah.

B: And Harry went over all of the points that he agreed to in the last couple of months, and he didn't have any difficulty in getting him to agree to everything that he had agreed to in the past.

HMJr: Yeah.

B: When he asked him to send us a letter, he said, "Well, I don't think that I could do that", but, apparently he thought it would jeopardize his position. He said he could do this, however, which seemed to us would even be better. He would send a cable to Mendes-France right away, and he would give us a copy of it, and he would set out in that cable all of the past agreements.

HMJr: Yeah.

- 2 -

B: That seemed to us to be even better.

HMJr: Yeah.

B: We thought also that it would be important to get Mendes-France from Africa to London

HMJr: Yeah.

B: because apparently he missed DeGaulle, and he and Monnet both are quire upset about this whole matter.

HMJr: They are?

B: Yes, and McCloy has taken steps to get him up there if we can do it without stepping on anybody's toes.

HMJr: Uh - huh.

B: It may be that DeGaulle will tell him not to come, and we don't know. Well, here's the draft of the cable which we had to send over to the President because he was calling for it. (Talks aside)

HMJr: Hello.

B: Just a moment.

HMJr: Where are you talking from?

B: I'm talking in your office.

HMJr: Oh, are you?

B: Yeah.

HMJr: Who's there with you?

B: Jack McCloy, Colonel Chandler, and Labouisse from the State Department, Harry White and Luxford.

HMJr: All in my office?

B: Yes, sir.

HMJr: Wonderful!

B: You're on the loud-speaker.

HMJr: I'll be careful not to

B: You'll have to be careful not to call any of them any names.

- 3 -

HMJr: No.

B: Wait just a minute. I haven't got the draft. I picked up the Press Release instead of the draft.

HMJr: Is the President in Washington?

B: Yes, he is, and we sent over, about a half hour ago to Miss Tully, the draft of the cable. She said she wanted to catch him as he's leaving the lunch table.

HMJr: Uh - huh.

B: And she'd let us know this afternoon if he wanted us to come over.

HMJr: Are all three Departments in agreement?

B: Yes. We're all in agreement on it.

HMJr: Well, that's something.

B: That's good, isn't it?

HMJr: Wonderful!

B: This is the proposed cable: "I share your view that this currency issue is being exploited to stampede us into according full recognition to the Comite. Personally, I do not think the currency situation referred to in your cable, is as critical as it might first appear; nor, do I feel that it is essential from the point of view of the acceptability of the supplemental currency, that DeGaulle make any statement of support with respect to such currency."

HMJr: Now wait a minute. Please repeat that sentence.

B: "Personally, I do not think the currency situation referred to in your cable, is as critical as it might first appear; nor, do I feel that it is essential, from the point of view of the acceptability of the supplemental currency, that DeGaulle make any statement of support with respect to such currency."

HMJr: I see.

B: "I propose that DeGaulle should be informed as follows: One: we intend to continue to use the supplementary franc currency in exactly the same manner as we have planned, and as we have agreed with the British Treasury, and

- 4 -

B: (cont'd) as has been fully understood by Messrs. Monnet and Mendes-France of the French Committee."

HMJr: Good.

B: "Two: if for any reason the supplementary currency is not acceptable to the French Public, General Eisenhower has full authority to use Yellow Seal Dollars and British Military Authority Notes. Accordingly, if DeGaulle incites the French people into refusing to accept supplementary francs, then the Committee will have to bear the full responsibility for any bad effects resulting from the use of Yellow Seal Notes and B.M.A. Notes in France. One of the certain consequences will be the depreciation of the French franc in terms of dollars and sterling"

HMJr: Wait a minute. "Appreciation" or "depreciation"?

B: "Depreciation".

HMJr: Which?

B: "Depreciation".

HMJr: "Depreciation".

B: Yeah. " One of the certain consequences will be the depreciation of the French franc in terms of dollars and sterling in a black market, which will accentuate and reveal the weaknesses of the French monetary system. This is one of the important reasons why we accepted the request of the French Committee, that we not use Yellow Seal Dollars and B.M.A. Notes as a spearhead currency. There would be other adverse effects which would be apparent to DeGaulle and his advisors." That's the end of -- informing DeGaulle. "I would" Now we go on.

HMJr: Wait a minute. Wait a minute. There's just one suggestion I'd like to make, and this is just a suggestion.

B: Okay.

HMJr: Where you say that Jean Monnet and Mendes-France -- I don't know how you said it -- it was explained to them or something.

B: I don't get that. Now, what was it?

HMJr: Way back there you said something that this thing was explained to Monnet and

- 5 -

DWB: Oh. Let me just see.

HMJr: Have you got that part?

DWB: Yeah. Wait a minute now. You mean where it says "We intend to continue the use of the franc as planned, and as we've agreed with the British Treasury. It has been fully understood by Monnet and Mendes-France"?

HMJr: Yeah. Well, right there I would spell that out a little bit more. I think "fully understood", I'd say "fully explained and understood".

DWB: "Fully explained and understood"?

HMJr: Do the rest of them like that?

(Group talking)

HMJr: Hello.

DWB: Well, they seem to think that he couldn't understand, except it was fully explained, could he?

HMJr: What's that?

DWB: They think that it had to be fully explained before he understood it.

HMJr: Well, I was just..I would simply say "It was fully explained."

DWB: Well..Hello. "Fully explained" is hardly enough, isn't "understood" a little better, because that gives the implication that he sort of agreed to it, if he understood it.

HMJr: Well, I just think if you could spell that part out a little bit more.

DWB: O.K.

HMJr: It's just, a little -- a few more words in there, so that we could get over the idea that they were consulted in advance.

DWB: Yeah.

HMJr: I'll leave it to you, but I think that part ought to be spelled out a little bit more.

DWB: All right, we'll try it if we get a chance at it.

-6-

HMJr: Right.

DWB: Now as for the.. "I would certainly not importune DeGaulle to make any supporting statement whatever regarding the currency, provided it is clear that he act entirely on his own responsibility and without our concurrence, he can sign any statement on currency in whatever capacity he likes, even that of the King of Siam."

Do you like that?

HMJr: What?

DWB: Do you like that?

HMJr: NO.

DWB: We thought the President would.

HMJr: Well, it's all right.

DWB: "As far as the appearance of the notes is concerned, I have seen them before, but I have looked at them again and think them adequate. I am informed by the Bureau of Engraving and Printing counterfeiting experts that they will be extremely difficult to counterfeit by virtue of the intricate color combination. I am also informed that the British Treasury officials approved the notes, and that the French representatives here, not only approved the Note, but were satisfied with the designs and the color" End of the proposed cable.

HMJr: Uh huh. I think it's very good. Has it gone over to the President?

DWB: Yes, it has. They called for it before I could get you.

HMJr: That's all right.

DWB: Whether we..

HMJr: My suggestion is a very minor one, and you pick it up at the end there where you say "they saw the..

DWB: That's right.

HMJr: In the end.

DWB: Yes. Well, if we get a chance at it again, we'll try to write that a little fuller.

- 7 -

HMJr: Well, it's not important. No, I think that's an excellently drafted cable.

B: All right, sir. You think it's okay to let go.

HMJr: Is McCloy there?

B: Yeah. Want to talk to him?

HMJr: Yeah. Just a minute.

B: Okay.

John McCloy: Hello.

HMJr: Hello, Jack.

M: Yeah.

HMJr: If you and I had only been a couple of better salesmen a few months ago, this would have never

M: Yes. Absolutely -- absolutely. We fell down badly, because it is a mess that's gotten to be a touchstone of controversy both over there and here now.

HMJr: Am I not correct that the currency that you and I took over there a couple of months ago had on it "Republique Francaise"?

M: That's right. That's right.

HMJr: It was on the original design.

M: It was on the original design, he took it -- he didn't want it.

HMJr: Well, I just wondered.

M: Yeah, that's right. And -- but, he went over this currency very fully.

HMJr: Yeah.

M: And remember, he was sick; he was in his bedroom.

HMJr: Yeah, I remember.

M: Yeah. I had a telephone conversation with London yesterday about this thing.

HMJr: Did you?

- 8 -

M: And there's a fellow named Alphand over there, who's apparently a financial expert of -- he was over here for a while working with Monnet.

HMJr: I know who he is.

M: Yeah. Well, he was there, and apparently Bernstein. I got Bernstein on the phone.

HMJr: Yes.

M: And Bernstein told me that they had had several conversations. That DeGaulle, of course, had been acting up terribly. He'd, he'd -- he was -- he used the expression in some cases, not only arrogant, but in some conversations, was actually vicious.

HMJr: Yeah.

M: But that in talking with Alphand, he made three points. One: the first point was that -- I guess it was about the soldiers' pay. Oh, the first point was certain modifications that Mendes France wanted in the Financial Directive.

HMJr: Yeah.

M: Those were things which we had already talked to him over here about and had agreed to change.

HMJr: Yeah.

M: And we had notified London about that, so they simply told Alphand that those were all agreeable. That seemed to please him. The second thing was on the matter of the soldiers' pay.

HMJr: Yeah.

M: And apparently, as a result of our telegram, of a couple of weeks ago, when you spoke to me about it first, they got to work on that in London and they had a series of orders already prepared going out on that subject dealing -- putting it on the level of the North African situation.

HMJr: You mean, as to what -- as to how the soldiers could spend their money?

M: That's it -- how he could spend it. The regulations under which -- which resulted in restrictions in the amount of free money they would have in their pockets.

- 9 -

HMJr: You mean when I raised that a couple of weeks ago?

M: Yeah, that's right. Now, we sent a telegram over then.

HMJr: Yeah.

M: And we made some studies here, but they did concurrently, and they had their orders; they apparently were pretty far advanced with it. They had their orders all ready, and they were very good, and Alphand expressed himself as highly satisfied with that.

HMJr: Yeah.

M: Now, of course, France -- Mendes-France had also done the same thing when he was here. The third point was this question of who should be the issuing authority. And it -- they pointed out to him that they couldn't allow the Committee to be the issuing authority under the instructions they had, because that involved sovereignty, and he said, "Yes, I know it; I realize that it does, and that's in substance why we feel we should have it."

HMJr: Oh!

M: And it was explained why -- what the status was again, and Alphand, apparently on that point, also seemed to be satisfied.

HMJr: I see.

M: But DeGaulle is another breed of cat, and apparently he has caused great difficulties over there, and Bernstein and General Holmes, who was also there, said that you must realize that not only is there concern about the financial situation, but that this financial situation has been used as the center of all the argument on the political recognition; that the Prime Minister is in a very hot spot. Some members of his Cabinet are very insistent that he recognize DeGaulle in spite of whatever attitude the United States takes, and they are agitating it in the Press, and Parliament has gotten hold of it, and Bernstein said it's not too much to say this may lead to a Government crisis.

HMJr: Good heavens!

M: It's that hot. And then he said everybody knows in London about how bitter these discussions have been with DeGaulle, and it has electrified the whole atmosphere over there, and it's a very touchy sort of a subject. So, it -- I think that the cable that we send this morning -- it's about high time we sent something along that line to moderate this fellow's transports. I think we ought to be pretty definite about it.

- 10 -

HMJr: Who?

M: We -- the President's reply to the Prime Minister. I think is -- that we drafted -- that Bell just read to you.

HMJr: Yeah.

M: I think has the right tone to throw a little cold water on him. As much as I think we should have done as we agreed some months ago, I think now it's perfectly clear that this is the line we have got to take.

HMJr: Oh, I -- well, you and I are in complete accord. We were in accord a couple of months ago.

M: Right.

HMJr: Now, with our men on the beaches of France, this fellow comes along and holds

M: And talks about his personal status. It's just outrageous!

HMJr: Puts a gun to our backs.

M: Yes. Sure.

HMJr: And I'm entirely satisfied. This is what I suggested to our boys last night.

M: Uh - huh. I - I'm sure that it's right.

HMJr: Yeah.

M: Now, I think the President is going to be faced with a press conference on it, or questions on it, and we're getting ready -- getting sort of a background statement ready which will go over the discussions that we've already had with the French representatives and what we've done on the French pay, as well as the currency, and sort of express amazement as to what all this shooting is about, after we have been in so full discussion with the Committee for these many months.

HMJr: The President has, you say?

M: Well, we're trying to prepare something for the President, in the event he has to respond to this at the press conference, which no doubt he will.

HMJr: Who'd you say would show amazement?

- 11 -

M: Well, I think the President ought to indicate some amazement.

HMJr: Oh - oh - oh!

M: Yes. That after all these discussions that we've had

HMJr: Right.

M: that the thing should come up in this acute form at this time.

HMJr: Yeah.

M: And then, just generally educate him on the whole subject.

HMJr: I agree.

M: Okay.

HMJr: I have nothing else for any of you

M: Do you want to talk to anybody else -- White or anybody?

HMJr: Not unless they want to talk to me.

M: That's all we have. Now, we're standing by to go over to the White House in the event the President wants us to further explain this answer.

HMJr: Well, I appreciate all you are doing.

M: Oh, we're not -- it's nothing at all. Okay.

HMJr: Can I have my own operator, please?

M: Hold the wire.

Operator: Operator.

HMJr: Who is this, please?

Operator: Mrs. Dement.

HMJr: Hello.

Operator: Yes.

June 11, 1944

MEMORANDUM FOR THE PRESIDENT:

In accordance with request made in Lieut. Collins' letter of June 10, I am transmitting herewith a draft of a cable from you to the Prime Minister in reply to his cables No. 696 and No. 697 of June 9, concerning De Gaulle's attitude towards the supplemental French franc currency.

There is quite a background to this whole matter and if you would care to discuss it, Jack McCloy, Harry White and I will stand by to come over this afternoon if you would like to have us.

I am sure that you will be asked a great many questions about this currency at your next press conference. I am sure that you should have the background in order that you may be able to answer any questions.

I am also attaching a memorandum from Jack McCloy covering his telephone conversation with London yesterday.

(Signed) D. W. Bell

P.S. The proposed cable was drafted by representatives of State, War and Treasury.

final - 2:00 PM
June 11 1937

Proposed Cable from the President to the Prime Minister

I share your view that this currency issue is being exploited to stampede us into according full recognition to the Comité. Personally I do not think the currency situation referred to in your cable is as critical as it might first appear nor do I feel that it is essential from the point of view of the acceptability of the supplemental currency that De Gaulle make any statement of support with respect to such currency. I propose that De Gaulle should be informed as follows:

1. We intend to continue to use the supplementary franc currency in exactly the same manner as we have planned and as we have agreed with the British Treasury and as has been fully understood by Messrs. Monnet and Mendes-France of the French Comité.

2. If for any reason the supplementary currency is not acceptable to the French public, General Eisenhower has full authority to use yellow seal dollars and British Military Authority notes. Accordingly, if De Gaulle incites the French people into refusing to accept supplementary francs then the Comité will have to bear the full responsibility for any bad effects resulting from the use of yellow seal notes and BMA notes in France. One of the certain consequences will be the depreciation of the French franc in terms of dollars and sterling in a black market which will

- 2 -

accentuate and reveal the weaknesses of the French monetary system. This is one of the important reasons why we accepted the request of the French Comite that we not use yellow seal dollars and BMA notes as a spearhead currency. There would be other adverse effects which would be apparent to De Gaulle and his advisers.

I would certainly not importune De Gaulle to make any supporting statement whatever regarding the currency. Provided it is clear that he acts entirely on his own responsibility and without our concurrence he can sign any statement on currency in whatever capacity he likes, even that of the King of Siam.

As far as the appearance of the notes is concerned, I have seen them before but I have looked at them again and think them adequate. I am informed by the Bureau of Engraving and Printing counterfeiting experts that they will be extremely difficult to counterfeit by virtue of the intricate color combination. I am also informed that the British Treasury officials approved the note and that the French representatives here not only approved the note but were satisfied with the designs and the color.

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: June 11, 1944
NUMBER: 3731

SECRET

MCCLELLAND SENDS THE FOLLOWING FOR WAR REFUGEE BOARD.

1. We discussed with Dr. Karl Burckhardt the substance of Department's cable no. 1806, WRB 27, and we elicited the following:

2. It is still wished by ICRC to enlarge its representation in Hungary and it is trying to find a second suitable delegate to send there. The difficulty of obtaining suitable and capable persons was emphasized by Burckhardt.

3. Also ICRC is continuing efforts to obtain German permission to send its Zagreb delegate to Budapest, at least temporarily. As yet authorization not secured.

4. Purchasing agent Imfeld was sent to Budapest by Joint Relief Commission of ICRC. He departed on June 4 and will return by the 19th. He was confidentially instructed to contact Jewish circles to examine with them possible channels of relief for Jews concentrated in camps and ghettos, estimates of supplies and their availability locally, ways of escape or emigration and to inform himself as far as possible on situation of the Jews generally.

At present the ICRC has only one man in Hungary, Fredric Bern, who proceeded to Budapest about a month ago (relieving Debavier the former ICRC delegate) in his capacity as director of Swiss Chamber of Commerce in Hungary since it was feared that his going as ICRC delegate would have delayed his German visa. On June 3 Bern has still not been officially accredited as the ICRC delegate to the Government of Hungary.

HARRISON

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

140
DIVISION OF
COMMUNICATIONS
AND RECORDS

BE-399

This telegram must be paraphrased before being communicated to anyone other than a Governmental agency. (RESTRICTED)

Mexico City

Dated June 11, 1944

Rec'd 10 p.m.

Secretary of State

Washington

828, June 11, 4 p.m.

Reference Department's circular telegram of June 10, 7 p.m., 1944 transmitting message from the Secretary of the Treasury.

Antonio Espinosa de los Monteros and Rodrigo Gomez, members of Mexican delegation, expect to arrive in Washington on July 18, where plans will be made for their departure for Atlantic City to attend the informal committee meetings to prepare a draft agenda for the Monetary Conference. Monteros is proceeding by way of Los Angeles, and has asked that the Department communicate urgently with the Mexican Embassy regarding the confirmation of his plane priority for trip from Los Angeles to Washington July 18. Monteros assumes that, in view of change of place of preliminary meetings from Washington to Atlantic City, arrangements will be made by our Government for tentative reservations at that latter place. Gomez is traveling separately, and should



-2- #828, June 11, 4 p.m. from Mexico City
should be in Washington on the morning of July 18.

The plans for the preliminary discussions,
as outlined in the telegram under reference, will
be communicated to the Minister of Finance tomorrow.

MESSERSMITH

RR WSB

NOT TO BE RE-TRANSMITTEDCOPY NO. 11SECRETOPTEL No. 191

Information received up to 10 a.m., 11th June, 1944.

1. NAVAL

FRANCE. Steady progress all beaches. Some shelling of beaches on flanks of both U.S. and British bridgeheads. E-boats were operating last night north of CHERBOURG and off LE HAVRE; 1 of our motor torpedo boats was lost. Morning 10th a convoy approaching the assault area was unsuccessfully attacked by dive bombers and glider bombs; the convoy shot down a Heinkel and 1 glider bomb. One of H.M. Frigates torpedoed by E-boat yesterday. 2 coasters sunk by E-boats 9th/10th when approaching assault area. A Hospital Carrier has returned to United Kingdom. Off Dutch Coast last night 6 motor torpedo boats attacked German patrol vessels and sank 4 of them; 1 motor torpedo boat was lost.

MEDITERRANEAN. One of H.M. Submarines on 9th probably sank an escorted ship off CRETE. Another of H.M. Submarines off Southern FRANCE probably sank 1 anti-submarine craft on the 9th and another of 800 tons on 10th. Mosquito and Liberator aircraft sank a U-boat off USHANT yesterday.

2. MILITARY

FRANCE. Bridgeheads now joined into one continuous front, from sea due east MONTEBOURG to 1 mile east ORNE Estuary. U.S. forces have steadily increased their bridgehead in the CHERBOURG Peninsula and except in the TREVIERS-MONDEVILLE area have advanced from 2 to 3 miles across the AURE between ISIGNY and the area west of BAYEUX. U.K. armoured formations have captured TILLY SUR SUELLES (bombarded by two of H.M. Cruisers yesterday morning) and HOTTOT and are thrusting further south. German pressure north and east of CAEN has been held.

ITALY. Allied forces have advanced about 10 miles and occupied PESCARA and CHIETI. North of VITERBO South African armour and a Guards Brigade captured or destroyed 25 enemy guns and 5 tanks and killed 200 Germans. Further west TUSCANIA, CANINO and MONTALTO are in our hands; U.S. forces have reached a point 10 miles east of ORBETELLO.

BURMA. In the KAMAING area the Japanese are withdrawing in some disorder. On 7th LRPG troops captured a village 2 miles southeast of MOGAUNG and subsequently entered the town from the east capturing 200 wagons of ammunition; fighting is now taking place in the outskirts. Chinese are making satisfactory progress west of the SALWEEN and are now within 2 miles of LUNGLING and are also attacking a village nine miles further south.

3. AIR OPERATIONS

WESTERN FRONT. 9th/10th. 390 tons dropped ETAMPES railway junction and total of 1,320 tons on 4 airfields south of the battle area. 56 tons on BERLIN.

10th. About 4,300 offensive and escort sorties flown. Heavy bombers attacked 8 airfields in North and Northwest FRANCE - 820 tons; and dropped total 440 tons on tactical targets near BOULOGNE. More than 1,100 Allied fighters patrolled the bridgeheads and medium and fighter bombers attacked transport, armour, troops, railways, strong points, RDF installations and other military objectives in NORMANDY and BRITTANY - 800 tons dropped and 302 rockets fired. Day's casualties: Enemy 18, 2, 6; Allied 51 aircraft missing - 4 fighter pilots safe.

Regraded Unclassified

10th/11th. Aircraft despatched :

Railway centres, ORLEANS	112 (1 missing)
VERSAILLES	112 (4 missing)
ACHERES	105 (7 missing)
DREUX	102 (6 missing)
Sea-mining	30
Leaflets, including NORWAY and DENMARK	11
BERLIN	32 Mosquitoes (2 missing)
Bomber Support and Intruders	54

In addition, night fighters maintained defensive patrols over the bridgeheads and the Channel. Preliminary reports railway centres indicate clear weather except at ORLEANS where bombing carried out below clouds; good concentrations. 6 German aircraft suspected mine-laying off East Anglia and about 75 patrolled over Northern FRANCE and Low Countries of which some over and off bridgeheads. 6 of the latter destroyed by our night fighters.

GERMANY. 9th. MUNICH. Attack intended for aircraft factories in vicinity but owing to cloud most aircraft bombed industrial area starting fires in railway centre.

ITALY. 10th. Fortresses and Liberators (2 missing) bombed Railway Centre MESTRE - 140 tons; and oil storage at PORT MAGHERA - 240 tons. At TRIESTE 250 tons dropped on oil refineries and 285 on railway centres with excellent results. 280 tons on FERRARA airfield.

ROMANIA. 10th. Escorted Lightnings dive-bombed Romana Americana Oil Refinery PLOESTI. Of about 100 enemy aircraft met in target area 23 were destroyed. 20 locomotives, 44 motor vehicles and 2 heavy gun positions were successfully attacked on return journey. 9 Lightnings missing.

June 12, 1944
1:21 p.m.

HMJr: Okay.

Dan
Bell: I just thought I ought to bring you up to date on this French thing.

HMJr: Look, I'd forgotten, do you want to ask -- well, go ahead. It's all right. Go on.

B: We sent that material over to the White House

HMJr: Yes.

B: and stuck around here until late last night to see whether or not the President wanted to make any changes

HMJr: Yeah.

B: and we got word about five-thirty that he'd decided that he was going to sleep on it.

HMJr: Yes.

B: And he said maybe he'd -- but he said he wanted to read the back-ground and go over it very carefully before he did anything. He'd read it during the night. If he agreed with us, he'd send it out, and if he didn't, he'd probably have a conference on it this morning.

HMJr: Yeah.

B: We've heard nothing from him.

HMJr: I see.

B: McCloy called me and said that Hull was in town; had gone all over it - had approved everything.

HMJr: Yeah.

B: He said that it was a good job. Stimson said the same thing. He went over it too.

HMJr: Good.

- 2 -

B: Hull thinks there ought to be a statement issued at once. We've tried, as you know, to work on a joint statement between the British and the Americans.

HMJr: Yes.

B: The British won't agree to it, and the British said that they thought that no statement should be issued until the President answers the Prime Minister.

HMJr: Yeah.

B: But Hull thinks there ought to be one issued. Well, I called Miss Tully at -- about a quarter of twelve, and told her the situation, and she said she'd try to get to the President and see what took place last night, and what he wanted to do. And I put the thought in her ear that he might want to get the back-ground and sort of ad lib on it tomorrow at press conference, which would be a unilateral statement and wouldn't be joint.

HMJr: Well, I have no advice -- further advice to offer.

B: Ah - the British indicated to McCloy and also to Harry this morning that maybe it wasn't quite as bad as they thought originally, and maybe they'd still get a statement from DeGaulle, because apparently he's heard from the Finance Minister, as I told you yesterday, and Monnet both were very much disturbed about it.

HMJr: Well, there's no use giving me any more, Dan. I can't do anything about it.

B: Yeah. I just thought I ought to keep you advised. Anything you want us to do?

HMJr: No.

B: Is Fred around?

HMJr: No.

B: I've got some suggestions for your speech.

- 3 -

HMJr: Well, you'll have to do it on another wire.

B: All right.

HMJr: I don't know -- what's-his-name, Steele -- they've got another hook-up, another wire-- you can ask Mrs. Spangler.

B: All right. You mean Fred's on another wire?

HMJr: No Steele is.

B: Steele.

HMJr: Yeah.

B: I see. Well, then I should talk to him on that, huh?

HMJr: Yes. When you hang up, now, if you'll go to your room..

B: Yeah.

HMJr: ..and ask them if they're not--if Gamble isn't talking to Steele, and tell Steele to get hold of Fred.

B: All right.

HMJr: And if you can't do it, why before I hang up, before I get through with White you can let me know.

B: All right.

HMJr: We're in different rooms.

B: I see.

HMJr: If you go to your room now and see--I think you'll find that you can get him on another wire.

B: All right. Now Harry's here. Do you want to talk to him.

HMJr: Yeah. Hello.

- 4 -

Harry
White:

Hello.

HMJr:

Yes.

W:

I didn't hear from Monnet this morning. He promised to come in today with the cable, but he hasn't come yet. I'll call him, and find out why. Coe called and said they'd been talking with Crowley. Crowley read the papers yesterday, in which they stated that Eccles and Vinson were on the Committee, and he was considerably miffed. He didn't know those two people were going to be on there. Seemed to indicate that he thought the Treasury was particularly overlooking him. I - uh - Coe said he thought he ought to be on, and I called Vinson and mentioned it, and Vinson said he thinks, certainly he ought to be on; and I said that you were going to call in some time today, and I'd mention that fact -- mention the fact that he -- that you -- that he thinks he ought to be on.

HMJr:

What do you think?

W:

I think he ought to be on too.

HMJr:

Well, clear it up with Miss Tully and Mrs. Klotz, too.

W:

Yes, I'll do that. Now one minor item I don't like to bother you with, but just to make sure of your reaction.

HMJr:

All right. I've got an awful lot here, Harry.

W:

Well, then, let it go. Just about -- Judge Rosenman thought he wanted to be on the Technical Committee. But never mind.

HMJr:

What? What should Judge Rosenman be on for?

W:

I don't know.

HMJr:

What?

W:

Not on the Delegates, but on the Technical Committee. Just because he'd like to go up, I guess.

- 5 -

HMJr: Well, it can't do any harm.

W: We can stick him on. I asked Vinson. Vinson said, well, he didn't know; he wanted to think about it.

HMJr: Well, ask Vinson. It's all right with me.

W: If it -- if Vinson changes his mind, it's all right with you.

HMJr: I don't want to make an enemy of Rosenman.

W: Yeah. Well, I don't know how much

HMJr: It could be very easy

W: He didn't speak to me directly, so I don't know.

HMJr: He can be very useful.

W: Yeah. That's possible. That's all. The other things

HMJr: All right. I've got an awful pile here, Harry.

W: I'm through.

HMJr: Okay.

W: Right. Good-bye.



THE UNDER SECRETARY OF THE TREASURY
WASHINGTON

June 12, 1944

MEMORANDUM FOR THE SECRETARY'S FILES

Miss Tully of the White House called me at 4:45 p.m. today to say that the President had approved the draft of message we sent him yesterday to Prime Minister Churchill regarding the French currency.

She said he made no change in our draft but did add this sentence:

"It seems clear that a prima donna does not change his spots."

over B



Treasury Department
Division of Monetary Research

Date June 21, 19 44

To: Secretary Morgenthau

From: Mr. Glasser

You expressed an interest in reading some of the letters of Treasury men overseas. Here are two particularly interesting and timely letters from Mr. Saxon in Algiers.

There are also attached two cables from Algiers which relate the French reaction to our views on the French currency problem.

OFFICE OF THE U.S. TREASURY
REPRESENTATIVE ATTACHED TO
THE AMERICAN REPRESENTATIVE
ALGIERS

12 June, 1944

Top Secret
For personal attention
of Mr. White only.

Dear Mr. White:

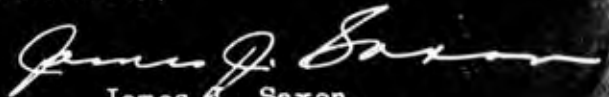
The French Exchange Control issued on June 9th instructions to all banks ordering them to block all of the assets held in any form, directly or indirectly, for Lemaigre-Dubreuil and Rigault, who was formerly in Giraud's Cabinet. The reason given in the French instructions is that these two men left North Africa without authorization.

Lemaigre-Dubreuil escaped to Spain through French Morocco and Tangier about ten days ago. He travelled upon forged Spanish papers. His departure is known to have been facilitated by high American military officers; the OSS is said to be deeply involved in the case, also.

I do not know whether Rigault accompanied Lemaigre-Dubreuil, but I rather gather this is the case. Lemaigre-Dubreuil is said to have gone to see Pietri, Vichy Ambassador to Madrid.

It is rumored that Generals Georges and Giraud have been removed to the Island of Malta by Allied military assistance in order to escape expected imprisonment at the hands of DeGaulle.

Sincerely,



James G. Saxon,
Senior U. S. Treasury
Representative.

Mr. Harry D. White,
Assistant to the Secretary,
Treasury Department
Washington (25), D. C.

Murphy stated that this was the familiar technique of the DeGaullists and was at the base of ninety percent of their trouble with them; namely, that they used the weapon of public blasphemy to achieve their ends.

I told Murphy that the effect of DeGaulle's comments had been catastrophic in Algiers, and that certainly the strongest possible statement should be made to the French. Murphy replied that he had advised the President in January not to apprise the French of the program for France until it was in operation, and that this incident was apparent proof of the wisdom of his advice.

There is no doubt whatsoever in my mind that the Comite have not regarded with confidence and secrecy the information and decisions of which they were informed in Washington. They have not disguised their displeasure at not having got the whole hog, and it seems to me that the French around the Comite are better informed of the conversations in Washington than I am.

The two cables from Washington which I referred to above contained the further statement that arrangements had been made for the immediate departure of Mendes-France to London, and that a plane was being made immediately available at Algiers with War Department approval for this purpose. I realized from the record of the conversations which I received from you that you were favorable to arranging for representatives of the Commissariat of Finance to go to London. However, in view of DeGaulle's recent statements, I consider it highly regrettable that we should now make what most surely must be regarded by DeGaulle as another concession or appeasement, and which would surely only prove to DeGaulle the wisdom and value of his technique of public blasphemy as a means of achieving his ends.

I am to see Mendes-France tomorrow morning and again at lunch Wednesday, if he stays here long enough to permit these conferences to come off. I shall, of course, immediately advise you of what transpires - by cable, if necessary.

The French have been holding Ardant in readiness to go to London. Ardant is now a captain in the French Army and was until very recently the representative of the Commissariat of Finance in Corsica. He is considered by the French to be especially equipped for the London job because of his supervision of the Corsican program.

Murphy told me that he knew very well Ardant's brother, who is an official in the Societe Generale and one whom Murphy calls a leading collaborationist.

Sincerely,



James J. Dixon,
Senior U.S. Treasury
representative.

Mr. Harry D. White,
Assistant to the Secretary,
Treasury Department,
Washington (25), D. C.

JF

OFFICE OF THE U.S. TREASURY
REPRESENTATIVE ATTACHED TO THE
AMERICAN REPRESENTATIVE
ALGIERS

Top Secret
For personal attention
of Mr. White only.

12 June, 1944

Dear Mr. White:

By this time you have undoubtedly seen Chapin's cable to the State Department containing the translation of the note handed to him on Thursday evening, June 8th, by the French Foreign Office on the instructions of DeGaulle. In language and tone the note was probably the sharpest I have ever seen in diplomatic exchange. Chapin and I were quite amazed. Each of us found simply incredible DeGaulle's accusation that the Eisenhower currency was counterfeit money. However, the exact phrase was conveyed from DeGaulle through the French Foreign Office to Chapin. Chapin was somewhat reluctant to include the line containing that phrase in the cable to the State Department because he feared that if the President saw it he would hit the ceiling. Chapin crossed the line out and then asked me what I thought about it. I stated that the line should be reinserted as it was important that the full and true facts be got to Washington.

Today two cables were received from Washington by Murphy and Chapin relating to the cable discussed in the foregoing paragraph, and to DeGaulle's statements in London regarding the currency program. These cables stated that the United States Government was greatly shocked (a) that he should have used the public platform once again to carry his views, and (b) that his statements certainly were not true.

Murphy called me to his office and asked for the background on the conversations in Washington, as he said he was going to call on the Foreign Office immediately. It was therefore fortunate that you had transmitted to me the record of the conversations, as I was able to give him the required background.

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Mission, Algiers
TO: Secretary of State, Washington
DATED: June 13, 1944
NUMBER: 1995

SECRET

We refer herewith to Department's telegram of June 11, 1944, No. 1840.

While the recent French utterances on currency matters were discussed with Massigli by Murphy last night, I called on Massigli and made more formal representations this noon. It was stated by me that I could not hide Treasury's and Department of State's concern and shocked surprise at the statements made in London, especially since we had been given to understand that the matter was to be given no publicity. In fact, some of the statements were a reflection upon the Commander-in-Chief's authority. It was regrettable, at a time when military operations were paramount, that the currency issue should receive such prominence as a point of disagreement when it was only incidental to those operations. I also stated that this attitude might have an adverse effect on operations if persisted in and consequently have unfortunate results for France itself as well as Britain and the United States.

It appeared that Massigli, who made notes of these statements and said he would transmit to London the substance thereof, was extremely worried. Massigli, tried, rather halfheartedly I felt, to defend the position and suggested that the United States Government's continued refusal to enter into an overall political agreement with the French authorities was also harmful to the general war effort through its injurious effect upon French public opinion.

Inasmuch as I was aware that Murphy had been informed by Mendes France (see our cable of June 12, 1944, No. 1981) that he did not think it worthwhile to proceed to London at this stage, I asked Massigli if the General would be returning soon and could discuss with Mendes France currency matters. The reply by Massigli was that within the week the General was returning here.

Chapin

PARTIAL SUMMARY OF THE MESSAGE RECEIVED

FROM: The American Mission, Algiers
 TO: The Secretary of State, Washington
 DATE: June 18, 1944
 NUMBER: 1096

SECRET

When Saxon saw Mendes France again while I was seeing Massigli (refers to my number 1095 dated June 18) Mendes France defended the statements made in London. He made the comment that the statements contained in Eisenhower's second proclamation concerning the functions of the French liaison officers attached to the Allied staff were untrue. Mendes France stated that such officers numbered only 20 and did not (repeat not) in fact have anything to do with civil administration. Mendes France also said that the Committee was greatly shocked to find that the Allied authorities have retained in office the Mayor of Bayeux although he is hated by the people of the city as a Vichy collaborationist. Also he stated that in view of the fact that Bayeux is the first city which the Allies have liberated, this incident was particularly disturbing. He added that he did not believe military operations would be impaired in any way by de Gaulle's remarks.

Mendes France said that the Treasury in Washington had received him very well and that throughout the discussions a friendly and understanding atmosphere had prevailed. However, he regretted that because he had been obliged to wait nine days before obtaining passage by air, he had missed de Gaulle by twenty-four hours when he arrived in North Africa.

Mendes France observed in conclusion that the points at issue between FCNL and the United States concerning currency were not so much financial as political and that the conversations in Washington were based on the hope that a political accord would actually be reached before the military operations in France commenced and that within the framework of that accord the financial decisions with which the French disagreed would be settled readily and equitably.

A request has been made by Saxon that Morgenthau be furnished a copy of the foregoing message.

CLAPPIN

6/12/44

● This is the final draft before the
reading copy.

ANNOUNCER:

THE UNITED STATES TREASURY DEPARTMENT
BRINGS YOU NOW A SPECIAL BROADCAST.

NARRATOR:

THE EYES OF THE WORLD ARE UPON THE
SOLDIERS AND SAILORS AND AIRMEN OF THE
ALLIED EXPEDITIONARY FORCE. IN THE
WORDS OF THEIR SUPREME COMMANDER, THEY
HAVE EMBARKED UPON THE GREAT CRUSADE.
THE WHEN OF THE INVASION WAS A WELL-
KEPT MILITARY SECRET, BUT NOT THE WHY
OF IT. THIS BROADCAST IS ABOUT
THE WHY OF IT. WE'RE GOING TO HEAR FROM
FRANKLIN DELANO ROOSEVELT, THE
PRESIDENT OF THE UNITED STATES, AND
COMMANDER-IN-CHIEF OF THE UNITED STATES
ARMED FORCES. AND ALSO, FROM A LOT OF
OTHER PEOPLE WHO, LIKE HIM, AND LIKE YOU
AND ME, HAVE A BIG STAKE IN THIS WAR.

LADIES AND GENTLEMEN, THE SECRETARY OF
THE UNITED STATES TREASURY, MR. HENRY
A. MORGENTHAU, JR.

SEC. MORGENTHAU: I HAVE A MESSAGE FOR YOU -- FOR
CIVILIAN AMERICA -- FROM OUR
MILITARY LEADERS. HERE IT IS IN
A COUPLE OF WORDS: THE WAR ISN'T
OVER YET.

OUR MILITARY LEADERS AND THE MEN
FIGHTING UNDER THEIR COMMAND
ARDENTLY HOPE AND SINCERELY
BELIEVE THAT THERE ARE NO AMERI-
CANS WHO NEED TO BE TOLD THAT
THIS IS THE WRONG TIME TO RELAX.

TONIGHT LET US TELL EACH OTHER
WHAT WE DARE NOT FORGET: THIS IS
THE TIME FOR NEW EFFORT, THIS
IS THE TIME FOR FRESH EXERTION,
THE TIME FOR MORE FROM ALL OF
US -- MORE OF EVERYTHING -- EVERY-
THING WE'RE CALLED ON TO GIVE FOR
THIS GREAT CRUSADE -- EVERYTHING
WE'RE CALLED ON TO MAKE FOR IT
WITH OUR HANDS -- EVERYTHING WE
MUST HOLD STEADFAST IN OUR HEARTS.

SEC. MORGENTHAU:
(CONTINUED)

THIS IS A TIME FOR REAFFIRMING
THAT FAITH BY WHICH WE LIVE...
THAT FIGHTING FAITH WITH WHICH
OUR COUNTRY -- TOGETHER WITH ALL
FREE COUNTRIES -- DEFENDS ITS
LIFE TODAY....THAT MARCHING FAITH
BY WHICH FREE PEOPLES ARE MOVING
INTO THE FUTURE.

(MUSIC: COMES TO A RESONANT FINISH)

ST

(FADE IN: SOUND TRAFFIC NOISES.....THEN SUDDENLY THE SHARP SQUEAK OF
BRAKES)

DRIVER

(SHOUTING) Hey, there!

THE HERMIT

(SHOUTING) Hi!

DRIVER

Watch where you're goin'!

COP

(OFF) Hey!

THE HERMIT

Hi!

COP

(FADING IN Crossing against the lights, Old Timer.
REPROVINGLY:)

Don't you know the rules?

THE HERMIT

Don't know the rules, Mister Policeman --

I'm a hermit.

COP

A What?

THE HERMIT

A hermit.

I don't know the rules.

Been holed up quite some time.

COP

Well, watch your step!

(MUSIC UP THEN DOWN UNDER:)

(EFFECT: RADIO LOUDSPEAKER FADES IN:)

RADIO LOUDSPEAKER

(GIVING LATEST WAR NEWS)

THE HERMIT

Hi!

RADIO LOUDSPEAKER

(CONTINUES WITH NEWS)

THE HERMIT

Hi! What's goin' on?

VOICES OF MEN AND WOMEN

Shhh!

Quiet!

RADIO LOUDSPEAKER

(NEWS)

THE HERMIT

What's that he's sayin'?

A WOMAN

(EXPLAINS ABOVE NEWS)

My boy...

I've got a boy --

I think he's over there.

THE HERMIT

Where? Where is it?

Over where?

MAN

Are you kiddin'?

Don't you know about the invasion?

A WOMAN

The liberation...

The President says that's what it is.

ANOTHER WOMAN

That's right...

the liberation.

THE HERMIT

I'm a hermit.

Jest got into town.

I hadn't heard.

ANOTHER WOMAN

Shhhhh...

MAN

Quiet!

ANOTHER MAN

What's he saying now?

(DIRECTION: THE RADIO CONTINUES)

(MUSIC: UP THEN DOWN UNDER:)

(SOUND: TRAFFIC NOISES)

THE HERMIT

Hi, there!

LITTLE BOY

Hi!

THE HERMIT

Whatcha got there, little boy?

What's in the can?

LITTLE BOY

Fats - waste fats.

THE HERMIT

Whatcha goin' to do with it?

LITTLE BOY

Takin' it to the grocery store, Mister.

They make it into bullets.

THE HERMIT

Look here, Sonny ---

I don't fool that easy.

LITTLE BOY

It's true --

They make a bullet out of every spoonful.

Mister, -- ?

THE HERMIT

Yes, Little boy?

LITTLE BOY

What are you doin' for the war?

THE HERMIT

The war, Sonny -- ?

I'm pretty old.

Tried to enlist but they turned me down.

Summer of '98 it was -- flat feet.

(HE GASPS WITH SURPRISE)

Well, look at that!

LITTLE BOY

Look at what ?

THE HERMIT

I never thought I'd live to see it!

Big as life -- a lady soldier!

Somp'n's goin' on around here Sonny.

I'm a hermit.

Just a hermit, that's all --

Only come down from the mountains every forty years or so.

Looks like I been missin' somsp'n.

LITTLE BOY

Why'd you come down this time, Mister?

HECTOR

Tell yuh what, Sonny;

Every now an' then I go on up to the ledge a' my little
ol' mountain an' stand there listenin'...

Jest listenin', --

Listenin' to the lonesome cryin' of the freight train in
the valley.

Listenin'...

Jest listenin' to hear what I can hear.

Lately I been hearin' things I couldn't figger --

Ruckus 'n' commotion.

Sech a rumblin' and thumpin',

Sech a grindin', chawin', boomin',

That I sez to myself, Old Timer --

Somep'n's goin' on down there, I sez...

Somep'n new and big...

So down I come to see what I kin see.

(MUSIC)

End Page

(BAND MUSIC)

(MUSIC: SEQUE - OR MORE PROPERLY, CROSS-FADE FROM MARCH TO:
SUSTAINED THEME - OMINOUS, DETERMINED - UNDER THIS, WITH
THE EFFECT OF DISTANCE WE HEAR NOW A CONTRAPUNTAL DRUM AND
FIVE BAND - THE TUNE IS "YANKEE DOODLE" AT A BRAVE QUICK
STEP)

(SOUND: FADE IN RIVETING)

THE HERMIT

H1!

GIRL'S VOICE

H1!

THE HERMIT

H1, young woman!

MORE GIRLS VOICES

H1!

(SOUND: THE ON-MIKE RIVETER STOPS)

THE HERMIT

Whatcha doin'?

A GIRL

Riveting.

(SOUND: RIVETING STARTS AGAIN)

THE HERMIT

(SHOUTING ABOVE THE YAMMER OF THE MACHINES) Whatcha makin'?

A WOMAN

Making planes.

THE HERMIT

Makes a heap 'a noise.

WOMAN

You oughta hear the noise these planes make over Europe!

(SOUND: SOCKS IN THE ROAR OF MANY PLANES)

(MUSIC: ON THIS THE SUSTAINING THEME ASCENDS - GATHERS
INTENSITY)

(EFFECT: ON MIKE...PLANE REVING UP)

THE HERMIT

Hi!

YOUNG MEN'S VOICES

Hi!

THE HERMIT

Hi, young fellas.

MORE VOICES OF SOLDIERS

Hi!

THE HERMIT

Where yuh goin' in them airypalanes?

FIRST SOLDIER

Where we're needed.

(MUSIC: THE MARINE MARCH ON THIS CUE, TAKING THE PLACE OF
"YANKEE DOODLE". BUILDING BUT STILL DISTANT...THE MAIN
THEME DOMINATING.)

THE HERMIT

You all are pretty sore at 'em over there looks like to me.

Whatcha sore about?

SECOND SOLDIER

What do you want, Old Timer? Reasons?

THIRD SOLDIER

That's like asking an executioner
why he starts the juice on the electric chair.

FIRST SOLDIER

We're killing murderers.

SECOND SOLDIER

That's our job.

THE HERMIT

I'm a hermit ---
I been holed up quite some time.
I hadn't heard ---
Who'd they murder?

FIRST SOLDIER

Folks who can't fight back.

SECOND SOLDIER

Old folks.

THIRD SOLDIER

The sick and feeble --

FIRST SOLDIER

Women --

SECOND SOLDIER

Women think they're lucky if they get to die...

THIRD SOLDIER

They murder little children, too.

FIRST SOLDIER

Heard about that?

SECOND SOLDIER

They stand around and watch the little children starve to death.

THE HERMIT

(LOW, INCREDULOUSLY) You're makin' that up.

FIRST SOLDIER

No, those things are happening tonight.

SECOND SOLDIER

We'll get them for it---

THIRD SOLDIER

- everyone of them --

FIRST SOLDIER

All the tyrants, big and little,

SECOND SOLDIER

All the torturers --

THIRD SOLDIER

- the liars and the bullies --

FIRST SOLDIER

- everyone of them --

SECOND SOLDIER

- every last one!

THIRD SOLDIER

We're going after 'em

with seven hundred different kinds of hell.

(SOUND AND MUSIC TO PUNCTUATE)

Hear that?

THE HERMIT

More planes --

More and more --

(EFFECTS AND MUSIC TO PUNCTUATE)

THE HERMIT

Bombs!

THIRD SOLDIER

Bombs.

FIRST SOLDIER

We drop more than three thousand tons, an average - every
day, that's only the beginning.

SECOND SOLDIER

Cannon.

THIRD SOLDIER

Rockets.

FIRST SOLDIER

Flame throwers.

THE HERMIT

Lot 'a noise.

SECOND SOLDIER

You ought to hear the noise in Europe.

THE HERMIT

What's that?

THIRD SOLDIER

Tahks.

THE HERMIT

And that ?

FIRST SOLDIER

More of the same --

Tanks rolling toward Berlin.

(SOUND: TO THE MONTAGE OF EFFECTS HERE AND MARCHING FEET)

(MUSIC: THE CONTRAPUNTAL BAND GAINS OVER THE THEME --

PLAYING NOW "THE BATTLE HYMN")

SECOND SOLDIER

You know what that is -- men!

THE HERMIT

Men marching....

THIRD SOLDIER

...millions of them...

FIRST SOLDIER

- marching to victory!

FOURTH SOLDIER

(VERY QUIETLY) "The free men of the world are marching together
to victory.

Let us beseech the blessings of Almighty God
upon this great and noble undertaking."

(SOUND: EFFECTS IN, THEN FULL THUNDER OF WAR)

(MUSIC: THE MARCH SWELLS TO TREMENDOUS FINISH)

X

WALTER HUSTON

This is Walter Huston broadcasting from Texarkana where the Secretary of the Treasury, Mr. Henry A. Morgenthau, Jr., has come for the official opening of the Fifth War Loan Drive --

THE HERMIT

What say?

WALTER HUSTON

The bond drive.

The Fifth War Loan Drive.

THE HERMIT

Never heard of it.

WALTER HUSTON

Old Timer,

I don't think you're typical of Texarkana.

THE HERMIT

Ain't no such town.

Besides, I ain't from Texarkana,

and besides, there ain't no Texarkana even if I was.

They's Tex and they's Ark,

two different towns.

WALTER HUSTON

Legally they're different, but that's all.

Look, we're on the air, Mister, er --

THE HERMIT

Hector - My name's Hector.

Hector the Hermit.

WALTER HUSTON

I see -- and your profession?

THE HERMIT

Hermit.

Heerd the music, so I come on in.

Well, sir, this is the rootin'-tootinest, goldadangest
great big enormous

huge medicine show I ever see.

Hi, there, young woman!

Hi!

LOIS ANDREWS

Hi, there!

THE HERMIT

My name's Hector. I'm a hermit.

Who're you?

LOIS ANDREWS

Lois Andrews. I'm a movie actress.

THE HERMIT

Them other folks up there --

who's them?

LOIS ANDREWS

Well, that's Joseph Cotten over there,

that's Agnes Moorehead....

Then there's Keenan Wynn and Edgar Barrier,

Alan Napier and Alexander Granach --

You've just been talking to Walter Huston --

THE HERMIT

Who's the little girl?

Hi there, little girl!

GLORIA JEAN

LOIS ANDREWS

That's Gloria Jean.

THE HERMIT

Whatcha doin' up so late, young miss?

GLORIA JEAN

Same thing as everybody else, I guess.

I'm selling bonds.

THE HERMIT

Bonds?

I knew you folks was sellin' somep'n, cuz I got in free.

Bonds, is it?

What'll bonds cure?

I ain't ailin' -- ain't nothin' wrong with me.

WALTER HUSTON

There's a lot wrong with the world Old Timer.

GLORIA JEAN

That's why we've got a war on our hands.

We're fighting what's wrong,

and it's worth all we can give to make it right.

THE HERMIT

Now don't start a' preachin' at me!

WALTER HUSTON

There won't be any sermons here tonight, Old Timer.

We promise you that.

THE HERMIT

How's about some music?

WALTER HUSTON

We're going to have some music now,
But we're not forgetting either
that in many parts of the world tonight
there isn't any music.

AGNES MOOREHEAD

On the battlefronts they haven't time for music.

WALTER HUSTON

Right.

KEENAN WYNN

In the slave countries they haven't any reason for it.

W.

This broadcast is a celebration of the reasons for music --

THE HERMIT

Who're you?

W.

I'm the producer of this broadcast.

We're going to bring you music,
but this broadcast is dedicated to the men and women
who are too busy for music --
to all our fighters on all the fronts...
and since we're having music
we can't think of anything better than the "Song of the United Nations".
The soviet composer Dmitri Shostakovich wrote it.
Our allies to the south have given us their Mexican Symphony to play it,
and Leopold Stokowski from our own United States
is going to conduct...

We take you now to Mexico City'.
(SWITCH-OVER TO MEXICO CITY)

(SWITCH BACK TO TEXARKANA FROM MEXICO CITY)

WALTER HUSTON

Walter Huston speaking --.

We're back now in the states -

To be precise on the border between two states --

Texas and Arkansas.

The State line runs up Main Street

in this bright and busy little city -- Texarkana --

Where we've taken our microphones for the opening of the

Fifth War Loan Drive

HECTOR

Ain't no sech town, I tell yuh.

WALTER HUSTON

You again?

HECTOR

Me, Hector the Hermit.

Ain't no Texarkana.

They's Tex and they's Ark, two towns --

separate -- Ark and Tex.

Ain't no Texarkana

WALTER HUSTON

You're wrong about their being separate.

They aren't any more.

Used to be pretty wild country out here,

and differences of opinion were settled mostly with guns or bowie knives.

But that's all changed;

It's a fine, neighborly, law-abiding community they've got there nowadays,

(CONTINUED)

(CONTINUED) WALTER HUSTON

So don't let anybody tell you there's something ornery in the

nature of us humans

that makes us have to fight each other,

even around borders and boundary lines.

You oughta see how well they get along together

here in Texarkana.

And when you write a letter here you just address it Texarkana, U.S.A.

You couldn't ask for a nicer, friendlier settlement

of a border dispute.

THE HERMIT

Mister, you've talked me out of that one.

But now, about this war --

WALTER HUSTON

Look here, Mr. Hermit.

I think we've let you heckle us enough.

A hermit is the only sort of man I can think of
who doesn't know by now that this war's about.

Frankly, we aren't fighting to make the world safe for hermits.

We're fighting to make it safe for people everywhere
who like each other's company,

safe for them to pray where they want to
and say what they feel like.

We don't approve of governments that people are afraid of.

We don't like anybody to go hungry.

We don't think that peace and poverty get along together.

A hermit wouldn't care about these things,
but they mean everything to us.

And here's another thing --

we aren't fighting over territory --

we're fighting over a difference of opinion --

Here are the opinions--

Even a hermit ought to recognize the difference.

Here's Orson Welles who wrote this show.

He's going to present them --

W.

Just a minute, Walter, I didn't write what you're going to hear now. What you're going to hear now are the real words of real people -- the people on our side -- and the other's. In the democracies, in peace-time anyway, we like to think there are two sides to every question. Well.....

WELLES

I give you Dr. Rosenberg, head of the Nazi Bureau.

ROSENBERG

The other side has no right to criticize. They should be grateful that they are still alive.

WELLES

Please understand these are exact quotes. -- "The other side has no right to criticize. They should be grateful that they are still alive!"

LAERTIUS

The most beautiful thing in the world is freedom of speech.

WELLES

Diogenes Laertius said that two hundred years before the birth of Christ. I give you now, Dr. Goebbels, head of Nazi Propaganda.

GOEBBELS

With us the subordinate does not criticize his superior, but only the superior, subordinates.

WELLES

Said Homer:

HOMER

To speak his thoughts is every free man's right.

SAUCKEL

Discussions of matters affecting our existence and that of the nation must cease altogether.

WELLES

That's a Nazi order -- the precise terms.

VOLTAIRE

Liberty of thought is the life of the soul.

PLATO

All men are by nature equal.

ARISTOTLE

Democracy arose from men's thinking that if they are equal in any respect they are equal absolutely.

WELLES

That was Voltaire, Plato and Aristotle in that order -- and now, here's Herbert Spencer.

SPENCER

No one can be perfectly free till all are free.

WELLES

Now that's a big part of what we believe -- "No one can be free till all are free." Nobody owns us -- we have our rights. And we don't own anybody, either --because they have their's. But each one of us belongs to everybody, -- that has to do with our duties. Said John Donne:

DONNE

No man is an island entire of itself; every man is a piece of the continent, a part of the maine; if a clod be washed away by the sea, Europe is the less, as well as if a promontory were, as well as if a manor of thy friends or of thine own were; Any man's death diminishes me because I am involved in mankind; And therefore, never send to know for whom the bell tolls; it tolls for thee.

ROUSSEAU

As soon as any man says of the affairs of the state,
"What does it matter to me?" the state may be given up for lost.

WELLES

That was Rousseau speaking, and now, here's Thomas Jefferson:

JEFFERSON

Where every man feels that he is a participator in the
government of affairs, not merely at an election one day in
the year, but every day; when there shall be not a man
in the State who will not be member of one of its councils,
great or small, he will let his heart be torn out
of his body sooner than his power be wrested from him
by a Caesar or a Bonaparte.

HITLER

A nation must be deceived if one will secure the devotion of
the masses of the people.

WELLES

That's Adolph Hitler's own formula for success -- "deceive
the people."

JEFFERSON

The American Revolution has shown us the happy truth
that man is capable of self-government and only rendered
otherwise by the moral degradation designedly superinduced
on him by the wicked acts of his tyrants.

HITLER

The bases of my program are blood, fire and personality.

WELLES

I see.

WILSON

Only free peoples can hold their purpose and their honor steady to a common end, and prefer the interests of mankind to any narrow interest of their own.

HITLER

Our youth will be educated to think and act as Germans!

WELLES

Woodrow Wilson was speaking before Hitler interrupted him.

HITLER

As long as they live, our German youth will never again be free!

WELLES

Not if you have anything to do with it. Look here, I want to emphasize that these are Hitler's words. We didn't make up any of this. It's all true. Here's Dr. Ley, another Nazi.

LEY

We begin with the child when he is three years old. As soon as he begins to think, he gets a little flag put in his hands. Then follows the school, the Hitler Jugend and military training. We don't let him go until the grave -- whether he likes it or not.

WELLES

I give you a Nazi Children's song:

CHILDREN'S VOICES

(SINGING) Peasants, leave your sowing

Little flowers will soon be growing,

Peasants, leave your plowing,

We plow soon with the sword.

CHILDREN'S VOICES

(CHANT IN UNISON) Heil, Hitler!

KRIECK

There is no place in the German universities for truth
for truth's sake.

WELLES

A professor in Heidelberg that was -- Krieck is his name.
And now, a group of Nazi leaders; von Papen, Feder,
von Killinger, a couple of ministers, and a youth leader.

VON PAPEN

Mothers must exhaust themselves to give life to children.

FEDER

The holiest thing in the world is the wife who is both
servant and slave.

WELLES

I hate to keep repeating this, but what you're hearing
are the real words of real men.

VON KILLINGER

All I had to do was wink and the brigadiers put the young girl
over a wooden pole. Then they beat her with horsewhips until
there wasn't a white spot left.

WELLES

That happened. These are real words, everybody.

MINISTER

We request that every hen lay between one hundred and thirty,
and one hundred and forty eggs a year.

YOUTH LEADER

Down with Mickey Mouse!

CHILDREN'S VOICES

(CHANTING IN UNISON) Heil, Hitler!

WELLES

Here's a Nazi news report:

VOICE

The young employee -- a girl -- who had held her position
for five years, was dismissed. The official reason given
for the dismissal was the allegedly hostile mentality of
the girl's father against the state. Heil, Hitler!

GERMAN VOICE

Heil, Hitler!

ANOTHER GERMAN VOICE

Heil, Hitler! I give you Dr. Frank, Reich Minister of Justice.

DR. FRANK

Heil, Hitler! We do not recognize any tradition of civil rights
We do not recognize civil rights. Heil, Hitler!

CHORUS

Heil, Hitler!

DR. FRANK

A dismissal without notice can be based upon reasons having taken
place after the dismissal. Heil, Hitler. I give you Dr. Streicher.

STREICHER

If, after a period in a concentration camp, anyone fails to appreciate the privileges of citizenship in the Third Reich, he had better leave the country.

WELLES

We bring you now a little Nazi sport news.

VOICE

The tennis team of Blau-Weiss has been deprived of its victory because of the unsatisfactory result of the discussion on political philosophy which the district sport leader had with the members of the team after the matches. Victor in a sport contest in the Third Reich can only be he who is fully conversant with our way of thinking.

CHORUS

Sig Heil, Sig Heil, Sig Heil.

A GERMAN VOICE

Reich Minister Hermann Goering!

CHORUS

Heil, Hitler!

A GERMAN VOICE

Reich Minister Kerrl!

KERRL

God has manifested himself not in Jesus Christ, but in Adolph Hitler.

HITLER

My will --

KERRL

My Fuehrer!

SMALL CHORUS OF MALE VOICES

(MURMURING REVERENTLY) The Fuehrer.

HITLER

My will -- that must be the creed of all of us!

GOERING

Heil, Hitler!

CHORUS

(YELLS) Heil, Hitler!

HITLER

Dr. Rosenberg?

ROSENBERG

Heil, Hitler! The Catholic and Protestant churches must vanish from the life of our people.

HITLER

Everything that you are, you are through me. -- Dr. Goebbels?

GOEBBELS

(ADORINGLY) Everything the Fuehrer utters is religion!

HITLER

(TAKEN OUT OF HIMSELF) My will! That is your faith!

My faith is for me!

GOEBBELS

You, my Fuehrer, have given us our daily bread.

WELLES

And here's Mussolini.

MUSSOLINI

Fortunately the Italian people is not accustomed to eating several times a day.

CHORUS

(WEAK SCATTERED VOICES EHOUT:) Viva, Viva Duce, Viva!

STREICHER

It is only on one or two exceptional points that Christ and Hitler stand comparison, for Hitler is far too big a man to be compared with one so petty.

LUDENDORFF

Christ was a false prophet, addicted to drink and cowardly like all Jews.

CHORUS

Sig Heil.

STREICHER

Jesus is the enemy of all Germans --

CHORUS

Sig Heil!

STREICHER

Jesus is the enemy of blood and race!

CHORUS

Sig Heil, Sig Heil, Sig Heil!

WELLES

Those last two men are General Ludendorff and Streicher. It's hard to believe it, but they're real men. And now, a thought from Dr. Gross of the Nazi office for Race Politics.

GROSS

It has been claimed that every race on this earth is a thought of God. Therefore we claim complete separation between blood and blood in order to avoid God's thoughts being disturbed.

JEFFERSON

Resistance to tyrants is obedience to God.

WELLES

We're going to repeat that - a real man said that, too --
it was Thomas Jefferson.

JEFFERSON

Resistance to tyrants is obedience to God.

WELLES

Winston Churchill:

CHURCHILL

Has any benefit or progress ever been achieved by the human race
by the submission to organized and calculated violence? As we
look back over the long story of nations we must see that on
the contrary their glory has been founded upon the spirit of
resistance to tyranny and injustice.

WELLES

Thomas Jefferson:

JEFFERSON

We are not to expect to be translated from despotism to
liberty in a featherbed.

WELLES

Tom Paine:

PAINE

Tyranny like hell is not easily conquered, yet we have this
consolation within us, that the harder the conflice the
more glorious the triumph.

WELLES

Woodrow Wilson:

WILSON

We shall fight for the things we have always carried nearest our hearts, for democracy, for the rights of those who submit to authority to have a voice in their own governments, for the rights and liberty of small nations, for the universal dominion of right by such a concert of free peoples as shall make peace and safety to all nations and make the world itself at last free.

WELLES

Democracy? We use that word a lot these days. I hope we're all agreed on what it means.

(SLIGHT PAUSE).....Abraham Lincoln:

LINCOLN

As I would not be a slave, so I would not be a master.

HITLER

The people will accept only a master!

LINCOLN

(SLOWLY, PATIENTLY) As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this to the extent of the difference is no democracy.

GERMAN VOICE

(AGGRESSIVELY) I give you Adolph Hitler!

WELLES

You can keep him.

GERMAN VOICE

(DEFENSIVELY) I give you Mussolini.

WELLES

Try and find him.

MUSSOLINI

Democracy is talking itself to death! The people do not know what they want!

WELLES

Thomas Jefferson:

JEFFERSON

I know no safe depository of the ultimate powers of society but the people themselves.

MUSSOLINI

The people do not know what is best for them.

WELLES

Abraham Lincoln:

LINCOLN

Why should there not be a patient confidence in the ultimate justice of the people. Is there any better or equal hope in the world?

HITLER

(SLIGHTLY OFF) All that you are, you are through me!

CHORUS

(SLIGHTLY OFF) Sig Heil, Sig Heil, Sig Heil.

(DIRECTION: THEY FADE DOWN UNDER:)

WILSON

The real wisdom of human life is compounded out of the experiences of ordinary men.

WELLES

That's Woodrow Wilson speaking.

WILSON

America does not consist politically of the men who set themselves up to be political leaders; she does not consist of the ~~men~~ who do most of her talking -- they are important only so far as they speak for that great voiceless multitude of men who constitute the great body and the saving force of the nation.

HITLER

(FURTHER OFF THAN BEFORE) My will! That is your law!

MALE CHORUS

(FADING) Sig heil, Sig Heil, Sig Heil.

WHITMAN

The genius of the United States is not best or most in its executives or legislatures, nor in its ambassadors or authors or colleges or churches of parlors, nor even in its newspapers or inventors...but always most in the common people... their deathless attachment to freedom -- the fierceness of their roused resentment -- the air they have of persons who never knew how it felt to stand in the presence of superiors...their good temper and open-handedness -- the terrible significance of their elections -- the President's taking off his hat to them not they to him --.

WELLES

That was Walt Whitman, our great American poet of democracy. And now here's the great German poet of democracy, Heinrich Heine:

HEINE

If all Europe were to become a prison, America would still present a loophole of escape and God be praised that loophole is longer than the dungeon itself.

WELLES

Thomas Wolfe:

WOLFE

I think the true discovery of America is before us. I think the true fulfillment of our spirit, of our people, of our mighty and immortal land, is yet to come. I think the true discovery of our own democracy is still before us. And I think that all these things are certain as the morning, as inevitable as noon. I think I speak for most men living when I say that our America is Here, is Now, and beckons on before us, and that this glorious assurance is not only our living hope, but our dream to be accomplished.

I think the enemy is here before us, too. But I think we know the forms and faces of the enemy, and in the knowledge that we know him, and shall meet him, and eventually must conquer him is also our living hope. I think the enemy is here before us with a thousand faces, but I think we know that all his faces wear one mask. I think the enemy is single selfishness and compulsive greed. I think the enemy is blind, but has the brutal power of his blind grab. I do not think the enemy was born yesterday, or that he grew to manhood forty years ago, or that he suffered sickness and collapse in 1929, or
(CONTINUED)

WOLFE (CONTINUED)

that we began without the enemy, and that our vision faltered,
that we lost the way, and suddenly were in his camp. I think
the enemy is old as Time, and evil as Hell, and that he has been
here with us from the beginning. I think he stole our
earth from us, destroyed our wealth, and ravaged and
despoiled our land. I think he took our people and enslaved
them, that he polluted the fountains of our life, took unto
himself the rarest treasures of our own possession, took our
bread and left us with a crust, and, not content, for the
nature of the enemy is insatiate -- tried finally to take
from us the crust.

HITLER

Success is the sole earthly judge of right and wrong.

CHORUS

Heil, Hitler!

HITLER

The very first essential for success is a perpetually
constant and regular employment of violence.

CHORUS

Sig Heil, Sig Heil, Sig Heil!

WELLES

Oh, Shut up!

(DIRECTION: THE "SIG HEIL'S" CONTINUE DISTANTLY)

Well, we'll shut 'em up before long -- pretty soon.

JEFFERSON

We are not to expect to be translated from despotism to
liberty in a featherbed.

WELLES

Yes, we mustn't forget that, either -- and you know, we've started talking about America. Of course, we're only a part of this war, but we're a big part of it and a proud part of it.

Tom Paine:

PAINE

We fight not to enslave, but to set a country free, and to make room upon the earth for honest men to live in.

WELLES

And as General Eisenhower put it a few days ago:

"...security for ourselves in a free world."

Thomas Jefferson:

JEFFERSON

I will not believe our labors are lost. I shall not die without a hope that light and liberty are on a steady advance. We have seen, indeed, once within the record of history, the complete eclipse of the human mind continuing for centuries...Even should the cloud of barbarism and despotism again obscure the science and liberties of Europe, this country remains to preserve and restore light and liberty to them.

In short, the flames kindled on the Fourth of July, 1776, have spread over too much of the globe to be extinguished by the feeble engines of despotism; on the contrary, they will consume these engines and all who work them.

(MUSIC: PLAYS A SOLEMN CURTAIN)

THE HERMIT: LookEE HERE, NOW DON'T GET SORE AT
 ME FER BUTTIN' IN --

WALTER HUSTON: MR. HERMIT, WEREN'T YOU SATISFIED WITH
 WHAT YOU HEARD?

 DO YOU STILL WONDER WHAT'S THE WAR
 ABOUT?

THE HERMIT: I'M SATISFIED. BUT THERE'S SOME'N ELSE--
 I WONDER COULD I GIT A WORD IN WITH THE
 SECRETARY OF THE TREASURY?

WALTER HUSTON: WELL, NOW, REALLY, HECTOR --

SEC.MORGENTHAU: THAT'S ALL RIGHT, MR. HUSTON.

 Hello, OLD TIMER, MY NAME'S HENRY
 MORGENTHAU. ^{Jr.} WHAT CAN I DO FOR YOU?

HECTOR THE
HERMIT:

 I RECKON YOU ALL ARE PRETTY SICK'A
 ME SPEAKIN' UP IN MEETIN' LIKE THIS *
 BUT I DON'T GET AROUND MUCH, BEIN'
 A HERMIT BY PERSUASION -- AN' I
 DIDN'T JIST QUITE KETCH THE DRIFT A'
 WHAT YOU FELLAS WAS TALKIN' ABOUT.
 SELMS THE WAR'S STILL ON -- IS IT A
 NEW WAR ? MEBBE YOU CAN SET ME
 STRAIGHT, MR. MORGENTHAU. WHAT KINDA
 WAR IS IT, ANYWAY?

SEC. MORGENTHAU: THOSE ARE PRETTY BIG QUESTIONS
OLD TIMER. I DON'T THINK THOSE
QUESTIONS SHOULD BE ASKED
WITHOUT SOME ANSWERS...I'D LIKE
TO HEAR SOME.

WALTER HUSTON: WELL, MR. SECRETARY, HERE'S A
WHOLE BATCH OF BOND PLEDGES.

(MUSIC: BACKGROUND OUT)

SUPPOSE YOU JUST PICK ONE OUT
OF THE HAT, SO TO SPEAK --
AT RANDOM.

SEC. MORGENTHAU: ALL RIGHT. HERE'S ONE -
MRS. WILLIAM H. TANNER.

MRS. TANNER: (OFF MIKE) HERE!

WALTER HUSTON: SPEAK RIGHT INTO THE MICROPHONE
MRS. TANNER....OUR FRIEND, THE
HERMIT HERE, WANTS TO KNOW IF
THIS IS THE SAME WAR OR A NEW
ONE.

MRS. TANNER: IT'S A NEW ONE.
(SLIGHT PAUSE)

WALTER HUSTON: ANYTHING YOU'D LIKE TO ADD TO THAT?

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MRS. TANNER: YES -- I GUESS IT'S REALLY A
NEW WAR IN EVERY WAY BECAUSE -
WELL, BECAUSE THERE'RE NEW
HOPES THAT GO WITH IT, -- YOU
KNOW - FOR THE FUTURE.

WALTER HUSTON: MR. SECRETARY -- ?

SEC. MORGANTHAU: IT'S TRUE WE'RE FIGHTING TO
DEFEND OUR WAY OF LIFE, BUT I
AGREE WITH MRS. TANNER -- I
THINK THERE'S MORE TO IT THAN
THAT. WE'RE FIGHTING FOR A
BETTER LIFE -- A FREER LIFE, A
LARGER PROMISE FOR THE GENERATIONS
AHEAD OF US.

MRS. TANNER: THAT'S RIGHT, MR. MORGENTHAU.
WE'VE GOT A BETTER IDEA NOW
ABOUT WHAT THE WORLD OUGHT TO
BE LIKE...AND WHAT OUR DUTIES
ARE TO EACH OTHER TO MAKE IT THAT
WAY.

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SEC. MORGENTHAU: YES, I THINK WE'RE ALL OF US
CONVINCED TODAY THAT WE OWE
? SOMETHING TO THE NEEDY AND TO
THE OLD AND TO THE SICK...I THINK
WE'RE FULLY CONVINCED AT LAST THAT
WE SIMPLY HAVEN'T THE RIGHT TO
LET ANYBODY STARVE FOR LACK OF
FOOD OR A JOB.

WALTER HUSTON: THANK YOU, MRS. TANNER -- PICK
OUT ANOTHER NAME, MR. SECRETARY.

SEC. MORGENTHAU: ALL RIGHT --- HERE'S ONE.

WALTER HUSTON: (READS) MR. RALPH H. BURLING.

BURLING: (OFF MIKE) I DISAGREE!

WALTER HUSTON: HERE'S THE MICROPHONE, MR. BURLING.

BURLING: WELL, I DON'T DISAGREE EXACTLY,
BUT STILL IN ALL I THINK WE'D
CALL THIS THE SAME WAR.

WALTER HUSTON: YES.

BURLING: YES, I'D SAY IT STARTED BACK IN
1776.

MRS. TANNER: (SLIGHTLY OFF) THAT'S TRUE IN A
WAY, OF COURSE.

MISS VERNON: (OFF MIKE) OF COURSE IT'S TRUE.

WALTER HUSTON: WHAT'S THAT?

MISS VERNON: OH, EXCUSE ME -- YOU DIDN'T CALL ON
ME, I KNOW.

I JUST SPOKE UP WITHOUT THINKING.

SEC.MORGENTHAU: NOT AT ALL, MISS - GO RIGHT AHEAD.

WALTER HUSTON: YOUR NAME, PLEASE?

MISS VERNON: RACHEL VERNON -- BUT THAT DOESN'T
MATTER, EXCUSE ME -- I'M JUST A HIGH
SCHOOL GIRL.

SEC.MORGENTHAU: PLEASE GO ON...WE AMERICANS ARE PROUD
OF OUR FREE SPEECH -- LET'S HAVE A
LITTLE.

MISS VERNON: WELL, I WAS JUST GOING TO SAY THAT
HISTORY SHOWS THAT OUR DEMOCRACY
HASN'T COME VERY CHEAP.

(SLIGHT PAUSE)

WALTER HUSTON: MR. SECRETARY,---?

SEC. MORGENTHAU: IF I UNDERSTAND THIS YOUNG LADY
CORRECTLY, SHE'S SAYING THAT EVERYTHING
WE VALUE HERE WE'VE EARNED THE HARD
WAY.

MISS VERNON: YES, SIR. WE MAY HAVE GROWN AND
PROSPERED IN THE YEARS OF PEACE,
BUT PRESIDENT WILSON SAID, "THE
RIGHT IS MORE PRECIOUS THAN PEACE."
(SLIGHT PAUSE)

WALTER HUSTON: GO ON, MISS VERNON.

MISS VERNON: WELL, I WAS JUST GOING TO SAY THAT
I THINK MOST OF US HAVE COME TO
FEEL THAT THERE WON'T BE REAL PEACE
UNTIL AFTER THE LAST WAR.
(ANOTHER SLIGHT PAUSE) THAT'S ALL,
THANK YOU.

SEC. MORGENTHAU: I THINK WE ALL AGREE WITH YOU, MISS
VERNON. I THINK WE ALL AGREE THAT
THIS WAR IS A WAR AGAINST WAR ITSELF.

MISS VERNON: (OFF) EXCUSE ME -- WHAT I MEANT TO
SAY IS WE'VE BEEN FIGHTING WAR FROM
THE BEGINNING.

SEC. MORGENTHAU: THAT'S RIGHT.

MISS VERNON: AMERICA, I MEAN..FIGHTING WAR: WE'VE
NEVER REALLY STOPPED.

A MAN'S VOICE: (SHOUTING FROM THE AUDIENCE) RIGHT!
AND WE WON'T STOP TILL WE'VE WON.

WALTER HUSTON: GOOD FOR YOU! -- EXCUSE ME, MR.
SECRETARY -- PLEASE GO ON.

SEC. MORGENTHAU: WE HAVE STRONG ALLIES NOW, BRAVE FRIENDS
FIGHTING BESIDE US IN THE FIELD. WE
HAVE THE FINEST ARMY IN OUR HISTORY AND
THE BIGGEST NAVY IN THE WORLD...AND NOW
WE'RE SURE OF WINNING. BUT IT WON'T BE
EASY, WE KNOW THAT, TOO. IT MAY BE VERY
HARD -- TERRIBLY HARD...BUT HERE AT HOME
WE CAN MAKE WINNING EASIER, AND WE CAN
MAKE IT SHORTER...WHAT'S MORE, WE CAN
MAKE THIS MOST RECENT BATTLE IN OUR
LONG WAR ~~TO WIN~~ ^{for} FREEDOM AND TO HOLD IT
--THE LAST BATTLE.

THAT'S UP TO US!

THIS IS A PEOPLE'S WAR. IT ISN'T
FINANCED BY THE BANKS. ✓ BECAUSE THEY
BELIEVE IN THIS WAR -- IN ITS FULL
JUSTICE...BECAUSE THEY HAVE CONFIDENCE
IN THE OUTCOME AND FAITH IN ITS HIGH
PURPOSE, THE PEOPLE ARE FINANCING IT.

(CONTINUED)

SEC. MORGENTHAU:
(CONTINUED)

THIS PEOPLE'S WAR OF OURS IS
FOUGHT ON FRONTS ALL OVER THE
WORLD. LAST WEEK WE OPENED A NEW
FRONT ON THE CONTINENT OF EUROPE.
THAT FRONT ALONE IS THE BIGGEST
PROJECT IN MILITARY HISTORY.

YOU CAN BE SURE THAT THE INVASION
DIDN'T BEGIN UNTIL WE WERE READY --
AND YOU MUST KNOW THAT GETTING READY
COST A LOT OF MONEY.

GENERAL MARSHALL TOLD ME LAST
WEDNESDAY BEFORE HE LEFT FOR ENGLAND
THAT OUR WAR EXPENDITURE FOR THE
LAST THREE MONTHS OF THIS YEAR WILL
BE THE HIGHEST YET... "AND WE'VE
JUST STARTED." HE TOLD ME -- THESE
ARE HIS WORDS: "WE'VE JUST STARTED
ON THE BEACHES OF FRANCE A FLAMING
WAR...."

NOW HERE ARE SOME COLD FACTS: IT
COSTS 86 THOUSAND DOLLARS TO LAY A
SMOKE SCREEN ACROSS A TWENTY-MILE
BEACHHEAD.

(CONTINUED)

SEC. MORGENTHAU:
(CONTINUED)

I ASK YOU TO IMAGINE THE MONEY
REQUIRED TO LAND A SINGLE DIVISION
OF MEN. TO MARCH FROM NAPLES TO
ROME IT COST SIX BILLION SEVEN HUNDRED
MILLION DOLLARS...I LEAVE IT TO YOU
TO IMAGINE WHAT IT WILL COST TO MARCH
FROM ROME TO BERLIN.

THE COST OF TAKING THE MARSHALL
ISLANDS WAS SIX BILLION DOLLARS.
THAT INCLUDES PLANES, OIL, AMMUNITION,
AND THE TRAINING AND EQUIPPING OF
PERSONNEL -- SIX BILLION DOLLARS.
AGAIN I LEAVE IT TO YOU TO IMAGINE
WHAT IT WILL COST US TO GO FROM
THE MARSHALL ISLANDS TO TOKYO.

WE'VE SPENT TWO HUNDRED BILLION ON
THE WAR ALREADY. BY THE END OF THIS *fiscal*
YEAR WE WILL HAVE SPENT AT LEAST
NINETY-FIVE BILLION MORE. SOME OF
THIS WE'LL GET FROM TAXES, -- OUT
OF EVERY DOLLAR, *spent* NINETY-FIVE CENTS
GOES TO PAY FOR THE WAR**BUT WE'RE

(CONTINUED)

SEC. MORGENTHAU:
(CONTINUED)

STILL GOING TO BE FIFTY-SEVEN
BILLION DOLLARS SHORT, AND THIS
MONEY WE'RE GOING TO HAVE TO BORROW
FROM YOU. WITH THE UNITED NATIONS,
AMERICA IS PLEDGED TO THE TOTAL DEFEAT
OF THE ENEMY. PLEDGED -- IN THE WORDS
OF GENERAL EISENHOWER -- "TO BRING
ABOUT THE DESTRUCTION OF THE GERMAN
WAR MACHINE, ELIMINATION OF NAZI
TYRANNY OVER THE OPPRESSED PEOPLES OF
EUROPE, AND SECURITY FOR OURSELVES
IN A FREE WORLD."

THAT'S OUR DEFINITION OF VICTORY.

WE MUST NOT LET THE PRESIDENT --
OUR COMMANDER-IN-CHIEF -- WORRY
WHETHER WE'LL BE ABLE TO PAY FOR
THAT VICTORY.

THE HARDER WE FIGHT THE SOONER WE'RE
GOING TO WIN. IF OUR ARMED FORCES
DON'T GET THE MONEY THEY NEED -- ALL
THE MONEY THEY NEED -- THEY CAN'T
FIGHT AS HARD, AND THEY CAN'T WIN AS

(CONTINUED)

SEC. MORGENTHAU:
(CONTINUED)

SOON. IT'S JUST AS SIMPLE AS THAT.

THE VERY LIFE OF DEMOCRACY IS THE
PEOPLE'S TRUST IN THEMSELVES. THE
PEOPLE CAN FINANCE THEIR SECURITY
IN A FREE WORLD.

WE'RE DOING IT NOW, BUT THE AMOUNT
NEEDED IS TREMENDOUS. IT BEGINS
WITH TEN CENTS...IT GOES UP TO
ANYTHING YOU CAN AFFORD, AND IT
ENDS WITH VICTORY -- FULL VICTORY --
AND A SURE PEACE.

(MUSIC)

(MUSIC: VERY LOW, GHOSTLY BUT STRANGELY POIGNANT, ESTABLISHES:)

(THEN DOWN UNDER:)

A YOUNG MAN'S VOICE

I'd like a word or two in this meeting.

WALTER HUSTON

Hello, hello there, who're you?

A YOUNG MAN'S VOICE

Me, I'm lots of people. Call me Joe.

WALTER HUSTON

Welcome to the meeting, Joe. Stand up, we can't see you.

A YOUNG MAN'S VOICE

Sorry, can't stand up...Besides, you wouldn't want to see me.

I don't want you to -- not now.

Maybe you've got a snapshot, look at that.

Remember something good we both enjoyed,
something we liked together.

Remember the last time you saw me smile,

Mark where I left your life with that --

A smile...

That's how I'd like it.

WALTER HUSTON

Who are you, Joe?

A YOUNG MAN'S VOICE

Me? I thought I told you. Lots of people.

I mowed your lawn and jerked your sodas.

I washed your windows and soaped 'em on Hallow'een

(CONTINUED)

A YOUNG MAN'S VOICE (CONTINUED)

And I broke one of 'em with a baseball, remember ?
I sat in your classroom
I ran the elevator in your office building
I brought your groceries and delivered your telegrams
I even sang Happy Birthday to you, Happy Birthday to you
And I shined your shoes and once I hit you with a snowball.
You remember me.

When you were sick I made it worse
yelling Ollie Ollie Oxen free out in the street
I woke you up in the middle of the night --
that was me when I was little -- bawling in the next apartment
or maybe that was me bawling in the next room.
If that was me you didn't mind it so much
and I don't have to remind you of anything. You remember.
Like I say. I'm lots of people.

You out there, maybe you're my folks, or my boss maybe
or my friend. Maybe you chased me out of your front yard.
Maybe you and I were going to be married -- some day after the war.
Maybe we got married.
You may have borne my children.
Maybe I'm your father.....
You out there -- you're lots of people, too.

But here's something definite, specific, final.
It's about me.
I'm not coming back.

(CONTINUED)

Regaded Unclassified

A YOUNG MAN'S VOICE (CONTINUED)

Look for my buddies when it's over over there....

They'll be back...

When the bands are playing and the bells are ringing
you'll see them marching through the snow of ticker tape,
laughing and waving at the girls.

Look for them, you'll find'em....and thank God they're back.

Thank me, too, if you think of it.

Some of you won't think of anything else.

You out there --

What I've got to say is for you to hear

You out there --

you --

you, too --

Better listen.

Know who I am?

I hope I'm nobody you love

But if I'm not yet, neither one is sure I won't be.

Here's a question for you:

What do you think I feel like when I hear you --

you back there --

talking about the peace,

the peace I'll never live to see?

I'll tell you how I feel about it,

(CONTINUED)

A YOUNG MAN'S VOICE (CONTINUED)

I feel just fine.

Why do you think I'm staying over here...?

(AFTER SLIGHT PAUSE..HE CONTINUES)

But right now give me a minute of your time.

First of all, I want to tell you that we're going to win this war.

Sometimes it may not look that way to you.

I don't mean the war news'll be bad --

though it may be bad.

We've got a lot of desperate men to kill,

and lots of them will do the killing

before it's over.

What I mean is,

when I'm gone,

for you who love me

it may look like the war's lost, --

just for a while, anyway,

Do this for me. Don't ever believe it.

After the revolution a lot of boys didn't get to go back home.

We won that war, all right.

and life wouldn't be worth living if they hadn't thought enough of
life to die for it.

I remember some of you folks saying once that war doesn't make sense

Making war doesn't....

You were right about that.

(CONTINUED)

A YOUNG MAN'S VOICE (CONTINUED)

But we didn't make this war.

Our job is to end it,

and I mean end it.

We're going to smash the war makers and break them for good.

That's winning the war and that's what we're going to do,

and that makes sense.

All the sense in the world.

I want you to hate those men who made the war,

don't hate the war.

It's taken me away from you,

but I want you to remember all the things they tried to take away.

More important things than me --

not only for the world --

important for you, too.

I want you to be sure of that.

I want those things to be more important to you than I am,

because I want my death to mean something.

You see, there isn't anything more I can do about it.

All I can do is die.

It's meaning something's up to you.

That's up to you.

(MUSIC: BUILDS TO A CURTAIN)

WALTER HUSTON

There are mothers and fathers, wives and children -- families all over America whose boys are fighting the war we've been talking about. In these homes tonight there is terrible anxiety and there are questions -- How is the war turning out -- What's the truth about it -- What's the latest news? In only one of these homes is there a father who knows any of the answers. Ladies and gentlemen, we bring you now the President of the United States.

(SWITCH OVER)

(PRESIDENT ROOSEVELT SPEAKS)

6/12/44

Reading copy of HM, Jr's broadcast and
balance of script for the Texarkana speech
opening the 5th War Loan Drive.

"THE SUMMING UP"
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ANNOUNCER:

THE UNITED STATES TREASURY DEPARTMENT
BRINGS YOU NOW A SPECIAL BROADCAST.

NARRATOR:

THE EYES OF THE WORLD ARE UPON THE SOLDIERS AND SAILORS AND AIRMEN OF THE ALLIED EXPEDITIONARY FORCE. IN THE WORDS OF THEIR SUPREME COMMANDER, THEY HAVE EMBARKED UPON THE GREAT CRUSADE. THE WHEN OF THE INVASION WAS A WELL-KEPT MILITARY SECRET, BUT NOT THE WHY OF IT. THIS BROADCAST IS ABOUT THE WHY OF IT. WE'RE GOING TO HEAR FROM FRANKLIN DELANO ROOSEVELT, THE PRESIDENT OF THE UNITED STATES, AND COMMANDER-IN-CHIEF OF THE UNITED STATES ARMED FORCES. AND ALSO, FROM A LOT OF OTHER PEOPLE WHO, LIKE HIM, AND LIKE YOU AND ME, HAVE A BIG STAKE IN THIS WAR.

LADIES AND GENTLEMEN, THE SECRETARY OF THE UNITED STATES TREASURY, MR. HENRY MORGENTHAU, JR.

SEC. MORGENTHAU:

I HAVE A MESSAGE FOR YOU -- FOR
CIVILIAN AMERICA -- FROM OUR
MILITARY LEADERS. HERE IT IS IN
A COUPLE OF WORDS: THE WAR ISN'T
OVER YET.

OUR MILITARY LEADERS AND THE MEN
FIGHTING UNDER THEIR COMMAND
ARDENTLY HOPE AND SINCERELY BELIEVE
THAT THERE ARE NO AMERICANS WHO NEED
TO BE TOLD THAT THIS IS THE WRONG
TIME TO RELAX.

TONIGHT LET US TELL EACH OTHER
WHAT WE DARE NOT FORGET: THIS IS
THE TIME FOR NEW EFFORT, THIS IS
THE TIME FOR FRESH EXERTION,
THE TIME FOR MORE FROM ALL OF US --
MORE OF EVERYTHING -- EVERYTHING
WE'RE CALLED ON TO GIVE FOR THIS
GREAT CRUSADE -- EVERYTHING WE'RE
CALLED ON TO MAKE FOR IT WITH OUR
HANDS -- EVERYTHING WE MUST HOLD
STEADFAST IN OUR HEARTS.

(MORE)

SEC. MORGENTHAU:
(CONTINUED)

THIS IS A TIME FOR REAFFIRMING
THAT FAITH BY WHICH WE LIVE...
THAT FIGHTING FAITH WITH WHICH
OUR COUNTRY -- TOGETHER WITH ALL
FREE COUNTRIES -- DEFENDS ITS
LIFE TODAY....THAT MARCHING FAITH
BY WHICH FREE PEOPLES ARE MOVING
INTO THE FUTURE.

(MUSIC: COMES TO A RESONANT FINISH)

(FADE IN: SOUND TRAFFIC NOISES.....THEN SUDDENLY THE
SHARP SQUEAK OF BRAKES)

DRIVER

(SHOUTING) Hey, there!

THE HERMIT

(SHOUTING) H1!

DRIVER

Watch where you're goin'!

COP

(OFF) Hey!

THE HERMIT

H1!

COP

(FADING IN
REPROVINGLY:)

Crossing against the lights, Old Timer.
Don't you know the rules?

THE HERMIT

Don't know the rules, Mister Policeman --
I'm a hermit.

COP

A What?

THE HERMIT

A hermit.

I don't know the rules.

Been holed up quite some time.

COP

Well, watch your step!

(MUSIC UP THEN DOWN UNDER:)

(EFFECT: RADIO LOUDSPEAKER FADES IN:)

RADIO LOUDSPEAKER

(GIVING LATEST WAR NEWS)

THE HERMIT

H1!

RADIO LOUDSPEAKER

(CONTINUES WITH NEWS)

THE HERMIT

H1! What's goin' on?

VOICES OF MEN AND WOMEN

Shhhh!

Quiet!

RADIO LOUDSPEAKER

(NEWS)

THE HERMIT

What's that he's sayin'?

A WOMAN

(EXPLAINS ABOVE NEWS)

My boy...

I've got a boy --

I think he's over there.

THE HERMIT

Where? Where is it?

Over where?

TWO MEN

Are you kiddin'?

A MAN

What's that?

Don't you know about the invasion?

A WOMAN

The liberation...

The President says that's what it is.

A WOMAN

That's right...

A WOMAN

..the liberation.

THE HERMIT

I'm a hermit.

Jest got into town.

I hadn't heard.

A WOMAN

Shhhhh...

MAN

Quiet!

ANOTHER MAN

What's he saying now?

(DIRECTION: THE RADIO CONTINUES)

(MUSIC: UP THEN DOWN UNDER:)

(SOUND: TRAFFIC NOISES)

THE HERMIT

H1, there!

LITTLE BOY

H1!

THE HERMIT

Whatcha got there, little boy?

What's in the can?

LITTLE BOY

Fats - waste fats.

THE HERMIT

Whatcha goin' to do with it?

LITTLE BOY

Takin' it to the grocery store, Mister.

They make it into bullets.

THE HERMIT

Look here, Sonny ---

I don't fool that easy.

LITTLE BOY

It's true --

They make a bullet out of every spoonful.

Mister, -- ?

THE HERMIT

Yes, little boy?

LITTLE BOY

What are you doin' for the war?

THE HERMIT

The war, Sonny -- ?

I'm pretty old.

Tried to enlist but they turned me down.

Summer of '98 it was -- flat feet.

(HE GASPS WITH SURPRISE)

Well, look at that!

LITTLE BOY

Look at what?

THE HERMIT

I never thought I'd live to see it!

Big as life -- a lady soldier!

Somp'n's goin' on around here Sonny.

I'm a hermit.

Just a hermit, that's all --

Only come down from the mountains every forty years
or so.

Looks like I been missin' somep'n.

LITTLE BOY

Why'd you come down this time, Mister?

THE HERMIT

Tell yuh what, Sonny;

Now an' then

I go an' stand up on the ledge a' my little ol'
mountain

Jest stand there listenin'...

That's all....

Listenin' to the lonesome cryin' of the freight train
Pullin' through the valley.

Listenin'....

That's all. --

Jest listenin' to hear what I can hear.

Well, Sonny, lately I been hearin' things I couldn't
figger --

Ruckus 'n' commotion, Sonny --

Sech a rumblin' and thumpin',

Sech a grindin', chawin', boomin',

That I sez, Old Timer --

Somep'n's goin' on down there, I sez...

Somep'n new and big...

So down I come

to see what I kin see.

//

(MUSIC)

(BAND MUSIC)

(MUSIC: SEQUE - OR MORE PROPERLY, CROSS-FADE FROM MARCH
TO: SUSTAINED THEME - OMINOUS, DETERMINED - UNDER THIS,
WITH THE EFFECT OF DISTANCE WE HEAR NOW A CONTRAPUNTAL
DRUM AND FIFE BAND - THE TUNE IS "YANKEE DOODLE" AT A
BRAVE QUICK STEP)

(SOUND: FADE IN RIVETING)

THE HERMIT

H1!

GIRL'S VOICE

H1!

THE HERMIT

H1, young women!

MORE GIRLS VOICES

H1!

(SOUND: THE ON-MIKE RIVETER STOPS)

THE HERMIT

Whatcha doin'?

A GIRL

Riveting.

(SOUND: RIVETING STARTS AGAIN)

THE HERMIT

(SHOUTING ABOVE THE YAMMER OF THE MACHINES)

Whatcha makin'?

A WOMAN

Making planes,

THE HERMIT

Makes a heap 'a noise.

WOMAN

You oughta hear the noise these planes make over
Europe!

(SOUND: SOCKS IN THE ROAR OF MANY PLANES)

(MUSIC: ON THIS THE SUSTAINING THEME ASCENDS -
GATHERS INTENSITY)

(EFFECT: ON MIKE...PLANE REVING UP)

THE HERMIT

H1!

YOUNG MEN'S VOICES

H1!

THE HERMIT

H1, young fellas.

Where yuh goin?

FIRST SOLDIER

Goin' huntin'....

(MUSIC: THE MARINE MARCH ON THIS CUE, TAKING THE
PLACE OF "YANKEE DOODLE", BUILDING BUT STILL
DISTANT...THE MAIN THEME DOMINATING)

HERMIT

Whatcha huntin'?

SECOND SOLDIER

Men --

Killers --

THIRD SOLDIER

Torturers and bullies --

FIRST SOLDIER

Murderers -

THE HERMIT

Who'd they murder?

FIRST SOLDIER

Folks who can't fight back.

SECOND SOLDIER

Old folks.

FOURTH SOLDIER

The sick and feeble --

FIRST SOLDIER

Women --

SECOND SOLDIER

Women think they're lucky if they get to die...

THIRD SOLDIER

They murder little children, too.

FIRST SOLDIER

Heard about that?

SECOND SOLDIER

They stand around and watch the little children
starve to death.

THE HERMIT

(LOW, INCREDULOUSLY) You're makin' that up.

FIRST SOLDIER

No, those things are happening tonight.

SECOND SOLDIER

We'll get them for it--

THIRD SOLDIER

- everyone of them --

THIRD SOLDIER

We're going after 'em
with seven hundred different kinds of hell.

(SOUND AND MUSIC TO PUNCTUATE)

Hear that?

THE HERMIT

More planes --

And more and more --

(EFFECTS AND MUSIC TO PUNCTUATE)

FOURTH SOLDIER

Bombs.

FIRST SOLDIER

We drop more than three thousand tons, an average -
every day, that's only the beginning.

SECOND SOLDIER

Cannon.

THIRD SOLDIER

Rockets.

FIRST SOLDIER

Flame throwers.

THE HERMIT

Lot 'a noise.

SECOND SOLDIER

You ought to hear the noise in Europe.

THE HERMIT

What's that?

FOURTH SOLDIER

Tanks.

THE HERMIT

And that?

FIRST SOLDIER

More of the same --

Tanks rolling toward Berlin.

(SOUND: TO THE MONTAGE OF EFFECTS HERE ADD MARCHING FEET)

(MUSIC: THE CONTRAPUNTAL BAND GAINS OVER THE THEME -- PLAYING NOW "THE BATTLE HYMN")

THIRD SOLDIER

You know what that is -- men!

THE HERMIT

Men marching....

FOURTH SOLDIER

...millions of 'em...

THIRD SOLDIER

- marching to victory!

FIFTH SOLDIER

(VERY QUIETLY) "The free men of the world are
marching together to victory.

Let us beseech the blessings of Almighty God
upon this great and noble undertaking."

(SOUND: EFFECTS IN, THEN FULL THUNDER OF WAR)

(MUSIC: THE MARCH SWELLS TO TREMENDOUS FINISH)

WALTER HUSTON

This is Walter Huston broadcasting from
Texarkana where the Secretary of the Treasury,
Mr. Henry A. Morgenthau, Jr., has come for the
official opening of the Fifth War Loan Drive --

THE HERMIT

What say?

WALTER HUSTON

The bond drive.

The Fifth War Loan Drive.

THE HERMIT

Never heard of it.

WALTER HUSTON

Old Timer,

I don't think you're typical of Texarkana.

WALTER HUSTON

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Texarkana where the Secretary of the Treasury,
Mr. Henry A. Morgenthau, Jr., has come for the
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WALTER HUSTON

Old Timer,

I don't think you're typical of Texarkana.

THE HERMIT

Ain't no sech town.
Besides, I ain't from there.
I'm Hector, that's me -
Hector the Hermit.

WALTER HUSTON

I see -- and your profession?

THE HERMIT

Hermit.
Heerd the music, so I come on in.
Well, sir,
this here's the rootin'-tootinest, gol-dangest
big enormous show I ever see!
Hi, there, young woman!
Hi!

LOIS ANDREWS

Hi, there!

THE HERMIT

My name's Hector. I'm a hermit.
Who're you?

LOIS ANDREWS

Lois Andrews. I'm a movie actress.

THE HERMIT

And you?

AGNES MOOREHEAD

Moorehead --

Agnes Moorehead --

THE HERMIT

Them other folks up there --
who's them?

AGNES MOOREHEAD

Well, that's Keenan Wynn...
and then there's Edgar Barrier, Alan Napier,
Nathalie Dobie --
and you've just been talking to Walter Huston --

THE HERMIT

Who's the little girl?
Hi, little girl?

GLORIA JEAN

Hi!

AGNES MOOREHEAD

That's Gloria Jean.

THE HERMIT

Whatcha doin' up so late, young miss?

GLORIA JEAN

Same thing as everybody else, I guess.
I'm selling bonds.

THE HERMIT

Bonds?

I knew you folks wuz sellin' somep'n, cuz

I got in free.

Bonds, is it?

What'll bonds cure?

I ain't ailin' -- ain't nothin' wrong with me.

WALTER HUSTON

There's a lot wrong with the world, Old Timer.

GLORIA JEAN

That's why we've got a war on our hands.

We're fighting what's wrong,

and it's worth all we can give to make it right.

THE HERMIT

Now don't start preachin' at me!

WALTER HUSTON

There won't be any sermons here tonight, Old Timer.

We promise you that.

THE HERMIT

How's about some music?

WALTER HUSTON

We're going to have some music now,

GLORIA JEAN

But we're not forgetting either

that in many parts of the world tonight

there isn't any music. --

KEENAN WYNN

On the battlefronts they haven't time for music.

WALTER HUSTON

Right.

AGNES MOOREHEAD

In the slave countries they haven't any reason for it.

W.

This broadcast is a celebration of the reasons for
music --

GLORIA JEAN

This is Orson Welles, Old Timer.

He's the producer of this broadcast.

W.

We're going to bring you music,
but this broadcast is dedicated to the men and women
who are too busy for music --
to all our fighters on all the fronts...

And since we're having music
we can't think of anything better than the

"Song of the United Nations."

The Soviet Composer Dmitri Shostakovich wrote it.

Our Allies to the south have given us their Mexican
Symphony to play it,

(CONTINUED)

W. (Cont'd)

and Leopold Stokowski from our own United States
is going to conduct...

We take you now to Mexico City.

(SWITCH-OVER TO MEXICO CITY)

(SWITCH BACK TO TEXARKANA FROM MEXICO CITY)

WALTER HUSTON

Walter Huston speaking --

We're back now in the states --

To be precise on the border between two states --
Texas and Arkansas.

The State line runs up Main Street
in this bright and busy little city -- Texarkana --
Where we've taken our microphones for the opening
of the Fifth War Loan Drive.

THE HERMIT

Ain't no sech town, I tell yuh.

WALTER HUSTON

You, again?

THE HERMIT

Me, The Hermit.

Ain't no Texarkana.

They's Tex and Ark, two towns --
They's separate -- Ark and Tex.

WALTER HUSTON

No, they aren't separate
But they used to be --

(CONTINUED)

WALTER HUSTON (Cont'd)

Used to be pretty wild country out here,
and differences of opinion were settled mostly with
guns or bowie knives.

But that's all changed;

It's a fine, neighborly, law-abiding community
they've got here nowadays,

So don't let anybody tell you there's something
ornery in the nature of us humans
that makes us have to fight each other,
even around borders and boundary lines.

You oughta see how well they get along together
here in Texarkana.

And when you write a letter here you just address
it Texarkana, U.S.A.

You couldn't ask for a nicer, friendlier
settlement
of a border dispute.

THE HERMIT

Mister, you've talked me out of that one.

But now, about this war --

WALTER HUSTON

Look here, Mr. Hermit.

I think we've let you heckle us enough.

A hermit is the only sort of man I can think of
who doesn't know by now what this war's about.

Frankly, we aren't fighting to make the world safe
for hermits.

We're fighting to make it safe for people everywhere
who like each other's company,
safe for them to pray where they want to
and say what they feel like.

We don't approve of governments that people are
afraid of.

We don't like anybody to go hungry.

We don't think that peace and poverty get along
together.

A hermit wouldn't care about these things,
but they mean everything to us.

And here's another thing --

We aren't fighting over territory --

we're fighting over a difference of opinion --

(CONTINUED)

WALTER HUSTON (Cont'd)

Here are the opinions --

Even a hermit ought to recognize the difference.

Here's Orson Welles who wrote this show.

He's going to present them --

W.

Just a minute, Walter, I didn't write what you're going to hear now. You're going to hear the real words of real people --

GENERAL ARAKI

Our country intends to enforce her national ideal through the seven seas of the globe.

W.

That was a statement by General Araki of Japan.
Pope Pius the Twelfth:

POPE PIUS

There is no room for the violation of the freedom, integrity and security of other states.

W.

Ladies and gentlemen, we're presenting for your consideration the thoughts of real people -- the people on our side, and the other's. In the democracies, in peace-time anyway, we like to think there are two sides to every question. Well....I give you Dr. Rosenberg, head of the Nazi Bureau.

ROSENBERG

The other side has no right to criticize. They should be grateful that they are still alive.

W.

Please understand these are exact quotes. --

"The other side has no right to criticize. They should be grateful that they are still alive!"

LAERTIUS

The most beautiful thing in the world is freedom of speech.

W.

Diogenes Laertius said that two hundred years before the birth of Christ. I give you now, Dr. Goebbels, head of Nazi Propaganda.

GOEBBELS

With us the subordinate does not criticize his superior, but only the superior, subordinates.

W.

Said Homer:

HOMER

To speak his thoughts is every free man's right.

SAUCKEL

Discussions of matters affecting our existence and that of the nation must cease altogether.

W.

That's a Nazi order -- the precise terms.

VOLTAIRE

Liberty of thought is the life of the soul.

PLATO

All men are by nature equal.

ARISTOTLE

Democracy arose from men's thinking that if they are equal in any respect they are equal absolutely.

W.

That was Voltaire, Plato and Aristotle in that order -- and now, here's Herbert Spencer.

SPENCER

No one can be perfectly free till all are free.

W.

Now that's a big part of what we believe -- "No one can be free till all are free." Nobody owns us -- we have our rights. And we can't own anybody, either -- because they have their's. But each one of us belongs to everybody, -- that has to do with our duties. Said John Donne:

DONNE

No man is an island entire of itself; every man is a piece of the continent, a part of the maine; if a clod be washed away by the sea, Europe is the less, as well as if a promontory were, as well as if a manor of thy friends or of thine own were; Any man's death diminishes me because I am involved in mankind; And therefore, never send to know for whom the bell tolls; it tolls for thee.

ROUSSEAU

As soon as any man says of the affairs of the state, "What does it matter to me?" the state may be given up for lost.

W.

That was Rousseau speaking, and now, here's

Thomas Jefferson:

JEFFERSON

Where every man feels that he is a participator in the government of affairs, not merely at an election one day in the year, but every day; when there shall be not a man in the State who will not be member of one of its councils, great or small, he will let his heart be torn out of his body sooner than his power be wrested from him by a Caesar or a Bonaparte.

HITLER

A nation must be deceived if one will secure the devotion of the masses of the people.

W.

That's Adolph Hitler's own formula for success -- "deceive the people."

JEFFERSON

The American Revolution has shown us the happy truth that man is capable of self-government and only rendered otherwise by the moral degradation designedly superinduced on him by the wicked acts of his tyrants.

HITLER

The bases of my program are blood, fire and personality.

W.

I see.

WILSON

Only free peoples can hold their purpose and their honor steady to a common end, and prefer the interests of mankind to any narrow interest of their own.

HITLER

Our youth will be educated to think and act as Germans!

W.

Woodrow Wilson was speaking before Hitler interrupted him.

HITLER

As long as they live, our German youth will never again be free!

W.

Not if you have anything to do with it. Look here, I want to emphasize that these are Hitler's words. We didn't make up any of this. It's all true. Here's Dr. Ley, another Nazi.

$\frac{33}{34}$

LEY

We begin with the child when he is three years old. As soon as he begins to think, he gets a little flag put in his hands. Then follows the school, the Hitler Jugend and military training. We don't let him go until the grave -- whether he likes it or not.

W.

I give you a Nazi children's song:

CHILDREN'S VOICES

(SINGING) Peasants, leave your sowing,

Little flowers will soon be growing.

Peasants, leave your plowing,

We plow soon with the sword.

↑

GERMAN VOICE

Heil, Hitler!

CHILDREN'S VOICES

(CHANT IN UNISON) Heil, Hitler!

KRIECK

There is no place in the German universities for
truth for truth's sake.

$\frac{34}{35}$

W.

A professor in Heidelberg that was -- Krieck is his
name. And now, a group of Nazi leaders; von Papen,
Feder, von Killinger, a couple of ministers, and a
youth leader.

VON PAPEN

Mothers must exhaust themselves to give life to
children.

CHORUS OF WOMEN'S VOICES

Heil, Hitler!

FEDER

The holiest thing in the world is the wife who is
both servant and slave.

CHORUS OF WOMEN'S VOICES

Heil, Hitler!

↑

W.

I hate to keep repeating this, but what you're hearing are the real words of real men.

VON KILLINGER

All I had to do was wink and the brigadiers put the young girl over a wooden pole. Then they beat her with horsewhips until there wasn't a white spot left.

W.

That happened. These are real words, everybody.

MINISTER

We request that every hen lay between one hundred and thirty, and one hundred and forty eggs a year.

YOUTH LEADER

Down with Mickey Mouse!

CHILDREN'S VOICES

(CHANTING IN UNISON) Heil, Hitler!

W.

Here's a Nazi news report:

VOICE

The young employee -- a girl -- who had held her position for five years, was dismissed. The official reason given for the dismissal was the allegedly hostile mentality of the girl's father against the state. Heil, Hitler!

GERMAN VOICE

Heil, Hitler!

ANOTHER GERMAN VOICE

Heil, Hitler! I give you Dr. Frank, Reich Minister
of justice.

DR. FRANK

Heil, Hitler! We do not recognize any tradition of
civil rights. We do not recognize civil rights.

Heil, Hitler!

CHORUS

Heil, Hitler!

DR. FRANK

A dismissal without notice can be based upon reasons
having taken place after the dismissal. Heil, Hitler!
I give you Governor Lindar.

LINDAR

The Jew has only one right, the right to die.

W. J. B.

Pope Pius the Twelfth:

POPE PIUS

There is no place for open or occult oppression of
minorities.

ROSENBERG

The Catholic and Protestant churches must vanish.

STREICHER

If, after a period in a concentration camp, anyone fails to appreciate the privileges of citizenship in the Third Reich, he had better leave the country.

W.

We bring you now a little Nazi sport news.

VOICE

The tennis team of Blau-Weiss has been deprived of its victory because of the unsatisfactory result of the discussion on political philosophy which the district sport leader had with the members of the team after the matches. Victor in a sport contest in the Third Reich can only be he who is fully conversant with our way of thinking.

CHORUS

Sig Heil, Sig Heil, Sig Heil!

A GERMAN VOICE

Reich Minister Hermann Goering!

GOERING

One German alone in Germany decides over life and death: that is Adolph Hitler. Heil, Hitler.

37
38

7

W.

Jan Masaryk of Checkoslovakia:

MASARYCK

Dictators always look good until the last ten minutes.

A GERMAN FOICE

Reich Minister Kerrl!

KERRL

God has manifested himself not in Jesus Christ, but
in Adolph Hitler.

HITLER

38
39
My will --

KERRL

My Fuehrer!

SMALL CHORUS MALE VOICES

(MURMURING REVERENTLY) The Fuehrer.

HITLER

My will -- that must be the creed of all of us!

GOERING

Heil, Hitler!

CHORUS

(YELLS) Heil, Hitler!

HITLER

General Ludendorff?

LUDENDORFF

I declined Christianity because it is Jewish, because it is international, and because it preaches peace on earth. Heil, Hitler!

HITLER

Everything that you are, you are through me. --
Dr. Goebbels?

GOEBBELS

(ADORINGLY) Everything the Fuehrer utters is religion!

HITLER

(TAKEN OUT OF HIMSELF) My will! That is your faith!
My faith is for me!

GOEBBELS

You, my Fuehrer, have given us our daily bread.

W.

And here's Mussolini.

MUSSOLINI

Fortunately the Italian people is not accustomed to eating several times a day.

CHORUS

(WEAK SCATTERED VOICES SHOUT:) Viva, Viva Duce, Viva!

39
40

1

STREICHER

It is only on one or two exceptional points that Christ and Hitler stand comparison, for Hitler is far too big a man to be compared with one so petty.

ARAKI

We Japanese are the descendants of God.

CHORUS

Banzaï.

LUDENDORFF

Christ was a false prophet, addicted to drink and cowardly like all Jews.

CHORUS

Sig Heil.

ARAKI

We Japanese are the descendants of God.

CHORUS

Banzaï.

STREICHER

Jesus is the enemy of all Germans --

CHORUS

Sig Heil!

ARAKI

We Japanese are the descendants of God.

CHORUS

Banzai, Banzai.

STREICHER

Jesus is the enemy of blood and race!

CHORUS

Sig Heil, Sig Heil, Sig Heil!

W.

Besides General Araki, you've just heard from General Ludendorff and Dr. Streicher. I'm going to have to tell you this again because I know it's hard to believe -- These are real men.

HITLER

My will, that is your faith.

CHORUS

Sig Heil!

W.

You know what Franklin Roosevelt had to say about that? He said, "The world is too small to provide adequate living room for both Hitler and God." (PAUSE)

(CONTINUED)

W. (Cont'd)

"Our enemies," says Mr. Roosevelt, "are guided by brutal cynicism, by unholy contempt for the human race. We are inspired by a faith which goes back through all the years to the first chapter of the book of Genesis: "God created man in his own image." We on our side are striving to be true to that divine heritage. We are fighting, as our fathers have fought, to uphold the doctrine that all men are equal in the sight of God. Those on the other side are striving to destroy this deep belief and to create a world in their own image -- a world of tyranny and cruelty and serfdom. That is the conflict that day and night now pervades our lives. No compromise can end that conflict. There never has been -- there never can be -- successful compromise between good and evil. Only total victory can reward the champions of tolerance, and decency, and freedom, and faith."

GROSS

It has been claimed that every race on this earth is a thought of God. Therefore we claim complete separation between blood and blood in order to avoid God's thoughts being disturbed.

W.

That was a thought from Dr. Gross of the Nazi office for Race Politics. Says Franklin Roosevelt: "We must be

(CONTINUED)

W. (Cont'd)

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W.

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4/8
(CONTINUED)

vigilant against racial discrimination in any of its ugly forms. Any oppression, any injustice, any hatred, is a wedge designed to attack our civilization.

ARAKI

We Japanese are the descendants of God and should rule the world.

CHORUS

Banzai! Banzai! Banzai!

JEFFERSON

Resistance to tyrants is obedience to God.

W.

We're going to repeat that -- a real man said that, too -- it was Thomas Jefferson.

JEFFERSON

Resistance to tyrants is obedience to God.

HITLER

The very first essential for success is a perpetually constant and regular employment of violence.

W.

Marshal Tito:--

TITO

We oppose violence. We are fighting for freedom.

W.

Winston Churchill:

CHURCHILL

Has any benefit or progress ever been achieved by the human race by the submission to organized and calculated violence? As we look back over the long story of nations we must see that on the contrary their glory has been founded upon the spirit of resistance to tyranny and injustice.

W.

Chang Kai Shek:

CHANG KAI SHEK

The present war is between good and evil, between right and might, between freedom and slavery. There is no middle course. Now is the crucial moment for the whole future of mankind.

W.

Charles Dickens:

DICKENS

Life is given to us on the definite understanding that we boldly defend it to the last.

W.

Nicolai Lenin:

LENIN

Man's dearest possession is life. He must live so as to feel no torturing regrets for years without purpose; so live as not to be feared by the shame of a cowardly and trivial task; so live that dying he can say: All my life and all my strength were given to the finest cause in the world -- the fight for the liberation of mankind.

PAINE

Oh ye that love mankind -- ye that dare oppose not only the tyranny but the tyrant, stand forth: every spot of the Old World is overrun with oppression. Freedom has been hunted round the globe.

W.

That was Thomas Paine -- now, Thomas Jefferson:

JEFFERSON

We are not to expect to be translated from despotism to liberty in a featherbed.

PAINE

Tyranny like hell is not easily conquered, yet we have this consolation within us, that the harder the conflict the more glorious the triumph.

W.

Well, what about that triumph? -- What about the peace? - Maxim Litvinoff?

LITVINOFF

Peace is indivisible.

W.

"Peace is indivisible." It's time we thought about that -- We've heard from the men we're fighting -- and we've heard what we're fighting. Now we've come to the big question: What are we fighting for? Our President, the Commander-in-chief of our armed forces, has told us this: "We are fighting today for security, for progress and for peace, not only for ourselves, but for all men, not only for one generation, but for all generations." And "the test of our progress," says Mr. Roosevelt, "is not whether we add more to the abundance of those who have much; it is whether we provide for those who have too little." Tonight we're hearing the words of the leaders of this war, and right here we're also bringing you the words of men who fought before in the same cause. More than a quarter of a century ago an American president said: "We shall fight for the things we have always carried nearest our hearts, for democracy, for the rights of those who submit to authority to have a voice in their own governments, for the rights and liberty of small nations, for the universal dominion of right by such a concert of free

(CONTINUED)

W. (Cont'd)

peoples as shall make peace and safety to all nations and make the world itself at last free." That was Woodrow Wilson. Well, what about that word democracy? I hope we're all agreed on what it means. Here's what another President said about it: Abraham Lincoln.

LINCOLN

As I would not be a slave, so I would not be a master.

HITLER

The people will accept only a master!

LINCOLN

(SLOWLY, PATIENTLY) As I would not be a slave, so I would not be a master. This expresses my idea of democracy. Whatever differs from this to the extent of the difference is no democracy.

GERMAN VOICE

(AGGRESSIVELY) I give you Adolph Hitler!

W.

You can keep him.

GERMAN VOICE

(DEFENSIVELY) I give you Mussolini.

W.

Try and find him.

MUSSOLINI

Democracy is talking itself to death. The people do not know what they want!

W.

Thomas Jefferson:

JEFFERSON

I know no safe depository of the ultimate powers of society but the people themselves.

MUSSOLINI

The people do not know what is best for them.

W.

Abraham Lincoln:

LINCOLN

Why should there not be a patient confidence in the ultimate justice of the people. Is there any better or equal hope in the world?

HITLER

(SLIGHTLY OFF) All that you are, you are through me!

CHORUS

(SLIGHTLY OFF) Sig Heil, Sig Heil, Sig Heil.

(DIRECTION: THEY FADE DOWN UNDER:)

WILSON

The real wisdom of human life is compounded out of the experiences of ordinary men.

W.

Woodrow Wilson again:

WILSON

America does not consist politically of the men who set themselves up to be political leaders; she does not consist of the men who do most of her talking -- they are important only so far as they speak for that great voiceless multitude of men who constitute the great body and the saving force of the nation.

HITLER

(FURTHER OFF THAN BEFORE) My will! That is your law!

MALE CHORUS

(FADING) Sig Heil, Sig Heil, Sig Heil.

W.

"The genius of the United States is not best or most in its executives or legislatures, nor in its ambassadors or authors or colleges or churches or parlors, nor even in its newspapers or inventors...but always most

(CONTINUED)

W. (Cont'd)

in the common people...their deathless attachment to freedom -- the fierceness of their roused resentment -- the air they have of persons who never knew how it felt to stand in the presence of superiors....their good temper and open-mindedness -- the terrible significance of their elections -- the President's taking off his hat to them, not they to him -- ". Walt Whitman, our great American poet of democracy wrote that. And now -- a great German poet of democracy, Heinrich Heine:

HEINE

If all Europe were to become a prison, America would still present a loophole of escape and God be praised that loophole is larger than the dungeon itself.

W.

"I think the true discovery of America is before us," said Thomas Wolfe. "I think the true fulfillment of our spirit, of our people, of our mighty and immortal land, is yet to come. I think the true discovery of our own democracy is still before us. And I think that all these things are certain as the morning, as inevitable as noon. I think I speak for most men living when I

(CONTINUED)

W. (Cont'd)

say that our America is Here, is Now, and beckons on before us, and that this glorious assurance is not only our living hope, but our dream to be accomplished.

I think the enemy is here before us, too. But I think we know the forms and faces of the enemy, and in the knowledge that we know him, and shall meet him, and eventually must conquer him is also our living hope. I think the enemy is here before us with a thousand faces, but I think we know that all his faces wear one mask. I think the enemy is single selfishness and compulsive greed. I think the enemy is blind, but has the brutal power of his blind garb. I do not think the enemy was born yesterday, or that he grew to manhood forty years ago, or that he suffered sickness and collapse in 1929, or that we began without the enemy, and that our vision faltered, that we lost the way, and suddenly were in his camp. I think the enemy is old as Time, and evil as Hell, and that he has been here with us from the beginning. I think he stole our earth from us, destroyed our wealth, and ravaged and despoiled our land. I think he took our people and enslaved them, that he polluted the fountains of our life, took unto himself the rarest treasures of our own

W. (Cont'd)

possession, took our bread and left us with a crust,
and, not content, for the nature of the enemy is
insatiate -- tried finally to take from us the crust."

HITLER

Success is the sole earthly judge of right and wrong!

CHORUS

Heil, Hitler!

GEN. TANAKA

Japan must conquer the world.

CHORUS

Banzai.

MUSSOLINI

We have buried the putrid corpse of liberty!

VOICES

(SCATTERED VIVAS)

HITLER

My will, that is your faith!

CHORUS

Sig Heil, Sig Heil, Sig Heil!

W.

Oh, shut up!

(DIRECTION: THE "SIG HEILS" CONTINUE DISTANTLY)

W. (Cont'd)

Well, we'll shut 'em up....before long -- pretty soon.

JEFFERSON

We are not to expect to be translated from despotism to liberty in a featherbed.

W.

Yes, we mustn't forget that, either -- and you know, we've started talking about America. Of course, we're only a part of this war, but we're a big part of it and a proud part of it. Tom Paine:

PAINE

We fight not to enslave, but to set a country free, and to make room upon the earth for honest men to live in.

W.

And as General Eisenhower put it a few days ago:

"....security for ourselves in a free world."

Thomas Jefferson:

JEFFERSON

Light and liberty are on a steady advance. We have seen, indeed, once within the record of history, the complete eclipse of the human mind continuing for centuries...Even should the cloud of barbarism and despotism again obscure the science and liberties of Europe, this country remains to preserve and restore light and liberty to them. In short, the flames kindled on the Fourth of July, 1776, have spread over

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Regraded Unclassified

JEFFERSON (Cont'd)

too much of the globe to be extinguished by the feeble engines of despotism; on the contrary, they will consume these engines and all who work them.

(MUSIC: PLAYS A SOLEMN CURTAIN)

THE HERMIT: LOOKEE HERE, NOW DON'T GET SORE AT
 ME FER BUTTIN' IN --

WALTER HUSTON: MR. HERMIT, WEREN'T YOU SATISFIED WITH
 WHAT YOU HEARD?
 DO YOU STILL WONDER WHAT THE WAR'S
 ABOUT?

THE HERMIT: I'M SATISFIED. BUT THERE'S SOMEPE'N
 ELSE----I WONDER COULD I GIT A WORD IN
 WITH THE SECRETARY OF THE TREASURY?

WALTER HUSTON: WELL, NOW, REALLY, HECTOR --

SEC. MORGENTHAU: THAT'S ALL RIGHT, MR. HUSTON.
 HELLO, OLD TIMER, MY NAME'S HENRY
 MORGENTHAU.^{JR} WHAT CAN I DO FOR YOU?

HECTOR THE
HERMIT: I RECKON YOU ALL ARE PRETTY SICK'A
 ME SPEAKIN' UP IN MEETIN' LIKE THIS -
 BUT I DON'T GET AROUND MUCH, BEIN'
 A HERMIT BY PERSUASION -- AN' I
 DIDN'T JIST QUITE KETCH THE DRIFT A'
 WHAT YOU FELLAS WAS TALKIN' ABOUT.
 SEEMS THE WAR'S STILL ON -- IS IT A
 NEW WAR? MEBBE YOU CAN SET ME
 STRAIGHT, MR. MORGENTHAU. WHAT KINDA
 WAR IS IT, ANYWAY?

SEC. MORGENTHAU: THOSE ARE PRETTY BIG QUESTIONS,
OLD TIMER. I DON'T THINK THOSE
QUESTIONS SHOULD BE ASKED WITHOUT
SOME ANSWERS...I'D LIKE TO HEAR SOME.

WALTER HUSTON: WELL, MR. SECRETARY, HERE'S A WHOLE
BATCH OF BOND PLEDGES.

(MUSIC: BACKGROUND OUT)

SUPPOSE YOU JUST PICK ONE OUT OF THE
HAT, SO TO SPEAK -- AT RANDOM.

SEC. MORGENTHAU: ALL RIGHT. HERE'S ONE -
MRS. WILLIAM H. TANNER.

MRS. TANNER: (OFF MIKE) HERE!

WALTER HUSTON: SPEAK RIGHT INTO THE MICROPHONE
MRS. TANNER....OUR FRIEND, THE
HERMIT HERE, WANTS TO KNOW IF
THIS IS THE SAME WAR OR A NEW ONE.

MRS. TANNER: IT'S A NEW ONE.

(SLIGHT PAUSE)

WALTER HUSTON: ANYTHING YOU'D LIKE TO ADD TO THAT?

MRS. TANNER: YES -- I GUESS IT'S REALLY A
NEW WAR IN EVERY WAY BECAUSE -
WELL, BECAUSE THERE'RE NEW
HOPES THAT GO WITH IT, -- YOU
KNOW, FOR THE FUTURE.

WALTER HUSTON: MR. SECRETARY -- ?

SEC. MORGENTHAU: IT'S TRUE WE'RE FIGHTING TO
DEFEND OUR WAY OF LIFE, BUT I
AGREE WITH MRS. TANNER -- I
THINK THERE'S MORE TO IT THAN
THAT. WE'RE FIGHTING FOR A
BETTER LIFE -- A FREER LIFE, A
LARGER OUTLOOK FOR THE GENERATIONS
AHEAD OF US.

MRS. TANNER: THAT'S RIGHT, MR. MORGENTHAU.
WE'VE GOT A BETTER IDEA NOW
ABOUT WHAT THE WORLD OUGHT TO BE
LIKE... AND WHAT OUR DUTIES
ARE TO EACH OTHER TO MAKE IT THAT
WAY.

SEC. MORGENTHAU: YES, I THINK WE'RE ALL OF US
CONVINCED TODAY THAT WE HAVE AN
OBLIGATION TO THE NEEDY AND TO THE
OLD AND TO THE SICK.....I THINK
WE'RE FULLY CONVINCED AT LAST THAT
WE SIMPLY HAVEN'T THE RIGHT TO LET
ANYBODY STARVE FOR LACK OF FOOD OR
A JOB.

WALTER HUSTON: THANK YOU, MRS. TANNER -- PICK OUT
ANOTHER NAME, MR. SECRETARY.

SEC. MORGENTHAU: ALL RIGHT -- HERE'S ONE.

WALTER HUSTON: (READS) MR. RALPH H. BURLING.

BURLING: (OFF MIKE) I DISAGREE!

WALTER HUSTON: HERE'S THE MICROPHONE, MR. BURLING.

BURLING: WELL, I DON'T DISAGREE EXACTLY, BUT
STILL IN ALL I THINK WE'D CALL THIS
THE SAME WAR.

WALTER HUSTON: YES?

BURLING: YES, I'D SAY IT STARTED BACK IN 1776.

MRS. TANNER: (SLIGHTLY OFF) THAT'S TRUE IN A WAY,
OF COURSE.

MISS VERNON: (OFF MIKE) OF COURSE IT'S TRUE.

WALTER HUSTON: WHAT'S THAT?

MISS VERNON: OH, EXCUSE ME -- YOU DIDN'T CALL ON
ME, I KNOW. I JUST SPOKE UP WITHOUT
THINKING.

SEC. MORGENTHAU: NOT AT ALL, MISS - GO RIGHT AHEAD.

WALTER HUSTON: YOUR NAME, PLEASE?

MISS VERNON: RACHEL VERNON -- BUT THAT DOESN'T
MATTER. EXCUSE ME -- I'M JUST A
HIGH SCHOOL GIRL.

SEC. MORGENTHAU: PLEASE GO ON...WE AMERICANS ARE PROUD
OF OUR FREE SPEECH -- LET'S HAVE A
LITTLE.

MISS VERNON: WELL, I WAS JUST GOING TO SAY THAT HISTORY SHOWS THAT OUR DEMOCRACY HASN'T COME VERY CHEAP.

(SLIGHT PAUSE)

WALTER HUSTON: MR. SECRETARY, -- ?

SEC. MORGENTHAU: IF I UNDERSTAND THIS YOUNG LADY CORRECTLY, SHE'S SAYING THAT EVERYTHING WE VALUE HERE WE'VE EARNED THE HARD WAY.

MISS VERNON: YES, SIR. WE MAY HAVE GROWN AND PROSPERED IN THE YEARS OF PEACE, BUT PRESIDENT WILSON SAID, "THE RIGHT IS MORE PRECIOUS THAN PEACE."

(SLIGHT PAUSE)

WALTER HUSTON: GO ON, MISS VERNON.

MISS VERNON: WELL, I WAS JUST GOING TO SAY THAT I THINK MOST OF US HAVE COME TO FEEL THAT THERE WON'T BE REAL PEACE UNTIL AFTER THE LAST WAR.

(ANOTHER SLIGHT PAUSE) THAT'S ALL, THANK YOU.

SEC. MORGENTHAU: I THINK WE ALL AGREE WITH YOU, MISS VERNON. I THINK WE ALL AGREE THAT THIS WAR IS A WAR AGAINST WAR ITSELF.

MISS VERNON: (OFF) EXCUSE ME -- WHAT I MEANT TO
SAY IS WE'VE BEEN FIGHTING WAR FROM
THE BEGINNING.

SEC. MORGENTHAU: THAT'S RIGHT.

MISS VERNON: AMERICA, I MEAN...FIGHTING WAR:
WE'VE NEVER REALLY STOPPED.

A MAN'S VOICE: (SHOUTING FROM THE AUDIENCE) RIGHT!
AND WE WON'T STOP TILL WE'VE WON!

WALTER HUSTON: GOOD FOR YOU! -- EXCUSE ME, MR.
SECRETARY -- PLEASE GO ON --

SEC. MORGENTHAU:WE HAVE STRONG ALLIES NOW, BRAVE
FRIENDS FIGHTING BESIDE US IN THE
FIELD. WE HAVE THE FINEST ARMY IN
OUR HISTORY AND THE BIGGEST NAVY IN
THE WORLD...AND NOW WE'RE SURE OF
WINNING. BUT IT WON'T BE EASY, WE
KNOW THAT, TOO. IT MAY BE VERY HARD
-- TERRIBLY HARD...BUT HERE AT HOME
WE CAN MAKE WINNING EASIER, AND WE
CAN MAKE IT SHORTER...WHAT'S MORE,
WE CAN MAKE THIS MOST RECENT BATTLE
IN OUR LONG WAR FOR FREEDOM --
THE LAST BATTLE.

THAT'S UP TO US!

(MORE)

SEC. MORGENTHAU: THIS IS A PEOPLE'S WAR. BECAUSE THEY
(CONTINUED)

BELIEVE IN THIS WAR -- IN ITS FULL
JUSTICE...BECAUSE THEY HAVE CONFIDENCE
IN THE OUTCOME AND FAITH IN ITS
HIGH PURPOSE, THE PEOPLE ARE
FINANCING IT.

Pause

THIS PEOPLE'S WAR OF OURS IS FOUGHT
ON FRONTS ALL OVER THE WORLD. LAST
WEEK WE OPENED A NEW FRONT ON THE
CONTINENT OF EUROPE. THAT FRONT
ALONE IS THE BIGGEST PROJECT IN
MILITARY HISTORY.

YOU CAN BE SURE THAT THE INVASION
DIDN'T BEGIN UNTIL WE WERE READY --
AND YOU MUST KNOW THAT GETTING READY
COST A LOT OF MONEY.

(MORE)

SEC. MORGENTHAU: GENERAL MARSHALL TOLD ME LAST
(CONTINUED)

WEDNESDAY BEFORE HE LEFT FOR ENGLAND
THAT OUR WAR EXPENDITURE FOR THE
LAST THREE MONTHS OF THIS

YEAR WILL BE THE HIGHEST YET...."AND

WE'VE JUST STARTED," HE TOLD ME -- *and*

THESE ARE HIS WORDS: "WE'VE JUST
STARTED ON THE BEACHES OF FRANCE A
FLAMING WAR...."

NOW HERE ARE SOME COLD FACTS: IT
COSTS 86 THOUSAND DOLLARS TO LAY A
SMOKE SCREEN ACROSS A TWENTY-MILE
BEACHHEAD. I ASK YOU TO IMAGINE THE
MONEY REQUIRED TO LAND A SINGLE
DIVISION OF MEN.

TO MARCH FROM NAPLES TO ROME IT COST US
SIX BILLION SEVEN HUNDRED MILLION DOLLARS
...THAT IS JUST THE AMERICAN SHARE, AND
IT INCLUDES THE COST OF THE EQUIPMENT AND
TRAINING OF TROOPS. I LEAVE IT TO YOU
TO IMAGINE WHAT IT WILL COST TO MARCH
FROM ROME TO BERLIN.

(MORE)

SEC. MORGENTHAU: THE COST OF TAKING THE MARSHALL
(CONTINUED)

ISLANDS WAS SIX BILLION DOLLARS.

THAT INCLUDES PLANES, OIL,

AMMUNITION, SHIPS, AND THE TRAINING
AND EQUIPPING OF PERSONNEL -- SIX BILLION
DOLLARS. AGAIN I LEAVE IT TO YOU TO
IMAGINE WHAT IT WILL COST US TO GO FROM
THE MARSHALL ISLANDS TO TOKYO.

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WE'VE SPENT ALMOST TWO HUNDRED BILLION ON
THE WAR ALREADY. BY THE END OF THE NEXT
FISCAL YEAR WE WILL HAVE SPENT AT LEAST
NINETY-NINE BILLION MORE FOR ALL
PURPOSES. SOME OF THIS WE'LL GET FROM
TAXES -- BUT WE'RE STILL GOING TO BE *short*
FIFTY-SEVEN BILLION DOLLARS ~~SHORT~~, AND
THIS MONEY WE'RE GOING TO HAVE TO BORROW
FROM YOU.

(MORE)

SEC. MORGENTHAU: WITH THE UNITED NATIONS, AMERICA
(CONTINUED)

IS PLEDGED TO THE TOTAL DEFEAT OF
THE ENEMY. PLEDGED -- IN THE WORDS
OF GENERAL EISENHOWER -- "TO BRING
ABOUT THE DESTRUCTION OF THE GERMAN
WAR MACHINE, ELIMINATION OF NAZI
TYRANNY OVER THE OPPRESSED PEOPLES
OF EUROPE, AND SECURITY FOR
OURSELVES IN A FREE WORLD."
THAT'S OUR DEFINITION OF VICTORY.

WE MUST NOT LET THE PRESIDENT --
OUR COMMANDER-IN-CHIEF -- WORRY
WHETHER WE'LL BE ABLE TO PAY FOR
THAT VICTORY.

THE HARDER WE FIGHT THE SOONER
WE'RE GOING TO WIN. IF OUR ARMED
FORCES DON'T GET THE MONEY THEY
NEED -- ALL THE MONEY THEY NEED --
THEY CAN'T FIGHT AS HARD, AND THEY
CAN'T WIN AS SOON. IT'S JUST AS
SIMPLE AS THAT.

(MORE)

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SEC. MORGENTHAU: THE VERY LIFE OF DEMOCRACY IS THE
(CONTINUED)
PEOPLE'S TRUST IN THEMSELVES. THE
PEOPLE CAN FINANCE THEIR SECURITY IN
A FREE WORLD.

WE'RE DOING IT NOW, BUT THE AMOUNT
NEEDED IS TREMENDOUS. IT BEGINS
WITH TEN CENTS...IT GOES UP TO
ANYTHING YOU CAN AFFORD, AND IT ENDS
WITH VICTORY -- FULL VICTORY -- AND
A SURE PEACE.

(MUSIC)

(MUSIC: VERY LOW, GHOSTLY BUT STRANGELY POIGNANT,
ESTABLISHES:)

(THEN DOWN UNDER:)

A YOUNG MAN'S VOICE

I'd like a word or two in this meeting.

WALTER HUSTON

Hello, hello there, who're you?

A YOUNG MAN'S VOICE

Me, I'm lots of people. Call me Joe.

WALTER HUSTON

Welcome to the meeting, Joe. Stand up, we can't see you.

A YOUNG MAN'S VOICE

Sorry, can't stand up...Besides, you wouldn't want to
see me.

I don't want you to -- not now.

Maybe you've got a snapshot, look at that.

Remember something good we both enjoyed,
something we liked together.

Remember the last time you saw me smile,
Mark where I left your life with that --

A smile...

That's how I'd like it.

WALTER HUSTON

Who are you, Joe?

A YOUNG MAN'S VOICE

Me? I thought I told you. Lots of people.

I mowed your lawn and jerked your sodas.

I washed your windows and soaped 'em on Hallow'een

And I broke one of 'em with a baseball, remember?

I sat in your classroom

I ran the elevator in your office building

I brought your groceries and delivered your telegrams

I even sang Happy Birthday to you, Happy Birthday to you

And I shined your shoes and once I hit you with a snowball.

You remember me.

When you were sick I made it worse

yelling Ollie Ollie Oxen free out in the street.

I woke you up in the middle of the night --

that was me when I was little -- bawling in the next
apartment

or maybe that was me bawling in the next room.

If that was me you didn't mind it so much

and I don't have to remind you of anything. You remember.

Like I say, I'm lots of people.

You out there, maybe you're my folks, or my boss maybe
or my friend. Maybe you chased me out of your front yard.

(CONTINUED)

A YOUNG MAN'S VOICE (CONTINUED)

Maybe you and I were going to be married -- some day
after the war.

Maybe we got married.

You may have borne my children.

Maybe I'm your father....

You out there -- you're lots of people, too.

But here's something definite, specific, final.

It's about me.

I'm not coming back.

Look for my buddies when it's over over there...

They'll be back...

When the bands are playing and the bells all ringing
you'll see them marching through the snow of ticker tape,
laughing and waving at the girls.

Look for them, you'll find 'em....and thank God they're
back.

Thank me, too, if you think of it.

Some of you won't think of anything else.

You out there --

What I've got to say is for you to hear

(CONTINUED)

A YOUNG MAN'S VOICE (CONTINUED)

You out there --

you --

you, too --

Better listen.

Know who I am?

I hope I'M nobody you love

But if I'm not yet, neither one is sure I won't be.

Here's a question for you:

What do you think I feel like when I hear you --

you back there --

talking about the peace,

the peace I'll never live to see?

I'll tell you how I feel about it,

I feel just fine.

Why do you think I'm staying over here...?

(AFTER A SLIGHT PAUSE...HE CONTINUES)

But right now give me a minute of your time.

First of all, I want to tell you that we're going to win
this war.

Sometimes it may not look that way to you.

I don't mean the war news'll be bad --

though it may be bad.

(CONTINUED)

A YOUNG MAN'S VOICE (CONTINUED)

We've got a lot of desperate men to kill,
and lots of them will do the killing
before it's over.

What I mean is,
when I'm gone,
for you who love me
it may look like the war's lost, --
just for a while, anyway.

Do this for me. Don't ever believe it.

After the revolution a lot of boys didn't get to go
back home.

We won the war, all right,
and life wouldn't be worth living if they hadn't thought
enough of
life to die for it.

I remember some of you folks saying once that war doesn't
make sense

Making war doesn't....

You were right about that.

(CONTINUED)

A YOUNG MAN'S VOICE (CONTINUED)

But we didn't make this war.

Our job is to end it, and I mean end it.

We're going to smash the war makers and break them for good.

That's winning the war and that's what we're going to do,
and that makes sense.

All the sense in the world.

I want you to hate those men who made the war,
don't hate the war.

It's taken me away from you,
but I want you to remember all the things they tried to
take away.

More important things than me --
not only for the world --
important for you, too.

I want you to be sure of that.

I want those things to be more important to you than I am,
because I want my death to mean something.

You see, there isn't anything more I can do about it.

All I can do is die.

It's mean something's up to you.

That's up to you.

(MUSIC: BUILDS TO A CURTAIN)

SEC. MORGENTHAU: THIS IS ^{Henry}~~SECRETARY~~ MORGENTHAU ^{Jr.}~~AGAIN~~.
I AM HAPPY TO INTRODUCE OUR
COMMANDER-IN-CHIEF. WE BRING YOU
NOW THE PRESIDENT OF THE UNITED STATES.

HOLD FOR RELEASE

HOLD FOR RELEASE

HOLD FOR RELEASE

CAUTION: The following radio address of the President, to be broadcast in connection with the opening of the Fifth War Loan Drive, MUST BE HELD IN CONFIDENCE until released.

NOTE: Release to editions of all newspapers appearing on the streets NOT EARLIER THAN 10:40 P.M., E.W.T., Monday, June 12, 1944. The same release also applies to radio announcers and news commentators.

CARE MUST BE EXERCISED TO PREVENT PREMATURE PUBLICATION.

STEPHEN EARLY
Secretary to the President

All our fighting men overseas today have their appointed stations on the far-flung battlefronts of the world. We at home have ours too. We need, and are proud of, our fighting men -- most decidedly. But, during the anxious times ahead, let us not forget that they need us too.

It goes almost without saying that we must continue to forge the weapons of victory -- the hundreds of thousands of items, large and small, essential to the waging of the war. This has been the major task from the very start. It is still a major task. This is the very worst time for any war worker to think of leaving his machine or to look for a peace-time job.

And it goes almost without saying, too, that we must continue to provide our Government with the funds necessary for waging war not only by the payment of taxes -- which, after all, is an obligation of citizenship -- but also by the purchase of War Bonds -- an act of free choice which every citizen has to make for himself under the guidance of his own conscience.

Whatever else any of us may be doing, the purchase of War Bonds and stamps is something all of us can do and should do to help win the war.

I am happy to report tonight that it is something which nearly everyone seems to be doing. Although there are now approximately sixty-seven million persons who have or earn some form of income (including the armed forces), eighty-one million persons have already bought war bonds. They have bought more than six hundred million individual bonds. Their purchases have totalled more than thirty-two billion dollars. These are the purchases of individual men, women and children. Anyone who would have said this was possible a few years ago would have been put down as a starry-eyed visionary. Of such visions, however, is the stuff of America fashioned.

Of course, there are always pessimists with us. I am reminded of the fact that after the fall of Franco in 1940 I asked for the production by the United States of fifty thousand airplanes per year. I was called crazy -- it was said that the figure was fantastic; that it could not be done. Today we are building airplanes at the rate of one hundred thousand a year.

There is a direct connection between the bonds you have bought and the stream of men and equipment now rushing over the English Channel for the liberation of Europe. There is a direct connection between your War Bonds and every part of this global war today.

(OVER)

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Tonight, therefore, on the opening of this Fifth War Loan Drive, it is appropriate for us to take a broad look at this panorama of world war, for the success or failure of the drive is going to have so much to do with the speed with which we can accomplish victory and peace.

While I know that the chief interest tonight is centered on the English Channel and on the beaches and farms and cities of Normandy, we should not lose sight of the fact that our armed forces are engaged on other battlefronts all over the world, and that no one front can be considered alone without its proper relation to all.

It is worthwhile to make over-all comparisons with the past. Compare today with just two years ago — June, 1942. At that time Germany was in control of practically all of Europe, and was steadily driving the Russians back toward the Ural Mountains. Germany was practically in control of North Africa and the Mediterranean, and was beating at the gates of the Suez Canal and the route to India. Italy was still an important military and supply factor — as subsequent, long campaigns proved.

Japan was in control of the western Aleutian Islands; and in the South Pacific was knocking at the gates of Australia and New Zealand — and also threatening India. She had seized control of nearly one-half of the Central Pacific.

American armed forces on land and sea and in the air were still very definitely on the defensive, and in the building-up stage. Our Allies were bearing the heat and the brunt of the attack.

In 1942 Washington heaved a sigh of relief that the first War Bond issue had been cheerfully over-subscribed by the American people. In those days America was still hearing from many "amateur strategists" and political critics, some of whom were doing more good for Hitler than for the United States.

Today we are on the offensive all over the world — bringing the attack to our enemies.

In the Pacific, by relentless submarine and naval attacks, amphibious thrusts, and ever-mounting air attacks, we have deprived the Japs of the power to check the momentum of our ever-growing and ever-advancing military forces. We have reduced their shipping by more than three million tons. We have overcome their original advantage in the air. We have cut off from a return to the homeland tens of thousands of beleaguered Japanese troops who now face starvation or surrender. We have cut down their naval strength, so that for many months they have avoided all risk of encounter with our naval forces.

True, we still have a long way to Tokyo. But, carrying out our original strategy of eliminating our European enemy first and then turning all our strength to the Pacific, we can force the Japanese to unconditional surrender or to national suicide much more rapidly than has been thought possible.

Turning now to our enemy who is first on the list for destruction — Germany has her back against the wall — in fact three walls at once!

On the south — we have broken the German hold on central Italy. On June fourth, the city of Rome fell to the Allied armies. Allowing the enemy no respite, the Allies are now pressing hard on the heels of the Germans as they retreat northwards in ever-growing confusion.

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On the east -- our gallant Soviet Allies have driven the enemy back from the lands which were invaded three years ago. Great Soviet armies are now initiating crushing blows.

Overhead -- vast allied air fleets of bombers and fighters have been waging a bitter air war over Germany and Western Europe. They have had two major objectives: to destroy German war industries which maintain the German armies and air forces; and to shoot the German Luftwaffe out of the air. As a result German production has been whittled down continuously, and the German fighter force now has only a fraction of its former power.

This great air campaign, strategic and tactical, will continue -- with increasing power.

On the west -- the hammer blow which struck the coast of France last Tuesday morning, was the culmination of many months of careful planning and strenuous preparation.

Millions of tons of weapons and supplies, and hundreds of thousands of men assembled in England are now being poured into the great battle in Europe.

From the standpoint of our enemy we have achieved the impossible. We have broken through their supposedly impregnable wall in Northern France. The assault has been costly in men and materials. Some of our landings were desperate adventures; but from advices received so far, the losses were lower than our commanders had estimated would occur. We have established a firm foothold; and are now prepared to meet the inevitable counter-attacks of the Germans -- with power and confidence. We all pray that we will have far more than a firm foothold.

Americans have all worked together to make this day possible.

The liberation forces now streaming across the Channel, and up the beaches and down the highways of France are using thousands and thousands of planes and ships and tanks and heavy guns. They are carrying with them many thousands of items needed for their dangerous, stupendous undertaking. There is a shortage of nothing -- nothing! This must continue.

What has been done in the United States since those days of 1940 -- when France fell -- in raising and equipping and transporting our fighting forces, and in producing weapons and supplies for war, has been nothing short of a miracle. It was largely due to American teamwork -- teamwork among capital and labor and agriculture, between the armed forces and the civilian economy -- indeed among all of them.

And every one who bought a War Bond helped -- and helped mightily!

There are still many people in the United States who have not bought War Bonds, or who have not bought as many as they can afford. Everyone knows for himself whether he falls into that category or not. In some cases his neighbors know also. To the consciences of those people, this appeal by the President of the United States is very much in order.

All of the things which we use in this war, everything we send to our fighting allies, costs money -- a lot of money. One sure way every man, woman and child can keep faith with those who have given, and are giving, their lives, is to provide the money which is needed to win the final victory.

I urge all Americans to buy War Bonds without stint. Swell the mighty chorus to bring us nearer to victory!



BOY SCOUTS OF AMERICA



HONORARY OFFICERS

FRANKLIN D. ROOSEVELT, HONORARY PRESIDENT
HERBERT HOOVER, HONORARY VICE PRESIDENT
JAMES E. WEST, CHIEF SCOUT

NATIONAL OFFICERS

WALTER W. HEAD, PRESIDENT, ST. LOUIS, MO.
JOHN SHERMAN HOYT, VICE PRESIDENT, DARIEN, CONN.
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INCORPORATED
FEBRUARY 8, 1910

CHARTERED BY CONGRESS
JUNE 15, 1916

2 PARK AVENUE
NEW YORK 16, N. Y.

TELEPHONE LEXINGTON 2-3200
CABLE ADDRESS: 'BOYSCAHE' NEW YORK

OFFICE OF THE PRESIDENT
1501 LOCUST STREET
ST. LOUIS 3, MISSOURI

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FRANK W. WOZENCRAFT

June 12, 1944

Honorable Henry Morgenthau, Jr.,
Secretary of the Treasury,
Washington, D. C.

Dear Mr. Secretary:

Thank you very much for your letter of May 6,
addressed to me as President of the Boy Scouts of America, in
which you extended greetings and best wishes on the occasion of
the Thirty-Fourth Annual meeting of the National Council, which
meeting was held in New York on May 17.

Your thoughtfulness in writing us and the manner
in which you expressed yourself relative to the work of the Boy
Scouts of America and its war activities are deeply appreciated.

Yours very truly,

Walter W. Head.

WWH:ea

UNITED STATES SAVINGS BONDS

SERIES F AND SERIES G

1944
First Amendment to
Department Circular No. 654
Second Revision, dated
January 1, 1944

Fiscal Service
Bureau of the Public Debt

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, June 12, 1944.

Section IV, Paragraph 1, and Section V, Paragraph 1 (2), of Department Circular No. 654, Second Revision, dated January 1, 1944, are hereby amended to read as follows:

IV. LIMITATION ON HOLDINGS

1. The amount of United States Savings Bonds of Series F, or of Series G, or the combined aggregate amount of both series, originally issued during any one calendar year to any one person, including those registered in the name of that person alone, and those registered in the name of that person with another named as coowner, that may be held by that person at any one time shall not exceed \$100,000 (issue price): *Provided, however*, That as to bonds of these series originally issued on or after January 1, 1944, the amount held by a commercial bank holding savings deposits or issuing time certificates of deposit (as each is defined in Regulation Q of the Board of Governors of the Federal Reserve System) shall not in any case exceed \$100,000 (issue price) or 20 percent of the combined amount of such time certificates of deposit (but only those issued in the names of individuals and of corporations, associations, and other organizations not operated for profit) and savings deposits as shown on the bank's books as of the date of the most recent call statement required by the supervising authorities prior to the date of subscription for such savings bonds, whichever is less; and *Provided further*, That the amount of savings bonds of Series F and Series G, issued on or after January 1, 1944, held by a commercial bank, together with 2½ percent Treasury Bonds of 1965-70, subscribed for under Department Circulars Nos. 729 and 740, 2¼ percent Treasury Bonds of 1956-59, subscribed for under Department Circular No. 730, and 2 percent Treasury Bonds of 1952-54, subscribed for under Treasury Department Circular No. 741, shall not exceed in the aggregate 20 percent of the combined amount of such savings deposits and time certificates of deposits of such bank or \$400,000, whichever is less. No such bank shall hold more than \$100,000 (issue price) of Series F and Series G savings bonds (Series 1944) combined.

V. AUTHORIZED FORMS OF REGISTRATION

1. United States Savings Bonds of Series F and Series G may be registered only in one of the following forms:

(2). In the name of an incorporated or unincorporated body, in its own right, except that they may not be registered in the names of commercial banks which are defined for this purpose as those accepting demand deposits: *Provided, however*, That bonds originally issued on or after January 1, 1944, may be registered in the name of a commercial bank holding savings deposits or issuing time certificates of deposit to the extent and conditions set forth in Section IV hereof.

D. W. BELL,
Acting Secretary of the Treasury.



THE UNDER SECRETARY OF THE TREASURY
WASHINGTON

June 12, 1944.

MEMORANDUM FOR THE SECRETARY'S FILES:

Justice Byrnes called me the end of last week to find out what we were doing on post-war taxes. I told him our technicians had given quite a lot of thought to the subject and had had a few conferences with representatives of certain agencies of the Executive branch of the Government and had now reached a point where we thought we might go outside and seek some advice from that source. Before doing that we thought it important that we secure the cooperation of the technical staff of the Joint Committee. I told Justice Byrnes that, acting on instructions from the Secretary, I had called Chairman Doughton and Chairman George, telling them what we had done and what we contemplated doing and saying that the Treasury wanted their cooperation and thought it might be advisable for Mr. Stam and his assistants to sit in on the work of the Treasury.

They both said they had been discussing the matter and had tentatively come to the conclusion that it might be well to appoint a joint sub-committee to study post-war taxes and they felt that that committee would not actually do any work until after the election. In the meantime the technical staff could go ahead and gather all the information it could get and work up plans for consideration of the committee in the late fall.

Justice Byrnes said he was very pleased at what we were doing and he wanted to urge us to go right ahead with all speed. I told him we were prepared to start immediately and to work through the summer. There was a feeling, however, that there ought to be a period when the staff on the Hill could get some rest. He said he would talk to both Doughton and George and urge them to do everything possible to cooperate with the Treasury. He thought we were quite late in getting the study under way and that it should go forward with all possible speed.

In the course of the conversation I mentioned that the Republicans had beaten the gun a little by establishing their own committee. He said he appreciated that and that was one thing he had in mind in pushing the work of the technical staff.



subB

**BRITISH AIR COMMISSION**

1785 MASSACHUSETTS AVENUE
WASHINGTON, D. C.

TELEPHONE HOBART 9000

PLEASE QUOTE

REFERENCE NO.....

With the compliments of British Air Commission
who enclose Monthly Report No.9 covering
Aircraft Flight Delivery as at May 31st, 1944.

The Honourable Henry Morgenthau, Jr.
Secretary of the Treasury
WASHINGTON, D.C.

June 12, 1944.

	(1) FORTRESS (BAC-1/L)	(2) LIB. (BAC)	(3) HUDSON (BAC-1/L)	(4) VENT. (BAC)	(5) F. BOAT (BAC-1/L)	(6) VENT. (L/L)	(7) POST. (L/L)	(8) BALT. (L/L)	(9) B24 (L/L)	(10) B25 (L/L)	(11) B26 (L/L)	(12) TRANSFER. (L/L)	TOTAL
UNITED KINGDOM	122	96	807	141	460	58	235	1	310	396	8	361	2955
MIDDLE EAST (a)		5	95			190		1072	128		282	187	1999
WEST AFRICA (a)									22			3	25
AUSTRALIA					27								27
SOUTH AFRICA (a)				135		97						35	267
SINGAPORE					9								9
INDIA (a)									239			173	412
ASOMES	1												1
PRINCEW			91										91
OTU'S IN CANADA			210	68		64			21	41		24	438
RCAP					28	1	2		(a)15				46
111 OTU									24	68			192
45 GROUP RAFTO		11	43	10	9				9				82
En route U.S. from V.J.					1								1
En route Overseas						1	1	13	30		22	5	72
Gender, Goose, etc.				1			1		5	10		17	34
Nascom or Bermuda (en route)					3	16		29	2		38	4	92
Special duty in Canada			1	1				1					3
Montreal				2	2	5	1		38	18	1	19	86
CRASHED AFTER EXPORT			52	19	10	8	16	39	5	8	12	7	176
En route export						21	1		16	3	1	8	50
At Modification Center	6				27	5	87		110	1		15	251
En route Modification Center	4						2						6
Special duty in U.S.		2						1					3
CRASHED IN U.S.		1	28	5		1	3	15	4	2	7	1	67
DIVERTED TO U.S.		50	21	(b)281									352
TOTAL	133	165	1348	661	(d)576	446	369	1172	988	507	371	659	7597

(a) Including deliveries to Rabat, Agora or Takheradi for these destinations.

(b) Including 15 returned under Reg. BAC 41018 after use by U.S.A.A.F. for training, with 45 off DA-252 also under 41018 after A.A.F. training use. All 60 are included in Column 6.

(c) Later re-allocated to Canada by H.A.C. (AIE), under Reg. CA-00076.

(d) Reduced by 21 PBH's, 27 PHH's, and 25 PB2Y-3B's, returned to U.S. Navy.

PLANNING AND AIRFRAME SUPPLY
BRITISH AIR COMMISSION
W.A.C.

JUNE 12, 1944

CONFIDENTIAL: To be held in STRICT CONFIDENCE and no portion, synopsis or intimation to be given out or published until the READING of the President's Message has begun in either the Senate or House of Representatives. Extreme care must therefore be exercised to avoid premature publication.

STEPHEN EARLY
Secretary to the President

TO THE CONGRESS OF THE UNITED STATES:

Congress has repeatedly manifested its deep concern with the pitiful plight of the persecuted minorities in Europe whose lives are each day being offered in sacrifice on the altar of Nazi tyranny.

This Nation is appalled by the systematic persecution of helpless minority groups by the Nazis. To us the unprovoked murder of innocent people simply because of race, religion or political creed is the blackest of all possible crimes. Since the Nazis began this campaign many of our citizens in all walks of life and of all political and religious persuasions have expressed our feeling of repulsion and our anger. It is a matter with respect to which there is and can be no division of opinion amongst us.

As the hour of the final defeat of the Hitlerite forces draws closer, the fury of their insane desire to wipe out the Jewish race in Europe continues undiminished. This is but one example: Many christian groups also are being murdered. Knowing that they have lost the war, the Nazis are determined to complete their program of mass extermination. This program is but one manifestation of Hitler's aim to salvage from military defeat victory for Nazi principles - the very principles which this war must destroy unless we shall have fought in vain.

This Government has not only made clear its abhorrence of this inhuman and barbarous activity of the Nazis, but, in cooperation with other governments has endeavored to alleviate the condition of the persecuted peoples. In January of this year I determined that this Government should intensify its efforts to combat the Nazi terror. Accordingly, I established the War Refugee Board, composed of the Secretaries of State, Treasury and War. This Board was charged with the responsibility of taking all action consistent with the successful prosecution of the war to rescue the victims of enemy oppression in imminent danger of death and to afford such victims all other possible relief and assistance. It was entrusted with the solemn duty of translating this Government's humanitarian policy into prompt action, thus manifesting once again in a concrete way that our kind of world and not Hitler's will prevail. Its purpose is directly and closely related to our whole war effort.

Since its establishment, the War Refugee Board, acting a full time administrative staff, has made a direct and attack on the problem. Operating quietly, as is appropriate, i, through its representatives in various parts of the world, ally succeeded in saving the lives of innocent people. Not e refugees been evacuated from enemy territory, but many have been taken to protect the lives of those who have not e to escape.

Above all, the efforts of the Board have brought new hope pressed peoples of Europe. This statement is not idle ion. From various sources, I have received word that thousands e, wearied by their years of resistance to Hitler and by their gs to the point of giving up the struggle, have been given and desire to continue by the concrete manifestation of this at's desire to do all possible to aid and rescue the oppressed.

(OVER)

Regraded Unclassified

JUNE 12, 1944

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Since its establishment, the War Refugee Board, acting through a full time administrative staff, has made a direct and forceful attack on the problem. Operating quietly, as is appropriate, the Board, through its representatives in various parts of the world, has actually succeeded in saving the lives of innocent people. Not only have refugees been evacuated from enemy territory, but many measures have been taken to protect the lives of those who have not been able to escape.

Above all, the efforts of the Board have brought new hope to the oppressed peoples of Europe. This statement is not idle speculation. From various sources, I have received word that thousands of people, wearied by their years of resistance to Hitler and by their sufferings to the point of giving up the struggle, have been given the will and desire to continue by the concrete manifestation of this Government's desire to do all possible to aid and rescue the oppressed.

To the Hitlerites, their subordinates and functionaries and satellites, to the German people and to all other peoples under the Nazi yoke, we have made clear our determination to punish all participants in these acts of savagery. In the name of humanity we have called upon them to spare the lives of these innocent people.

Notwithstanding this Government's unremitting efforts, which are continuing, the numbers actually rescued from the jaws of death have been small compared with the numbers still facing extinction in German territory. This is due principally to the fact that our enemies, despite all our appeals and our willingness to find havens of refuge for the oppressed peoples, persist in their fiendish extermination campaign and actively prevent the intended victims from escaping to safety.

In the face of this attitude of our enemies we must not fail to take full advantage of any opportunity, however limited, for the rescue of Hitler's victims. We are confronted with a most urgent situation.

Therefore, I wish to report to you today concerning a step which I have just taken in an effort to save additional lives and which I am certain will meet with your approval. You will, I am sure, appreciate that this measure is not only consistent with the successful prosecution of the war, but that it was essential to take action without delay.

Even before the Allied landing in Italy there had been a substantial movement of persecuted peoples of various races and nationalities into that country. This movement was undoubtedly prompted by the fact that, despite all attempts by the Fascists to stir up intolerance, the warm-hearted Italian people could not forsake their centuries-old tradition of tolerance and humanitarianism. The Allied landings swelled this stream of fleeing and hunted peoples seeking sanctuary behind the guns of the United Nations. However, in view of the military situation in Italy, the number of refugees who can be accommodated there is relatively limited. The Allied military forces, in view of their primary responsibility, have not been able generally speaking to encourage the escape of refugees from enemy territory. This unfortunate situation has prevented the escape of the largest possible number of refugees. Furthermore, as the number of refugees living in southern Italy increases, their care constitutes an additional and substantial burden for the military authorities.

Recently the facilities for the care of refugees in southern Italy have become so overtaxed that unless many refugees who have already escaped to that area and are arriving daily, particularly from the Balkan countries, can be promptly removed to havens of refuge elsewhere, the escape of refugees to that area from German occupied territory will be seriously impeded. It was apparent that prompt action was necessary to meet this situation. Many of the refugees in southern Italy have been and are being moved to temporary refuges in the territory of other United and friendly nations. However, in view of the number of refugees still in southern Italy, the problem could not be solved unless temporary havens of refuge were found for some of them in still other areas. In view of this most urgent situation it seemed indispensable that the United States in keeping with our heritage and our ideals of liberty and justice take immediate steps to share the responsibility for meeting the problem.

Accordingly, arrangements have been made to bring immediately to this country approximately 1,000 refugees who have fled from their

- 3 -

homelands to southern Italy. Upon the termination of the war they will be sent back to their homelands. These refugees are predominantly women and children. They will be placed on their arrival in a vacated Army camp on the Atlantic Coast where they will remain under appropriate security restrictions.

The Army will take the necessary security precautions and the camp will be administered by the War Relocation Authority. The War Refugee Board is charged with overall responsibility for this project.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,

June 12, 1944.

- - - - -

CABLE TO AMBASSADOR ROBERT MURPHY AND ACKNOWLEDGMENT, ALTHOUGH, FROM THE DEPARTMENT
AND THE WAR REFUGEE BOARD.

Section I

Reference is made to Cable No. 1623 of June 8 from the President.

This action of the President in setting aside the historic army camp, Fort Ontario as an Emergency Refugee Shelter, announced at the President's press conference on June 9, is regarded by the War Refugee Board as a great step forward in the efforts of this Government to rescue victims of enemy oppression in imminent danger of death and to afford such victims all possible relief and assistance.

The significance of this step can only be properly appraised against the background of the numerous vigorous measures taken by the President and the War Refugee Board since January in an intensive effort to rescue intended victims of Hitler's brutality. The further action now taken by the President in bringing refugees more than 4,000 miles to this country to a place of safety should again clearly demonstrate to the world that our efforts to save refugees constitute a real and most important Government policy.

With today's announcement we should be in a stronger position to urge Allied and neutral countries to expand their existing refugee facilities. This Government is confident that an intensified joint effort of all Allied and neutral countries can save many additional human lives.

To the extent that the President's move becomes known in the occupied countries, it should have an important psychological effect in convincing the Nazis and their minions throughout Europe that this country means business when it says that the fate of persecuted peoples is one of our deep concerns.

There is already evidence that the efforts of this Government in the refugee field have brought new hope to the oppressed peoples of Europe. The President's action today should serve as a further concrete manifestation to all oppressed peoples of the sincerity and effectiveness of this Government's humanitarian policy.

Section II

The President also indicated at his press conference that existing refugee facilities in the Mediterranean area are being increased and that an effort is being made to find new havens of refuge for these people in that area. Please refer to the Department's Cable No. 1669 of May 27 and No. 1761 of June 3.

- 2 -

In connection with your efforts to increase refugee facilities in the Mediterranean area, which the President has stressed should be intensified, your attention is directed to the following:

- A. With respect to establishing havens of refuge in Tripolitania and Cyrenaica, the following cable dated June 7 was received from Ambassador Winant in London;

"Reference is made herewith to Department's cables of March 25, No. 2292, and of April 22, No. 3243, for the War Refugee Board.

"We have just received a letter from the Foreign Office saying that the British Government agree to the setting up of a refugee camp in Tripolitania.

"The letter from the Foreign Office goes on to suggest that it will be necessary to consider what practical measures will be required for the working out of this scheme on the basis of joint maintenance, et cetera, to be shared between the American and British Governments.

"It has been stated orally by Randall, head of the Refugee Department of the Foreign Office, that he is of the opinion that this camp in Tripolitania will be able to accommodate between 1,000 and 1,500 people. The securing of adequate medical and administrative personnel will be the greatest difficulty and we invite the suggestions of the War Refugee Board with respect to this question. It was further confidentially stated by Randall that the political problems involved in setting up a camp in Cyrenaica are so acute that the Foreign Office had reluctantly come to the conclusion that to establish a camp there is absolutely impossible."

- B. With respect to moving Jewish refugees from Southern Italy to Palestine, the following cable dated June 7 was received from Ambassador Winant in London;

"The considerations set forth in Department's cable dated June 3, No. 4413, concerning removal of refugees from Southern Italy, have been discussed in detail by the Embassy with the Foreign Office. The head of the refugee department of the Foreign Office, Randall, was very sympathetic and remarked that there would be no fundamental objection on the part of

the British Government to facilitating the entrance of Jews now in Southern Italy to Palestine, suggested in Department's cable. It was pointed out by him, however, that the facilities in Palestine for the reception of such refugees were not unlimited and that it had been the British Government's policy to facilitate the entry primarily of those refugees who were in immediate danger of their lives, such as those in Hungary now. It was stated by him that within the past month nearly a thousand Jewish refugees have entered Palestine via Turkey, having escaped from areas in which their lives were endangered seriously. It was also pointed out by Randall that the UNRRA camps in the Middle East were able to take 25,000 refugees in addition to those who had arrived before May 1, and he was hopeful that these camps might play a part in relieving pressure on Southern Italy. As pointed out in Embassy's cable No. 4586, the British have now agreed to the opening of a camp in Tripolitania which should accommodate about 1500 people.

"We left a paraphrase of pertinent sections of Department's cable with Randall and he promised that he would give serious and immediate consideration to the matter."

- C. With respect to taking refugees to Cyprus (our 7661 June 3), we have been informed that the campy village of the Cyprus Mines Corporation at Mavrovani which has been occupied by the British Army for three years is now vacant. This village can accommodate about 1,500 families. In addition a number of staff houses are reported to be available.

Section III

With the above in mind, you are requested to take the following action as expeditiously as possible:

- A. Bring to the attention of the French Committee the action taken by the President and the President's desire that refugee facilities in the Mediterranean area be increased, emphasizing the significance of this program in the refugee field. You should make clear to the French Committee that this Government is determined to find havens of refuge for all oppressed peoples who can escape from German controlled territory. You should explore carefully with the French Committee all possible means by which it can further aid in the rescue and relief of victims of enemy oppression.

- 4 -

- B. To the extent possible, consistent with the military situation, every effort should be made to give publicity to the President's action and its significance, particularly in the neutral countries and enemy territory.
- C. Please keep the Department and the War Refugee Board fully informed concerning the action which you are taking in arranging for the departure of the 1,000 refugees in Southern Italy and of the steps which you are taking to increase the refugee facilities in the Mediterranean area.

For Kirk's attention the foregoing is repeated to Naples.

THIS IS WRB ALGIERS CABLE NO. 22.

June 12, 1944

3:35 p.m.

JEDuBois:ms 6/12/44

CABLE TO AMBASSADOR WINANT, LONDON, ENGLAND

Please refer to your No. 4559 of June 7. War Refugee Board urgently requests that British do not (repeat not) accept notice of sailing of SS BARDALAND from Piraeus.

In view of the apparent belief of the Foreign Office that the refusal of a safe-conduct for the BARDALAND is based upon a German policy of refusing to facilitate the evacuation of Jews to Palestine, you should request the Swedish Government at once to again approach the Germans for a safe-conduct for the BARDALAND for voyages across the Black Sea from Rumania to Turkey, assuring the Germans that refugees evacuated on the BARDALAND will be taken to havens of refuge other than Palestine.

You should also discuss with the British Foreign Office the possibility of establishing refugee havens other than Palestine to which refugees from the Balkans can easily be taken. It is suggested that you specifically mention the possibility of taking such refugees to Cyprus, Tripolitania and Cyrenaica. The President has recently suggested that we explore the possibility of using Cyprus as well as Tripolitania and Cyrenaica as a haven for refugees. We feel strongly that if the German refusal of safe-conduct for refugee evacuation voyages across the Black Sea is based upon their opposition to taking such refugees to Palestine, the British and American Governments should leave no stone unturned in attempting to find other refugee havens.

The negotiations with the Swedish Government for the use of the BARDALAND have been handled by Minister Johnson in Stockholm. However, we have received no word from him indicating that the Germans have denied a safe-conduct. In view of the time element involved, will you kindly advise Johnson of the action being taken by you.

Please repeat to Legation in Stockholm.

June 12, 1944
9:15 A.M.

CABLE TO (1) AMBASSADOR WINANT, LONDON AND AMBASSADOR HARRIMAN, MOSCOW; (2) HEADS OF MISSIONS IN PORTUGAL, SPAIN, SWEDEN, SWITZERLAND AND TURKEY: (3) HEADS OF MISSIONS IN LATIN AMERICA.

The President yesterday delivered the following special message to the Congress, reporting on the efforts of this Government to rescue the Jews and other victims of enemy oppression and specifically dealing with the action which he took on June 9 in establishing an Emergency Refugee Shelter in this country:

(Here take in text of message)

You are requested to convey the contents of this message to the Government to which you are accredited and to use all possible means to give this message the widest possible publicity, particularly in Europe.

June 12, 1944

3:35 P. M.

FROM: Secretary of State, Washington
TO: American Embassy, London
DATED: June 12, 1944
NUMBER: 4641

SECRET

At his press conference on June 9 the President announced that the historic Army camp, Fort Ontario, at Oswego, New York, has been set aside as an Emergency Refugee Shelter. A group of 1,000 refugees are being brought immediately from Italy to this country outside of the regular immigration procedure, and will be placed in the Emergency Refugee Shelter where they will remain for the duration of the war.

The President released the text of a cable which he had sent to Ambassador Robert Murphy in Algiers on June 8. The text of this cable is as follows:

(Insert text of attached cable),

The President also revealed that while the War Refugee Board is charged with the overall responsibility for this project, the Army shall take the necessary security precautions so that these refugees will remain in the camp and the actual administration of the camp is to be in the hands of the War Relocation Authority.

For your information, the War Refugee Board regards the action which has been taken by the President as a great step forward in the efforts of this Government to rescue victims of enemy oppression in imminent danger of death and to afford such victims all possible relief and assistance.

The significance of this step can only be properly appraised against the background of the numerous vigorous measures taken by the President and the War Refugee Board since January in an intensive effort to rescue intended victims of Hitler's brutality. The further action now taken by the President in bringing refugees more than 4,000 miles to this country to a place of safety should again clearly demonstrate to the world that our efforts to save refugees constitute a real and most important Government policy.

With today's announcement we should be in a stronger position to urge Allied and neutral countries to expand their existing refugee facilities. This Government is confident that an intensified joint effort of all Allied and neutral countries can save many additional human lives.

To the extent that the President's move becomes known in the occupied countries, it should have an important psychological effect in convincing the Nazis and their minions throughout Europe that this country means business when it says that the fate of persecuted peoples is one of our deep concerns.

There is already evidence that the efforts of this Government in the refugee field have brought new hope to the oppressed peoples of Europe. The President's action yesterday

- 2 -

should serve as a further concrete manifestation to all oppressed peoples of the sincerity and effectiveness of this Government's humanitarian policy.

With the above in mind, please take the following action as expeditiously as possible:

(1) Bring to the attention of the British Government the action which has been taken by the President, emphasizing the significance of this action in the refugee field. In exploring with the British Government the question of expanding existing refugee facilities in the Mediterranean area and finding new havens of refuge for these people in that area (your 4557 of June 7), you should make clear that this Government is determined to find havens of refuge for all persecuted peoples who can escape from German controlled territory. In addition to the possibilities mentioned in our No. 4413 of June 3, the President has also suggested the possibility of taking refugees to Cyprus. As the President indicated in his cable of June 9 to Ambassador Murphy, it is most important that efforts to take refugees from Italy to areas close by be intensified.

(2) To the extent possible, consistent with the military situation, every effort should be made to give publicity to the President's action and its significance, particularly in the neutral countries and enemy territory.

HULL

AIRGRAM TO HEADS OF MISSIONS IN LATIN AMERICA

There is repeated to you for your information the following cable which has been sent to the heads of Missions in Portugal, Spain, Sweden, Switzerland and Turkey.

(Here insert text of cable)

Please bring the foregoing to the attention of the Government to which you are accredited, emphasizing the significance of this action in the refugee field. In addition, every effort should be made to give publicity in the country to which you are accredited to the President's action and its significance.

The contents of the above cable should, of course, be borne in mind in any pending or future discussions which you may have with the Government to which you are accredited concerning possible means by which that Government can further aid in the rescue and relief of victims of enemy oppression.

June 12, 1944

3:35 p.m.

JBF:bhk - 6/12/44

Distribution of true
reading only by special
arrangement. (SECRET W)

June 12, 1944

6 p.m.

SECRET

AMLEGATION,

LISBON.
1702

The understanding of Dr. Dexter as set forth in paragraph 2 and the assumption made in paragraph 3 of his memorandum concerning license no. W-2167 transmitted by Legation's despatch no. 415 of April 20 are correct. Regarding paragraph 4, only funds remitted under specific license for use under license no. W-2167 may be used for purposes therein contemplated. The Unitarian Service Committee, it is the Treasury Department's understanding, will remit funds to Lisbon under terms of a specific license, which they now hold for such purpose in case of need.

HULL
(GHW)

WRB:MMV:KG
6/12/44

WT

WE S/CR

DSH-535

PLAIN

Lisbon

Dated June 12, 1944

Rec'd 4:50 p.m.

Secretary of State,
Washington.

1809, Twelfth, 6 p.m.

WRB 67 from PILPEL FOR LEAVITT, JDC 16.

Further our 13, Bitker's opinion, Margolis con-
curring, inadvisable, unnecessary have Inter-redcross
representative either receive funds or supervise their
expenditure should situation change Bitker premises.
Advise.

NORWEB

CAW
WTD

DMH - 707
Distribution of true
reading only by special
arrangement. (SECRET W)

Lisbon

Dated June 12, 1944

Rec'd 10:11 p.m.

Secretary of State,

Washington.

1810, June 12, 6 p.m.

FOR PEHLE FROM MANN

Dexter requested financial report of all rescue relief organizations concerning their operations here. While Conard has no objection to furnishing report he was somewhat puzzled by request and wired friends for guidance regarding kind of report to make. This refers WRB No. 36 June 6. While Conard had already furnished report I have explained to him that such was requested by Dexter for his guidance on local operations and assured him that information would be kept confidential. This WRB 66.

Most agencies here have furnished statements. However I have suggested to Dexter and he agrees that it is not wise to push matter with those which have not already reported.

NORWEB

WSB
CSB

FMH - 913

This telegram must be paraphrased before being communicated to anyone other than a Government agency (SECRET O)

Madrid

Dated June 12, 1944

Rec'd 4:18 p.m., 13th

Secretary of State,

Washington.

2076, June 12, 10 p.m.

Embassy's telegram 1532, May 3, midnight.

In accordance with Department's instruction 1008, April 12, 1944, following unused non-preference quota numbers for refugee children returned covering month of May 1944: Belgium, 253 to 262; Czechoslovakia, 561 to 580; France, 486 to 512; Germany, 3705 to 3904; Netherlands, 512 to 538; Poland, 1848 to 1897; all numbers inclusive.

HAYES

WSB NPL

CABLE TO AMERICAN LEGATION, STOCKHOLM, SWEDEN

The War Refugee Board requests that you deliver the following message to Wilhelm Wolbe, 11 Olefagotten Strasse, Stockholm:

QUOTE Sending you ten thousand dollars. Make supreme effort to contact religious leaders Lithuania through special messenger giving funds to save themselves and communities. Contact Olsen American Legation cooperate in rescue work for Baltic States endeavor save leading sages and every Jew possible. Make available to Olsen five thousand dollars. Mobilize all orthodox forces Lehman Pinkus others. Reply immediately in detail.

Vaad Bahatzala

Abraham Kalmanewitz UNQUOTE

For Olsen: The above is with reference to and in modification of WEB 25 to you.

THIS IS WEB CABLE TO STOCKHOLM NO. 28.

June 12, 1944
5:20 p.m.

BAKvin:ar 6/10/44

June 12, 1944
10:55 a.m.

312

CABLE TO MINISTER JOHNSON, STOCKHOLM, SWEDEN, FROM THE WAR REFUGEE BOARD.

Please refer to your No. 2009 of June 5 regarding the SS BARDALAND.

Prior to the receipt of your cable by the War Refugee Board the following had been received by the Board from Ambassador Winant in London:

QUOTE. Reference is made herewith to Embassy's cable of May 12, No. 3857, and previous, for the War Refugee Board.

The Embassy has just been informed by the Foreign Office that word has been received now that the Germans have refused to grant a safe-conduct for the BARDALAND to enable her to evacuate refugees. It is stated by the Foreign Office that it is settled German policy to refuse in every way to facilitate the evacuation of Jews to Palestine and that, therefore, there does not appear to be anything further that can be done in this special case. The British intend to accept notice of sailing of the BARDALAND from Piraeus on June 10, unless the War Refugee Board urgently expresses their disapproval.

UNQUOTE.

The War Refugee Board immediately dispatched to London the reply which was repeated to Stockholm as No. of . The War Refugee Board has now received and considered your No. 2009. It is noted that your cable does not (repeat not) attribute the German refusal of the safe-conduct for the BARDALAND to a German policy of refusing to facilitate the evacuation of Jews to Palestine. The apparent view of the British Foreign Office with respect to this matter was of course the basis of the War Refugee Board's reply to the cable from Ambassador Winant.

In view of the British Foreign Office opinion the Board, before agreeing to the sailing of the BARDALAND from Piraeus would like you to discuss with the Swedish Government the possibility of again taking up the matter of a safe-conduct for the BARDALAND with the Germans upon the basis of assurances which may be given to the Germans that refugees evacuated on the BARDALAND WILL BE TAKEN from Turkey to havens of refuge other than Palestine. You should explain to the Swedish Government that the reason for this additional request is the War Refugee Board's conviction that any possibility of obtaining a safe-conduct should not be lost merely because of the intended destination of the voyage. The Board feels strongly that if the German refusal is based simply upon their opposition to taking refugees to Palestine other refuge havens can and will be found.

This Government greatly appreciates the efforts which the Government of Sweden and the Swedish Red Cross have been making in this matter.

Please advise us promptly of the results of your conversations on this subject. THIS IS WRE CABLE TO STOCKHOLM NO. 27.

JBF:bbk - 6/10/44

BE-444
Distribution of true
reading only by special
arrangement. (SECRET W)

Stockholm

Dated June 12, 1944

Rec'd 11 a.m.

Secretary of State
Washington
2098, June 12, 9 a.m.
FOR WAR REFUGEE BOARD

Contract made with Wilhelm Bohm pursuant to instructions WRB number 1010 (Department's No. 950 of May 19) Contract was made through channels already established in legation which appear to better, rather than worsen although latter was advised and is himself in contact with Bohm.

This is our No. 27.

Bohm has now supplied what appears to be comprehensive review of situation in Hungary, and has included specific recommendations as to possible relief and rescue programs. Report is in German and involves a substantial translation task. This is however being pushed as rapidly as possible and summary of principal features of report will be cabled as soon as available. Bohm states in his report that the Hungarian Government has made several official declarations to the public that it wishes to protect its Jewish population but considers evacuation to neutral countries the only real solution. He considers therefore than an offer by the neutral countries, based on these official Hungarian declarations to supply refuge and assist in the evacuation would at least test since (*)e act if these declarations and be useful psychologically. Bohm is a Leftist and former Minister of War. Very cooperative but in extremely delicate health.

Other important contacts have been made with respect to Hungarian problems. These include former Hungarian Minister here who refused to recognize present regime in Hungary resulting from German occupation. Also includes Heinrich Dewahl, director of Manfred-Weiss Stahlverk, who arrived in Sweden two days before German occupation. Have found Swede who is going to Hungary in very near future on business trip and who appears willing to lend every possible assistance on

Hungarian problem.

-2- #2098, June 12, 9 a.m. from Stockholm

Hungarian problem. Am having dinner with him on June 11 with Wahl, for purpose of exploring possibilities and to obtain in some measure his capabilities along those lines. Any instructions which would coordinate approach to Hungarian problem would be helpful

JOHNSON

(*) Apparent omission

WSB MEV

VMT-464
Distribution of true
reading only by special
arrangement. (SECRET W)

Stockholm

Dated June 12, 1944

Rec'd 12:23 p.m.

Secretary of State,
Washington.
2100, June 12, 1 p.m.
No. 28. FOR WAR REFUGEE BOARD

In reply to WRB No. 24 (Department's No. 1149 of
June 8) and Department's Noll2 to Helsinki.

Last of initial groups of 100 Jews in Finland arrived during past week. Preliminary arrangements have been concluded with respect to additional group of approximately 50 Jews in Finland of German, Polish, Lithuanian, Russian and Rumanian origin who have been in Finland for many years, but are now pressing to come to Sweden. List of those persons has been obtained, permission of Finnish authorities for their departure has been granted, and only final details regarding their evacuation to Sweden and subsequent maintenance now remain. This group comprises people of advanced age, mostly unemployables, and, therefore, involves maintenance problems.

Gullion has seen this reply and is collaborating in program.

JOHNSON

JT
WTD

FPM - 596
Distribution of true
reading only by special
arrangement. (SECRET W)

Stockholm

Dated June 12, 1944

Rec'd 6:30 p.m.

Secretary of State,

Washington.

2113, June 12, 7 p.m.

Authorization is urgently requested of War
Refugee Board to purchase furniture in connection
with Olsen's work as representative of board.
Approximately \$500 will be needed. Telegraphic
reply requested.

JOHNSON

WSB
RR

CABLE TO ANKARA

Please deliver the following message to Ambassador Steinhardt, Ankara, from J. W. Pehle.

Hirschmann left for Ankara June 11. Would appreciate reservation of room and bath at Ankara Palace.

THIS IS WRB ANKARA CABLE NO. 51

June 12, 1944

3:10 p.m.

FBM-625
Distribution of true
reading only by special
arrangement. (SECRET W)

Ankara

Dated June 12, 1944

Rec'd 8:14 p.m.

Secretary of State,

Washington.

1053, June 12, 8 p.m.

Department's 522 June 10.

Personal for Pehle War Refugee Board from the
Ambassador.

Ankara No. 73.

You may rest assured that I shall await Hirschmann's
arrival in Ankara before leaving for Washington.

STEINHARDT

WSB ER

SECRET BY COURIER

A-34
12:30 p.m.

June 12, 1944

Sent by secret airgram

AMERICAN CONSULATE GENERAL,

ISTANBUL (TURKEY).

War Refugee Board requests delivery of the following message from Dr. Leon Kubowitzki, World Jewish Congress, 1834 Broadway, New York 23, New York, to Mr. Barlas, Pera Palace, Istanbul, Turkey:

QUOTE We strongly recommend for granting Palestine certification following outstanding Hungarian rabbis selected by special sub-committee:

List #2

Adler, Pepi, 47 yrs., and 3 children, Osaroda, Gereg megye, Hungary
Altman, Miksa, 53 yrs., wife and 9 children, Ond, Zemplen megye,
Hungary

Billitzer, Jenő, Rabbi, 55 yrs., wife and 3 children, Pillisvorosvar,
Hungary

Buksbaum, Jehosua, Rabbi, 62 yrs., and wife, Galanta, Hungary

Billitzer, Efraim, Rabbi, 52 yrs. and 7 children, Bethlen, Hungary

Basch, Jakob, 17 yrs., c/o Klein, Alfred, Margitta, Hungary

Basch Szore, 15 yrs., c/o Klein, Alfred Margitta, Hungary

Berkowitz, Bernathne, 46 yrs. and 6 children, Kis Varda Hungary

Buchinger, Endre, 16 yrs., c/o Mano Buchinger, Somosszollo, Hungary

Buchinger, Imre, 18 yrs., c/o Mano Buchinger, Somolsszollo, Hungary

Buchinger, Eva, 16 yrs., c/o Jakob Buchinger, Janoshaza, Hungary

Benedek, Bela, 56 yrs., and wife, Bihar, Bihar megye, Hungary

Friedman, Fani, 52 yrs. and 8 children, Illosva, Bereg megye, Hungary

Fiksler, Berta, 58 yrs., Huszt, Hungary

Fendrich, Hugo, 55 yrs., wife and 3 children, Nagyaszo, Hungary

Friedman, Samuel, 60 yrs., wife and 3 children, Tonalja, Hungary

Goldberger, Sandor, 42 yrs., wife and 4 children, Szerencia, Hungary

Hager, Chajem Mayer, Rabbi, 47 yrs., and wife, Nagyverad, Hungary

Heisler, Jakobne, 52 yrs., Szatmarnemeti, Toltes ucca Hungary

* Heisler, Erno, 28 yrs., Szatmarnemeti, Toltes ucca Hungary

Jakobowitz, Zseni, 47 yrs. and 5 children, Kis Varda; Hungary

Katz, Antal, Rabbi, 60 yrs. and wife, Dunaszerdahely, Hungary

Kohn, Herman, Rabbi, 54 yrs., wife and 2 children, Derecske, Hungary

Kahan, Frankel Samuel, Rabbi, 45 yrs., wife and 2 children, Budapest, Eotvos u. 19, Hungary

* Heisler, Rosalia, 22 yrs., Szatmarnemeti, Toltes ucca Hungary

Istanbul A-34

-2-

Kahan, Gitel, 50 yrs., and 4 children, Kiralyhaza, Hungary
 Kahan, Feige, 26 yrs., Kiralyhaza, Hungary
 Kahan, Sheindel, 27 yrs., Kiralyhaza, Hungary
 Lipe, Mayer, Rabbi, 40 yrs., and wife, Szatmarnemeti, Hungary
 Lemberger, Izsone, Rozsnyo, Hungary
 Moskowitz, Hani, 37 yrs., and 4 children, Kis Varda, Hungary
 Mandula, Sandor, 57 yrs. and 2 children, Szerencs, Hungary
 Rubin, Salamon, 55 yrs. and wife, Derecske, Hungary
 Rubin, Jozsef, M., Rabbi, 45 yrs. and 7 children, Bodrogkeresztur,
 Hungary
 Szofer, Menachem, Rabbi, 60 yrs. and wife, Marosvasarhely, Hungary
 Schonwald, Miklos, 55 yrs. and wife, Kis Varda, Hungary
 Stern, Salamon, 57 yrs., Nyirbatka, Hungary
 Steif, Jonathan, Rabbi, 63 yrs. and wife, Budapest, Hungary
 Wolwovitz, Ethel, 50 yrs. and 2 children, Izsa, Maramaros, megye,
 Hungary
 Wolwovitz, Malvin, 30 yrs. Maramaros megye, Hungary
 Wolwovitz, Ignatz, 27 yrs. Maramaros megye, Hungary
 Wolwovitz, Aranka, 24 yrs. Maramaros megye, Hungary
 Weiss, Fani, 63 yrs. and 6 children, Szatmarnemeti, Zrinyi ut. 12,
 Hungary
 Wiesnar, Judanne, 49 yrs. and 9 children, Szerencs, Hungary
 Weiss, Henrik, 51 yrs. wife and 3 children, Perbenyik, Zemplen megye,
 Hungary
 Weiszberg, Salamon, 38 yrs. wife and 2 children, Szerencs, Hungary
 Jungreis, Jakab, Rabbi, 42 yrs. wife and 7 children, Nyirmada, Hungary
 Weinberger, Frida, and 9 children, Nyirmada 41, Hungary
 Weinstock, Leopold, 23 yrs., Dees, Hungary
 Weinstock, Moses-David, 21 yrs., Dees, Hungary
 Weinstock, Terez, 22 yrs., Dees, Hungary
 Weisz, Henrik, 51 yrs., wife and 3 children, Szerencs, Hungary

WORLD JEWISH CONGRESS
 A. LEON KUBOWITZKI UNQUOTE.

Hull
 ghw

WRB:MMV:KG
 6/9/44

NE

SE

NO. 3097 (R-2862).

AMERICAN CONSULATE GENERAL
Istanbul, Turkey, June 12, 1944.

SUBJECT: Summary of Anti-Jewish Legislation
in German-Occupied Hungary. (Continued)

The Honorable
The Secretary of State
Washington

SIR:

I have the honor to refer to previous despatches in the series summarizing anti-Semitic legislation in German-occupied Hungary, as listed below, and to submit herewith a continuation of the day-by-day report of anti-Jewish activity.

The summary continues as follows:

May 5, 1944

An unexpected and unfavourable result of the Hungarian anti-Semitic legislation is indicated by a report appearing in the PESTER LLOYD of this date:

"Since trade licenses have been withdrawn from all the Jews in Magyszello, a lack of certain commodities and consumers goods is being felt at present. Dealers in glass and china, tailors, dress-makers, hatters, bookbinders, upholsterers and many other types of craftsmen are urgently needed."

Previous despatches in this series include the following: No. 2833 (R-2632) of April 15, 1944; No. 2904 (R-2694) of April 27, 1944; No. 2961 (R-2746) of May 9, 1944; and No. 2987 (R-2771) of May 15, 1944.

- 2 -

The appeal to Aryan merchants and craftsmen to settle in Magyszello and take over the commercial enterprises and workshops formerly belonging to Jews, concludes with this statement:

"Applicants will immediately be provided with living quarters, workshops and business premises."

The PESTER LLOYD of May 5, 1944, also published a lengthy article dealing with the racial status of Jews, Half-Aryans and Aryans. The article, which begins with the premise that the situation is uncertain and confused, does little to reduce the confusion.

The article does draw the following semi-clear distinctions regarding the status of Half-Aryans:

1. Half-Aryans who failed to embrace the Christian faith prior to their seventh birthday will be considered to be Jews.
2. Half-Aryans who were born as Christians, and one of whose parents embraced the Christian faith at the time of marriage, will be considered Non-Jews, and entitled to the full rights enjoyed by Aryans.
3. If such Half-Aryans marry a Jew, or a Non-Jew whose grandparents were Jews, they will be considered to be Jews, even if the marriage ties have been broken through divorce or death.

The article concludes with a long series of exceptions and reservations which serve to deny to most Half-Aryans the rights and privileges of Aryan status.

May 11, 1944

The DONAUZEITUNG of May 11, 1944, reports in detail on the "judaization" of trade in Hungary, as revealed by the new controls on Jewish shops and industrial enterprises.

The Jewish interest in various trades and industries, according to the DONAUZEITUNG, amounted to the following percentages, prior to the enactment of the anti-Semitic decrees:

- 3 -

<u>Trade or Industry</u>	<u>Under Jewish Control</u>
Credit Institutions	37.0 %
Clothing Industry	39.5 %
Wood and Bone Industry	43.3 %
Motion Picture Industry	48.5 %
Cattle Trade	41.4 %
Material and Cloth Trade	46.2 %
Leather, Luxury Products, Paper Articles, and Stationary	49.4 %
Minerals and Forest Products	54.3 %
Exchange Business	46.5 %

The Jewish control of trade is indicated, according to the DONAUEITUNG, by the fact that 18,000 of the 30,000 stores and shops in Budapest have been forced to close as a result of the anti-Semitic legislation.

The DONAUEITUNG concludes its report with the following statement:

"All this proves how necessary it was to issue a decree prohibiting the work of Jews in industrial, trade, commercial and agricultural enterprises."

The anti-Semitic section of the DONAUEITUNG for this date also included the following items:

1. "At the meeting held by the Committee of the Administration of the Budapest City Council on May 8, 1944, it was announced that a considerable number of bombs and shells, as well as secret broadcasting equipment, have been found recently in Jewish houses in this and other Hungarian cities. In accordance with these reports, which are further proof of the criminal activity of the Jews, it was decided that all regulations concerning Jews should be put strictly into effect."

2. "The strict execution of the anti-Jewish laws, and the blockade imposed upon Jewish property in Hungary, will have an effect on approximately 500 milling concerns. Of these, about 100 have already been rented by Aryans, while the rest are still in the hands of the Jews. Since it can be expected that most of the remaining mills will change ownership in the near future, Christian milling circles have indicated the desire that persons who have

- 4 -

already rented Jewish mills should be given first consideration when the aryanization of the remaining Jewish milling enterprises begins. In view of the fact that a sufficient number of competent Aryan milling experts are available, there seems to be nothing in the way of the immediate transfer of the Jewish mills to Aryan owners."

May 12, 1944

The MAGYARORSZAG of this date reports:

"The Official Gazette has published an order issued by the Royal Commissar for Intellectual Unemployment directing that the owners of all stores, business concerns and industrial enterprises must submit to him the names of all Jewish workers who graduated from secondary school, completed the fourth term of a secondary school, or graduated from higher educational institutions."

It would appear that the directors of anti-Semitic policy in Hungary are planning special controls for the Jewish intellectual class.

May 13, 1944

The use of Jews for agricultural labor is indicated in an item published by the PEST of this date under the title: "The Jews of Borsod County are subject to Agricultural Work Under Military Supervision!"

The report, detailing the steps taken to put Jews to work in Hungarian agriculture, concludes with the following statement by Vitez Emil Borbely-Macky, Privy Counsellor and Prefect of Borsod County:

"Today, every Jew, who heretofore was reluctant to work, is anxious to start digging. In fact, the Jews have flooded the county's municipal and economic offices with their applications.

'In this manner, they hope to avoid a sojourn in the ghetto. For this reason, I have established an agricultural labor system for Jews.

- 5 -

"Henceforth, Jews in groups of thirty will proceed to villages for work in the fields under military supervision. Under such controls, they will not be able to continue their destructive and undermining work among the workers on the land."

The MAGYARORSZAG of the same date published the names of the Jewish leaders ordered to prepare the statutes of the government-sponsored Association of the Jews of Hungary. Those named by the Minister of the Interior included the following:

1. Samuel Stern, Royal Hungarian Privy Counsellor, President of the National Office of the Jews of Hungary, and President of the Religious Jewish Community of Pest.
2. Dr. Erno Peto, Attorney and Vice-President of the Religious Jewish Community of Pest.
3. Dr. Larely Wilhelm, Attorney and Administrator of the Religious Jewish Community of Pest.
4. Dr. Mela Berend, Grand Rabbi.
5. Sanu Mahan-Frankl, President of the Central Office of the Orthodox Jews.
6. Lipot Freudiger de Obuda, Industrialist and President of the Religious Community of the Autonomous Orthodox Jews of Budapest.
7. Sandor Torok, journalist.
8. Dr. Josef Nagy, chief physician of the Jewish Hospital.
9. Dr. Janos Gabor, legal advisor of the Jewish Religious Community of Pest.

May 16, 1944

Laszlo Endre, State Secretary in the Ministry of the Interior, added to his anti-Semitic record with the following declaration, made to a representative of the Berlin Lokalanzeiger, and recorded in the MAGYARORSZAG of May 16, 1944:

"No where was the rapid and fundamental settlement of the Jewish question as imperative as in Hungary. The Jews in Hungary openly sponsored Bolshevism. We were prompted to act against them in the interest of the national defense. The Jews served the enemy, not only by deteriorating the country from within, but also as spies and saboteurs.

"In the eastern part of the country, which is part of the war zone, more radical measures had to be taken, and the Jews have been removed to concentration camps. Precautions have been taken, however, to guarantee that the manner in which they are treated is entirely irreproachable.

"The settlement of the Jewish problem is not an aim, but an absolute and substantial necessity. It should constitute the basis for the solution of every other Hungarian problem."

One example of the "irreproachable" solution to the Jewish problem is given in the same issue of the MAGYAR-ORSZAG:

"A Jewish owner of a boarding house at Gyor has been sentenced to thirty days imprisonment and a fine of 6000 Pengo for not dismissing her Christian cook."

May 17, 1944

The Hungarian press of May 17, 1944, continued the anti-Semitic record with a number of interesting items:

1. "The Jewish inhabitants of Gyor, Moson and Pozsony are to be settled at the bauxite works of Mosonmagyaróvár. The first large group, including over 1000 persons, was transferred to Mosonmagyaróvár on May 16, 1944. According to instructions issued by the authorities, the Jews are to be settled in such a way that four or five persons will live in each room or kitchen." (Magyarország)

2. "The removal of all Jews from Kolozsvár and their transfer to an assembling camp has now been achieved. The authorities have carried out this great task in the strictest order. The transfer was effected without the least trouble. Almost 10,000 Jews, including most of the Jews from the Kolozsvár district, have now been settled in the camp of the brick factory. The authorities have provided the Jews with wood, drinking water and a sanitary installation." (PEST)

- 7 -

3. "In connection with the required declaration of Jewish property, it is suspected that many Christians are keeping or hiding Jewish valuables. This is being done, either on account of the material advantage to be gained, or through badly conceived conceptions of humanitarian principles. Such actions represent a violation of the government's orders and a crime against the Hungarian state, for which heavy punishment has been provided. The Ministry of Foreign Affairs therefore appeals to the public to correct this error, and to declare all Jewish property within seven days so that no action or reprisals need be taken. After this period, the severity of the punishment will be considerably increased. (PEST)

4. The NEMZETI UJSAG of this date summarizes the application of the anti-Semitic legislation to the legal profession:

"In accordance with a governmental decree, the Budapest Chamber of Lawyers has now compiled a list of the attorneys who are to be excluded because of their Jewish blood. Out of the 3237 lawyers on the rolls of the Chamber, as of May 31, 1944, a total of 1260 are to be excluded because they are Jews.

"Of the 419 attorneys active in the administration of the Budapest Chamber of Lawyers, 377 have been excluded, while only 42 will be permitted to continue their official functions.

"Only one of the 167 legal candidates has been permitted to continue his studies. No decision has been reached in two cases, but the other 164 candidates have been excluded. Of 48 substitute lawyers, only 12 have been permitted to continue to practice.

"The decree provides that the Chamber of Lawyers must withdraw the name-plates of the excluded attorneys, must recover the certificates issued by the Chamber, and must inventory the affairs of the excluded lawyers."

May 19, 1944

The MAGYARORSZAG reports that the Official Gazette has published two new anti-Semitic orders of the Ministry of the Interior:

- 8 -

1. "The first order deals with the restaurants and other public places in which Jews may be admitted. According to this order, Jews may visit hotels, restaurants, coffee-houses, cabarets, confectioneries, etc. only in accordance with instructions issued by the proper authorities. In hotels, for example, the rooms reserved for Jews must be designated. They are not allowed to use other rooms. Likewise, in restaurants and other eating places, special places are to be designated for the use of Jews. If there are no such special places, the proper authorities shall fix the hour of the day when Jews may enter restaurants and other eating places. All restaurants, except those reserved exclusively for Jews, must apply the special Jewish food restrictions, and may serve Jews only at inside tables."

2. "The second order forbids Jews to enter places of entertainment such as theaters, cinemas, bars and concert halls. The proper authorities, however, may grant permission for special entertainments to be given which can be attended only by Jews. They may also allow Jews to attend certain showings at cinema houses."

The MAGYARORSZAG concludes:

"The above orders apply to all Jews who are required to wear the yellow star, and will enter into force on May 25, 1944. Violation of either order will be punishable with fifteen days imprisonment."

May 21, 1944

The anti-Semitic section of the Hungarian press of this date included the following items:

1. "According to information from Szegedin, all Jewish inhabitants of that town must be settled in ghettos by May 30, 1944. The streets leading to the ghettos will be closed by a two-meter high fence. Jewish doctors will be permitted to continue living in their present flats. The same exemption will apply to those Jews who, on the basis of their exceptional military status, have been drafted for military service." (DONAUZEITUNG)

- 9 -

2. "The Jewish inhabitants of Pest, numbering about 60,000 persons, will be placed in ghettos. Twenty-two different locations will be used, and it is expected that the transfer will be completed by May 30, 1944." (DONAUZEITUNG)

3. "The Hungarian Scientific Institute for the Investigation of the Jewish Question will publish a new review entitled "Harc" (Fight) within the next few days. The new publication will discuss the role of Judaism in Hungary. The chief editor of the review is the director of the Institute, P. Bosnyak, and the managing editor is M. Levatich, a collaborator in the MAGYARORSZAG." (DONAUZEITUNG)

4. "A new decree has been issued by the Ministry of the Interior ordering the closing of all Jewish shops which have not as yet been closed in accordance with the legislation restricting Jewish activity in trade and industry. The new decree provides that all shops in which Jewish merchants sell or handle goods, either directly or indirectly, must be closed." (MAGYARORSZAG)

May 26, 1944

The DONAUZEITUNG reports:

"The well-known film actress and radio singer, Katarina Karady-Kantzler, who was particularly favored under the Kallay government, has, in spite of the regulations included in the anti-Jewish laws, entrusted a Jewish agent with the winding up of her affairs. For her failure to comply with the anti-Semitic legislation, she has been fined 5,000 Pengo, and has been detained for some time. Although she has now been set at liberty, the Police will keep an eye on her. Instructions have been issued that she is not to be permitted to act, either on the stage, or in a film."

Respectfully yours,

To Department in Original
and Hectograph

File No. 891

LAS/ac

Burton Y. Berry
American Consul General

CABLE TO AMBASSADOR HARRIMAN, MOSCOW, RUSSIA

There is repeated to you for your information the following cable which has been sent to the heads of Missions in Portugal, Spain, Sweden, Switzerland and Turkey.

(Here insert text of cable)

It is suggested that you bring to the attention of the Soviet Government the action taken by the President. You should also bear this cable in mind in any discussions with the Soviet Government concerning possible means by which that Government can further aid in the rescue and relief of victims of enemy oppression.

June 12, 1944
3:35 p.m.

JEF:bbk - 6/12/44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF
COMMUNICATIONS
AND RECORDS ³³¹

RECT-588

PLAIN

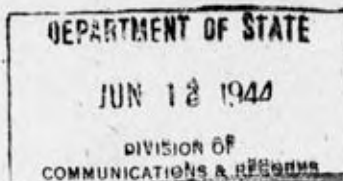
Rio de Janeiro

Dated June 12, 1944

Rec'd 6 p.m.

Secretary of State,
Washington.

2131, twelfth.



Dr. Octavio Bulhoes left Rio by plane June 10 for Washington in accordance request Department's 1644, May 27, 10 p.m. See my 2115, June 9, 9 p.m.

He will act as Brazil's technical expert on informal committee as per Department's circulars of June 10, 6 p.m., and 7 p.m.

CAFFERY

LMS
WTD

JUN 12 1944

To: Mr. Callado**From: Mr. White**

Will you please send the following cable to the American Embassy, Chungking, China:

TO AIDEN FROM THE SECRETARY OF THE TREASURY

Reference cable No. 752, May 31, 1944

In substance, Dr. Kung proposed in the memorandum which accompanied his letter to me dated April 19, 1944, the following:

- 1. That the Reverse Lend-Lease Agreement be signed and implemented, and that China pay for land needed for (a) the construction of air-fields and (b) for food and lodging of the U. S. Army in China, such latter payments to be credited under reverse lend-lease.**
- 2. That U. S. Army expenditures not covered under the Reverse Lend-Lease Agreement be met in either of two ways:**
 - (a) China to contribute 20 yuan as reverse lend-lease plus 20 yuan exchanged at the official rate. In addition, "China is further prepared to raise such reverse lend-lease contribution to 40 yuan for each U. S. dollar placed to her credit".**
 - (b) China to allow the U. S. authorities to sell gold, currency, U. S. government bonds and commodities in the open market for the purpose of securing Chinese currency needed to meet U. S. Army expenditures.**

- 2 -

We had proposed to tell Dr. Kung in answer to his letter that when the U. S. Army approved, we would place an additional \$25 million to the account of the Chinese Government. It was felt that this could be done, since the yuan advanced to the U. S. Army is already in sufficient amount to warrant such action.

In response to his memorandum, we had also proposed to take up his offer to sell gold and currency in China, but on the joint account of China and the United States. As we have indicated in our previous cables, it is agreeable to the Treasury that we participate jointly with the Chinese in the sale of gold and currency, although, for your information, we seriously doubt that a sales program of gold and currency could satisfactorily finance our military expenditures, nor are we certain of the exact nature of the impact of such a program upon the Chinese economy.

Thus, we were going to indicate to Dr. Kung that any decision as to the adequacy or desirability of a program of sales of gold and U. S. currency could be made only after we had sufficient experience with such a program and that after we had tried the program for a while we would be in a better position to evaluate the ability of this financial technique to help meet both Chinese and American requirements.

In view of the fact that Chinese yuan were still being received and negotiations were still going forward with a view to obtaining a reasonable exchange rate, it was felt that no response to the reverse lend-lease proposal needed to be included in our reply.

Now, however, we have received word that Dr. Kung is coming to the United States to participate in the Monetary Conference and an answer

- 3 -

to his letter can therefore be postponed. While he is here our mutual problems can be discussed in detail and we are cabling Dr. Kung substantially to this effect. You will, of course, be kept fully informed and advised of our discussions here with Dr. Kung on the above matters.

We assume that this cable will be brought to the attention of Ambassador Gause and you should transmit a copy of it to the appropriate U. S. Army representatives in China and before returning to Washington you will, of course, be fully acquainted with their views about these matters so that we can receive a full report from you.

In addition, we would also like to have immediately your views on the above program.

DEPARTMENT
OF
STATE

OUTGOING
TELEGRAM

335
DIVISION OF
COMMUNICATIONS
AND RECORDS

LGH

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (SECRET O)

June 12, 1944

6 p.m.

DEPARTMENT OF STATE

JUN 16 1944

DIVISION OF
COMMUNICATIONS & RECORDS

MEMBASSY,

Chungking.

810

TO ADLER FROM THE SECRETARY OF THE TREASURY

Reference cable no. 752, May 31, 1944.

In substance, Dr. Kung proposed in the memorandum which accompanied his letter to me dated April 19, 1944, the following:

1. That the Reverse Lend-Lease Agreement be signed and implemented, and that China pay for land needed for (a) the construction of airfields and (b) for food and lodging of the U.S. Army in China, such latter payments to be credited under reverse lend-lease.
2. That the U. S. Army expenditures not covered under the Reverse Lend-Lease Agreement be met in either of two ways:
 - (a) China to contribute 20 yuan as reverse lend-lease plus 20 yuan exchanged at the official rate. In addition, "China is further prepared to raise such reverse lend-lease contribution to 40 yuan for each U. S. dollar placed to her credit".

CONFIDENTIAL

For security reasons the text of this message must be closely guarded.

-2- #810, June 12, 6 p.m., to Chungking.

- (b) China to allow the U. S. authorities to sell gold, currency, U.S. government bonds and commodities in the open market for the purpose of securing Chinese currency needed to meet U.S. Army expenditures.

We had proposed to tell Dr. Kung in answer to his letter that when the U. S. Army approved, we would place an additional \$25 million to the account of the Chinese Government. It was felt that this could be done, since the yuan advanced to the U. S. Army is already in sufficient amount to warrant such action.

In response to his memorandum, we had also proposed to take up his offer to sell gold and currency in China, but on the joint account of China and the United States. As we have indicated in our previous cables, it is agreeable to the Treasury that we participate jointly with the Chinese in the sale of gold and currency, although, for your information, we seriously doubt that a sales program of gold and currency could satisfactorily finance our military expenditures, nor are we certain of the exact nature of the impact of such a program upon the Chinese economy.

-3- June 12, 6 p.m., to Chungking.

Thus, we were going to indicate to Dr. Kung that any decision as to the adequacy or desirability of a program of sales of gold and U. S. currency could be made only after we had sufficient experience with such a program and that after we had tried the program for a while we would be in a better position to evaluate the ability of this financial technique to help meet both Chinese and American requirements.

In view of the fact that Chinese yuan were still being received and negotiations were still going forward with a view to obtaining a reasonable exchange rate, it was felt that no response to the reverse lend-lease proposal needed to be included in our reply.

Now, however, we have received word that Dr. Kung is coming to the United States to participate in the Monetary Conference and an answer to his letter can therefore be postponed. While he is here our mutual problems can be discussed in detail and we are cabling Dr. Kung substantially to this effect. You will, of course, be kept fully informed and advised of our discussions here with Dr. Kung on the above matters.

We assume that this cable will be brought to the attention of Ambassador Gauss and you should transmit a

-4- #810, June 12, 6 p.m., to Chungking.

copy of it to the appropriate U. S. Army representatives in China and before returning to Washington you will, of course, be fully acquainted with their views about these matters so that we can receive a full report from you.

In addition, we would also like to have immediately your views on the above program.

HULL
(GL)

FMA:GL:eec
6/12/44

DEPARTMENT
OF
STATE

OUTGOING
TELEGRAM

339
DIVISION OF
COMMUNICATIONS
AND RECORDS

June 12, 1944

7 p.m.

This telegram must be
paraphrased before being
communicated to anyone

other than a Governmental
agency. (SECRET O)

For security reasons the
text of this message must
be closely guarded.

DEPARTMENT OF STATE
DIVISION OF

JUN 14 1944

COMMUNICATIONS
AND RECORDS

AMEMBASSY,

CHUNGKING.

811

FOR ADLER FROM SECRETARY OF TREASURY

The Treasury appreciated the information from you that
Wei Ting-sheng was to come to the Monetary Conference.

Have you heard if Dr. Chi is also to come to the
Conference? White had the pleasure of reviewing Dr. Chi's
book on foreign exchange and informs me of Dr. Chi's excellent
knowledge of the English language and of his technical com-
petence in foreign exchange problems. I would therefore be
very interested to know if Dr. Chi has been designated by
China to attend the Monetary Conference as one of China's
technical assistants, since his presence would probably
prove to be very helpful. Please reply as soon as possible.

HULL
(GL)

FMA:GL:db

6/12/44

JUN 12 1944

To: Mr. Collado

From: Mr. White

Will you please send the following cable to the
American Embassy, Chungking, China:

FOR ADLME FROM THE SECRETARY OF THE TREASURY:

The Treasury appreciated the information from you that
Wei Ting-sheng was to come to the Monetary Conference.

Have you heard if Dr. Chi is also to come to the
Conference? White had the pleasure of reviewing Dr. Chi's
book on foreign exchange and informs me of Dr. Chi's
excellent knowledge of the English language and of his
technical competence in foreign exchange problems. I
would therefore be very interested to know if Dr. Chi has
been designated by China to attend the Monetary Conference
as one of China's technical assistants, since his presence
would probably prove to be very helpful. Please reply as
soon as possible.

AL/efs 6/12/44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF ³⁴¹
COMMUNICATIONS
AND RECORDS

HMK-661

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (RESTRICTED)

Cuidad Trujillo

Dated June 12, 1944

Rec'd 9:37 p.m.

Secretary of State,
Washington.

271, June 12, 4 p.m.



I am of the opinion that the message from the Secretary of the Treasury to the Dominican Minister of Finance quoted in the Department's circular telegram of June 10, 6 p.m. will not (repeat not) favorably impress the Dominican authorities if transmitted in its present form. In the first paragraph the message states that technical experts of other countries are being invited to cooperate in the preparation of an agenda, where as the second paragraph, specifying the countries so invited, omits the Dominican Republic but includes Cuba and Mexico.

I should appreciate being informed whether the Department, notwithstanding the above, wishes the message communicated in its present form or whether it would consider either eliminating the second paragraph or withholding the message altogether.

BRIGGS

WSB BB

DEPARTMENT
OF
STATE

OUTGOING
TELEGRAM

342
DIVISION OF
COMMUNICATIONS
AND RECORDS

CONFIDENTIAL

For security reasons the
text of this message must
be closely guarded.
JUNE 12, 1944
4 p.m.

MEM

This telegram must be
rechecked before be-
ing communicated to any-
one other than a Govern-
ment Agency. (SECRET-O)

AMLEGATION,

CAIRO.

1430

U. S. DEPARTMENT OF STATE

JUN 13 1944

DIVISION OF
COMMUNICATIONS & RECORDS

FOR FRIEDMAN FROM SECRETARY OF THE TREASURY

You are instructed to depart immediately for Chungking,
China, to substitute for Adler as Treasury representative
during his absence. Adler is being requested to return to
the United States to report and to participate in the
United Nations Monetary and Financial Conference, but will
stay in Chungking until after your arrival.

HULL
(GGL)

FMA:GL:GB

6/9/44

CA

OFFS

PARAPHRASE OF TELEGRAM RECEIVED

FROM: The American Mission, New Delhi.
TO: The Secretary of State, Washington.
DATE: June 12, 1944
NO.: 429

CONFIDENTIAL

It is believed that the Indian Government's representative, Sir Theodore Gregory, will have the single aim of obtaining the inclusion of consideration of the problem of war balances in the agenda at the meeting of experts starting the 24th of June at Atlantic City. When a statement to this effect was made over the telephone by Gregory to the acting finance member, an officer of the Mission was present.

MERRILL

DCR:MPL
6/13/44

ef:copy
6-15-44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

344
DIVISION OF
COMMUNICATIONS
AND RECORDS

MHF-470

This telegram must be
paraphrased before being
communicated to anyone
other than a Government
Agency. (RESTRICTED)

New Delhi via Army

Dated June 12, 1944

Rec'd 12:15 p.m.

Secretary of State,
Washington.

DEPARTMENT OF STATE

JUN 13 1944

AND RECORDS

430, June 12, 2 p.m.

Acting Finance Member Viceroy's Executive Council
has accepted invitation of Secretary of the Treasury
and has designated Sir Theodore Gregory to attend
meetings of informal committee at Atlantic City
beginning July 24 to draw up agenda for Monetary Con-
ference. Referring to the Department's circular tele-
gram of June 10, 6 p.m. and June 10, 8 p.m.

Gregory is leaving Karachi by ATC southern route
July 15. Government of India is instructing Bajpai
by telegraph to obtain for him high priority Miami to
Atlantic City. Would appreciate having Department
assist in this.

MERRELL

JT
WTD

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

345
DIVISION OF
COMMUNICATIONS
AND RECORDS

CORRECTED COPY

RA-470

This telegram must be paraphrased before being communicated to anyone other than a Government agency. (RESTRICTED)

New Delhi via Army

Dated June 12, 1944

Rec'd 12:15 p.m.

Secretary of State

Washington

DEPARTMENT OF STATE

JUN 15 1944

DIVISION OF
COMMUNICATIONS & RECORDS

430, June 12, 2 p.m.

Acting Finance Member Viceroy's Executive Council has accepted invitation of Secretary of the Treasury and has designated Sir Theodore Gregory to attend meetings of informal committee at the Atlantic City beginning June 24 to draw up agenda for Monetary Conference. Referring to the Department's circular telegram of June 10, 6 p.m. and June 10, 8 p.m.

Gregory is leaving Karachi by ATC southern route June 15. Government of India is instructing Bajpai by telegraph to obtain for him high priority Miami to Atlantic City. Would appreciate having Department assist in this.

MERRELL

NOTE: Corrections on dates received from American Mission, New Delhi.

WFS:NPL

FROM:

MEXICO CITY

DATED:

REC'D June 12 8 am

DEPARTMENT OF STATE

JUN 12 1944

DIVISION OF
COMMUNICATIONS & RECORDS

Secretary of State,
Washington, D.C.

A-1956, June 9, 11 a.m. 1944

I have to refer to the Department's circular telegram of June 3, 6 p.m., and to my preliminary reply, agram A-1952 of June 8, 11 a.m., and now to give the specific information desired in the telegram.

The delegates going to the Monetary Conference at the Mount Washington Hotel in New Hampshire for the opening, July 1, are:

Licenciado Eduardo Suárez, the Minister of Hacienda, Licenciado Antonio Espinosa de los Monteros, who is the head of the Nacional Financiera, S.A., and Daniel Cosío Villegas, Chief of the Department of Economic Studies of the Bank of Mexico.

These will be proceeding from Mexico City.

A further member of the Mexican Delegation will be Mr. Victor Urquidí, who will act as Secretary of the Delegation, and who, I understand, will also proceed from Mexico City.

There will be only one clerk, according to present plans, and I doubt whether there will be any change in this number, for the Mexican Delegation and he will be a male clerk who will be selected from the Mexican Embassy in Washington or from the Mexican Consulate General in New York.

There will be need for only one room at the hotel for use as an office for the Mexican Delegation.

The Minister of Hacienda, Mr. Suárez, states that he would very much like to have one room at the hotel for himself, and as for the other members of the Delegation they would, of course, be willing to double up, if the space available in the hotel makes this necessary, but if it is found that it will be necessary to put only one person in a room, the Minister would prefer this.

M. R. Suárez

-2- A-

Mr. Suárez indicated that those proceeding from Mexico City would arrive in Washington at least in time to take the special train from Washington to the Hotel in New Hampshire.

Biographic data will be sent to the Department covering the members of the Delegation other than Mr. Suárez, the Minister of Hacienda.

LESSER.ITH

Gm/eas



DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF
COMMUNICATIONS
AND RECORDS

348

GEM-563

This telegram must be
paraphrased before being
communicated to anyone
other than a Governmental
agency. (RESTRICTED)

Mexico City

Dated June 12, 1944

Rec'd 5:23 p.m.

Secretary of State
Washington.



831, June 12, 8 a.m.

With reference to my airgram number A-1956, of
June 9, 11 a.m., concerning the Mexican delegates to
the Monetary Conference opening July 1, please add to
the list of the delegates the name of Rodrigo, the
Manager of the Bank of Mexico, who will be proceeding
from Mexico to the United States in time to attend
also the meeting of the Drafting Committee beginning
June 19. Please inform Treasury.

MESSERSMITH

HTM

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

349
DIVISION OF
COMMUNICATIONS
AND RECORDS

FBM-422

This telegram must be
paraphrased before being
communicated to anyone
other than a Government
Agency. (RESTRICTED)

Wellington

Dated June 12, 1944

Rec'd 7:51 a.m.

DEPARTMENT OF STATE
DIVISION OF

JUN 13 1944

COMMUNICATIONS
AND RECORDS

Secretary of State,
Washington.

258, June 12, 6 p.m.

Answering the Department's circular telegram
dated June 10, 6 p.m.

The New Zealand Minister of Finance is Nash who
is also New Zealand Minister to Washington where he
now is. His deputy is Ashwin referred to in second
paragraph of my telegram No. 246, June 2, 5 p.m.

Information has been given to Sullivan the
acting Prime Minister who is now also acting
Minister of Finance.

CHILDS

WSB BB

PARAPHRASE OF TELEGRAM RECEIVED

350

FROM: American Embassy, Caracas
TO: Secretary of State, Washington
DATED: June 12, 1944
NUMBER: 605

CONFIDENTIAL

Referring to Department's circular telegram of June 10, 6 p.m., is the message to the Venezuelan Minister of Finance from the Secretary of the Treasury contained therein to be construed as an invitation to technical specialists of Venezuela to assist in framing of draft agenda of the Monetary and Financial Conference which is to be held soon? In the event it is not, I wish permission to postpone transmission of the message, as certain delicate negotiations now pending with the Government of Venezuela might be unfavorably influenced by the Venezuelan reaction to exclusion.

CORRIGAN

ef:copy
6-15-44

SECRETOPTEL No. 192

Information received up to 10 a.m., 12th June, 1944.

1. NAVAL

FRANCE. Clearance of beaches proceeding satisfactorily. Port of OUISTREHAM may be usable shortly. On 10th/11th off BARPLEUR one E-boat was sunk by one of H.M. Frigates, another was set on fire and sunk and a number damaged. Prisoners were taken. Norwegian MTB's torpedoed a large trawler off the TEXEL, one MTB seriously damaged. 2 tugs sunk by E-boats en passage to the assault area. MTB's off LE HAVRE probably sank one E-boat and damaged 2 others. On 11th a U.S. tank landing ship was torpedoed and one ship in convoy damaged by bomb. One MTB was sunk by mine. On 9th/10th a U.S. Destroyer and minesweeper with some landing craft were damaged during air raid on ANZIO. An R-boat was blown up and another damaged by coastal forces in ADRIATIC. A port party was established at CIVITAVECCHIA on 9th. Port is badly damaged but an approach channel has been swept and the first convoy was expected yesterday. During the past 24 hours 5 U-boats sighted in Channel and Bay of Biscay. On 11th a U-boat was probably sunk by aircraft off NORWAY, 35 survivors seen in the water.

2. MILITARY

FRANCE. U.S. Troops have captured QUINEVILLE on coast 17 miles S.E. CHERBOURG. They have reached a point on railway 6 miles due west CARENTAN and cut road to PERIERS, 2 miles S.W. CARENTAN which is still held by Germans. Further S.E. they have made a considerable advance and cleared the FORET DE CERISY. Line thence runs past BALLEROY to TILLY in which area British troops have improved their positions. N.E. of CAEN they have repelled two enemy attacks.

ITALY. Allied troops have advanced to the PESCARA with patrols across the river. In the central sector they have occupied AVEZZANO and CELANO, further west they have advanced on both sides of LAKE BOLSENA. South Africans have made further short advance while French troops have captured MONTEFIASCONE and are approaching VALENTANO. U.S. forces on coast are engaged with the enemy 4 miles east of ORBETELLO.

3. AIR OPERATIONS

WESTERN FRONT. 10th/11th. Total 1,484 tons on 4 railway centres in FRANCE, 217 on communications and troop movements and 52 on BERLIN. 221 bombers (one missing) of the A.E.A.F. dropped a further 217 tons on communications and troops. Aircraft of Coastal Command in attacks on shipping sank 2 vessels and damaged at least 5 others.

11th. Weather hampered operations which took place mainly before noon. 611 heavy bombers (3 missing) dropped 1,445 tons on air fields, railway bridges and tactical objectives in N. and N.W. FRANCE. Medium light and fighter bombers (14 missing) dropped 507 tons on communications and other targets behind the bridgehead and shot down 5 German aircraft. 1,124 Spitfires (8 missing) flew standing patrol.

11th/12th. Aircraft despatched: EVREUX Railway centre 106 (1 missing); MASSY/PALAISEAU Railway bridge 99 (1 missing); NANTES Railway junction 62 (1 missing); TOURS railway junction 61 (1 missing); BERLIN 33 Mosquitoes (2 missing); Bomber Support, etc. 53; sea-mining and leaflets 18. Over the railway targets in FRANCE there was thick cloud down to 3,000 feet but most aircraft bombed from below and good concentrations were achieved.

ITALY. 10th. 804 medium, light and fighter bombers (3 missing) attacked communications and transport in and behind the battle area, about 180 motor vehicles and 20 rolling stock were destroyed or damaged.

RUMANIA AND YUGOSLAVIA. 11th. 705 U.S. heavy bombers, including 107 from RUSSIA, dropped 479 tons on oil installations at GIURGIU, 181 on an airfield at FOCSANI, 279 on an oil installation CONSTANZA and 369 on an oil refinery and the railway centre at SMEDEREVO, S.E. of BELGRADE. 12 heavy bombers and 5 fighters missing. Enemy casualties 19, 2, 3.