

PSF SUBJECT FILE: Rowe, James H.  
July - Dec. 1941, 1943

Box 154.

PSF: Rowe Folder  
Subject

THE WHITE HOUSE  
WASHINGTON

Hyde Park, N. Y.,  
July 1, 1941.

MEMORANDUM FOR

JIM ROWE

I think there is no question that as soon as Henderson resigns from the SEC, I should put Ed Burke in in his place. This will work better for harmony than the appointment of Fortas, and it is my thought that if Ickes' Oil Administration is to be expanded into a general control over all power, including water power and coal, Fortas would be the man to act as Ickes' right-hand man.

Please put this through when I get back.

F. D. R.

THE WHITE HOUSE  
WASHINGTON

June 28, 1941

Memorandum For The President.

SEC

The budget for Henderson's office (OPACS) should go through this week and Henderson will then resign from the SEC. I have already given you several memoranda on candidates.

Last week you told me to speak to Ed Burke, in effect offering him the vacancy on the Maritime Commission; his alternative was to take his chances on getting the SEC vacancy.

Burke has thought it over and asked me to tell you that, while he appreciates your offer, he believes his appointment to the Maritime Commission would be construed as a political appointment because of his aunt, Mary Norton, that he does not believe he is particularly fitted for the Maritime Commission and is willing to take his chances on the SEC vacancy. He has been a career man at the SEC for many years and feels that his appointment there would be on the merits and not achieved through political influence. Therefore, he declined the Maritime Commission appointment with grateful thanks.

He is still a candidate for the SEC. The only other candidate is Abe Fortas. At one time you had thought of Wirtz, but I do not believe he would be content with anything except the Chairmanship. Before leaving for Texas he asked me to tell you he would like to do special difficult jobs for you when they come up, but does not seem to be interested in anything routine.

(1) Burke. There is no question about his competence. He has drafted, steered through Congress, and administered two or three SEC statutes, practically singlehanded. He has an excellent acquaintance on the Hill and the respect of the informed members. For example, he has the endorsements of Congressman Cole, who handled the Trust Indenture Bill and of Congressman McLaughlin, Chairman of the Sub Committee who handled the Reorganization legislation. He is endorsed by Senators Wagner and Mead and by Mayor Chandler of Memphis (who was in charge of the Bankruptcy legislation while a member of Congress), and also has the endorsements of the Speaker and of John McCormack, the Majority Leader.

Two objections might be raised against Burke; both of them seem to me immaterial. They are:

(1) Another promotion-from-within. I think this would be regarded as a virtue. Your promotion of Purcell to Commissioner received the greatest editorial praise of any appointment you have ever made to the SEC on the grounds that you were putting in professionals instead of politicians. Wall Street comment was very much the same. Although they regarded Purcell as a New Dealer, they knew he knew his business and also knew where he stood. The same is true of Burke.

(2) Another New York appointment. There is a precedent on the SEC for this, because you appointed Jerome Frank and John Hanes, both New Yorkers, at the same time. Also, most of the SEC business concerns New York. The only possible repercussions would be from Congress and Mary Norton has done her job well, since she has lined up every important leader for Burke including the Southerners. Geographic location would seem to be important, only when other things are equal.

This does not seem to be a political issue since Ed Flynn is very anxious to have Burke appointed. Flynn has been most insistent on the appointment of Westerners, but claims the SEC is non-political and there is no objection to two New Yorkers.

As someone has said: "Flynn pushes some terrible candidates. Now that he has a really good one, it might be wise to take him, making it easier to turn down some of Flynn's poor material".

Burke also has the endorsement of Tommy Corcoran and Chairman Eicher. Burke has had experience with the RFC and PWA and spent some years in New York with the Cotton Franklin firm.

(2) Fortas. I originally had a memorandum from you saying you wanted Fortas to stay where he was, namely in charge of the Power Division and General Counsel of the Coal Division for Ickes. He is rapidly becoming a close adviser to Ickes, and is practically the only person left in Washington who can handle him with any degree of success. I believe Bill Douglas first suggested Fortas to you, since he is a Douglas protege. He has served in Agriculture, has taught at Yale Law School and was the Utility Director in the SEC. He has been endorsed by Jerome Frank. He comes from Memphis, Tennessee and could probably get perfunctory endorsements. Perhaps he is more useful where he is.

Both men are unusually competent, and I would not attempt to pass judgment on which is better. Some say Fortas is smarter, but then Burke has a better presence. Fortas has had some trouble on the Hill, whereas Burke is a great success there and might well turn out to be the Hill man, especially since Ed Eicher seems to have lost all his drive. Fortas is Jewish, another factor to be given consideration when other things are equal because of the rampant anti-Semitism on the Hill.

There is one further factor - administration of the Utility Holding Company Act. Fortas is an expert on this, whereas Burke is not. But the real problem is handling the irascible and stubborn Judge Healy. Fortas had to leave the SEC because of his rows with Healy, as did the last Director of the Utilities Division. He would, of course, fight Healy as he did in the past. Perhaps Burke, who gets along well with Healy, and Purcell can do a more tactful job and still get things done. In any event, the utility question should not be controlling.

The morale question should also be considered. To put in Fortas, who is younger than the Division Directors of the SEC, might be harmful. As a matter of fact, Burke told me that if he did not get this vacancy he would probably have to go to New York to practice law. This was emphatically not

a threat but a simple statement of fact, in that if he has been an unsuccessful candidate for two vacancies there is not much chance in the future and he has gone as far as he can in the SEC. Eventually such men leave because they make twice as much money in private practice even though they would prefer a government career.

All in all, perhaps the appointment of Burke would be the best solution. He is unusually competent and would be eminently satisfactory to the politicians.

A handwritten signature in dark ink, appearing to read 'JHR', is positioned above the typed name.

James Rowe, Jr.

Dorothy Jones:

For your file.

PSF

7 THE WHITE HOUSE  
WASHINGTON

July 8, 1941

MEMORANDUM FOR JIM ROWE:

For your information and file.

I do not know from where it comes.

F.D.R.

Rowe  
Folder

The Pan American Airways System now operates the overseas air transport system of the United States. Service is conducted to 52 foreign countries and colonies. The route mileage is 71,000 miles. Its 7,000 stockholders, representing every State in the Union, Puerto Rico and Hawaii, have an investment of \$30,000,000. Over its thirteen years' life, the System has earned 4.5% on the stockholders' investment. Dividends in the average amount of 2-1/2% have been paid. Operations are conducted under permanent certificates of public convenience and necessity issued by the United States Government. Local services in Brazil, Colombia, Mexico, Cuba and China are conducted under franchises issued by these governments.

Pan American Airways' principal competitors in the international field are British Overseas Airways, the German Lufthansa, Dai Nippon of Japan and Ala Littoria of Italy. The first of these great air monopolies has capital resources substantially greater than those of Pan American Airways, and while accurate figures are not available, the same is believed to be true of the Lufthansa and probably of Dai Nippon.

All 25 nations, other than the United States, which have maintained international air transport service, have adopted the policy of concentrating their respective foreign air services into single monopolies. Nearly all these countries, including Great Britain, Germany, France, and Japan, first permitted competition between their nationals abroad.

They next adopted zoning systems in which their several airlines were each restricted to defined areas. The object of this was to avoid duplication of effort and destructive competition by their own nationals but it did not work out. One nation after the other was forced to give up this zoning system, the last two being Great Britain and Japan. All these countries concluded that the only sound policy was to concentrate their national effort behind a single company.

If our Government reaches a similar decision, this policy should be carried out here in such a way as to permit continuation of private management in accordance with traditional American practice. However, the public interest not only requires complete regulation, but would also be served by financial participation by the Government, accompanied by assurances that the Company's operations will be in full accord with Government policy.

## SUGGESTED PROGRAM

The Government shall conclude a contract of \_\_\_\_\_ years with Pan American Airways renewable at the option of the Government, during the term of which contract the Company shall operate all future overseas or foreign services desired by the Government, exclusive of Canada. (This in addition to the services now authorized by present certificates of convenience and necessity.) The full regulatory authority of the Civil Aeronautics Board shall continue in all respects, including the fixing of mail pay and the issuance of certificates of convenience and necessity. The contract shall provide that the Company agrees:

1. To sell to the Government 4 per cent participating Preferred stock in the initial amount of \$25,000,000 and from time to time in such additional amounts as shall be mutually agreed upon between the Government and the Company, it being understood that the amount of Preferred stock shall not at any time exceed the amount of issued and outstanding Common.

2. To a limitation of the dividends payable in any one year to the holders of the Common stock with the further provision that earnings in any year in excess of the percentages so specified to be paid on the Preferred and Common stock shall be held in a reserve to be used to make up deficiencies in earnings in any other year of the contract, and, except as the reserve may be used for such proposed dividends, dividends on the Preferred stock shall not be cumulative.

3. That the Government shall have the right to have at all times three members of the Board of Directors, such members to be designated by the President and to serve for a six-year term, except that the initial appointments shall be for terms of two, four, and six years respectively. The three Government Directors, speaking for the Government, shall have full authority to initiate future overseas or foreign service lines or extension thereof required in the interests of national defense, foreign affairs and economic penetration but, if in the opinion of the majority of the Board of

Directors any such future overseas or foreign service line or extension thereof is unjustified commercially then the Company shall operate such line at the expense of the Government but without profit to itself, provided always that the Board of Directors of the Company may prior to the expiration of each three-year period of such operation review the same and upon the vote of the majority of such Board elect to change the status of such line and assume the operation on the same commercial basis as the other commercial lines of the Company are operated.

4. That passenger and express tariffs for transportation to foreign countries which are not subject to regulation of the present Act shall be within maxima and minima set by the Civil Aeronautics Board under the direction of the President.

#### CONCLUSION

This program would permit the Company to continue to function abroad as a private concern, the activities of which would in no way bind or commit the Government. It would also retain the advantages of private operation. These advantages are of peculiar importance in so dynamic an industry as international air transportation, in which the art is developing rapidly. Continuation of our international air services under private management, but under a definite program of close relations with the Government, will assure the permanence of that progressiveness that has placed our services ahead of those of all other nations.

Grace:

I had thought I was going to see the President to talk to him about this, which explains the delay. I doubt that anything can be done now.

*file  
personal*

J. H. R.

PSF: Powe Folder  
Subject

THE WHITE HOUSE  
WASHINGTON

July 9, 1941

Memorandum For The President.

RFC

I received a memorandum from you, attaching a letter from Emil Schram recommending the appointment of Mr. Henry Mulligan to the RFC, and also a letter from Jesse Jones and the rest of the Board making the same recommendation.

Your memorandum said: "What do you think? F.D.R."

The day before I received the memorandum I read in the press that Senator Henderson had been elected Chairman of the RFC. Newspaper stories said this had been done with your approval.

I also understand you have approved the nomination of Mulligan and that it will be sent to the Senate tomorrow.

Because of the election of Henderson, possibly nothing can be done now.

Nonetheless I feel very strongly that you should have your own Chairman. Press comments on Henderson's election said "a Jones' man for a Jones' job". That is succinctly correct. Despite my pointed comments in the past about Jesse Jones, I have no personal feeling against him and admire him as an able man. But, to be bluntly frank, he is not the President's man. There are many such men in this Administration and the fact itself would be unimportant except that next to you Jones is the most powerful man in the government. The RFC statutes, cleverly drafted and beautifully legislated, give the RFC Chairman statutory authority which cannot be controlled by the President. There is more authority in the RFC than in all the ten regular departments put together.

In effect this means that Jesse Jones can bargain with the President, which is an extremely unhealthy symptom in a democracy.

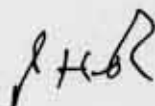
This can still be changed. It might prove embarrassing but the stakes are so great it is well worth it.

My suggestion is that Leo Crowley be made Chairman after a month or so. Henderson will have to give up his chairmanship of course, but he is one of Jesse's "yes men" and will do what he is told. Crowley is a Roosevelt man. To save embarrassment, Crowley should be asked to say that he wants the job as Chairman and is asking you for it. You can readily say that you cannot turn him down and even Jesse cannot fight Leo Crowley. Crowley is a good enough soldier to do this if asked.

As for the nomination of Mulligan, it does not make much difference if you do not have your own Chairman. Mulligan is a mediocre person brought into the RFC by Eugene Meyer as assistant to the assistant treasurer. He does just what he is told and is really nothing more than just another bank examiner.

We still have some hard hitting young men in the RFC, but they are pretty well pushed to one side. Without a spokesman on the Board they can do nothing and

are prepared to leave. As one of the more brilliant lawyers there told me the other day: "If we can get a man with vision and guts on the Board, I am willing to stay and do the defense job that RFC can do. If we get another bank examiner, I am tired of butting my head against a stone wall and will leave."

A handwritten signature in dark ink, appearing to read 'JHR' with a stylized flourish at the end.

James Rowe, Jr.

THE WHITE HOUSE  
WASHINGTON

Hyde Park, N. Y.,  
June 27, 1941.

MEMORANDUM FOR

JIM ROWE

What do you think?

F. D. R.



RECONSTRUCTION FINANCE CORPORATION  
WASHINGTON

June 25, 1941

OFFICE OF THE CHAIRMAN

Dear Mr. President:

Mr. Jones has shown me his letter of June 21 to you with reference to the appointment of Mr. Henry A. Mulligan as my successor on the Board of Directors of the Reconstruction Finance Corporation.

Mr. Mulligan has been with the Corporation, serving in the position of Treasurer, since its inception. He is thoroughly competent and his appointment as Director would permit him to be of greater service to this Corporation.

I wish to add my hearty endorsement to Mr. Jones' recommendation.

Respectfully yours,

*Ernest Schram*

The President  
The White House  
Washington, D. C.

RECONSTRUCTION FINANCE CORPORATION  
THE RFC MORTGAGE COMPANY  
FEDERAL NATIONAL MORTGAGE ASSOCIATION  
METALS RESERVE COMPANY  
RUBBER RESERVE COMPANY  
DEFENSE PLANT CORPORATION  
DEFENSE SUPPLIES CORPORATION  
DEFENSE HOMES CORPORATION

FEDERAL HOUSING ADMINISTRATION  
HOME OWNERS LOAN CORPORATION  
FEDERAL HOME LOAN BANK BOARD  
FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION  
ELECTRIC HOME AND FARM AUTHORITY  
DISASTER LOAN CORPORATION  
EXPORT-IMPORT BANK OF WASHINGTON

## FEDERAL LOAN AGENCY WASHINGTON

JESSE H. JONES  
FEDERAL LOAN ADMINISTRATOR

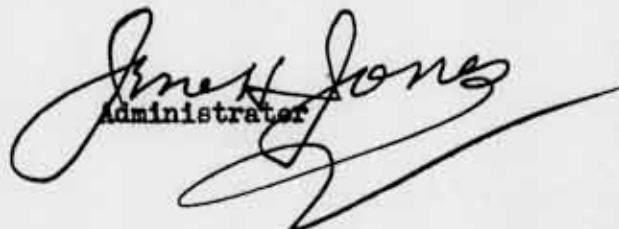
June 24, 1941

Dear Mr. President:

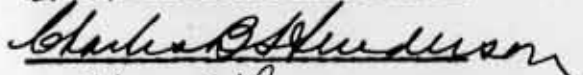
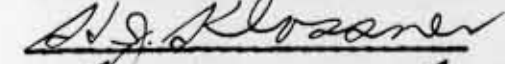
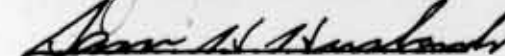
We all hate very much to lose Emil Schram from the RFC Board, but none of us feels, as I am sure you feel, that we could ask him to forego the opportunity that will be his in heading the New York Stock Exchange. He enjoys the confidence of business and finance throughout the country and the presidency of the Exchange will afford him an opportunity to continue in the public service.

After conference with all of the Directors, I am glad to recommend to you the appointment of Mr. Henry A. Mulligan, of New York City, for the position of Director made vacant by Mr. Schram's resignation. Mr. Mulligan has been Treasurer of the Corporation since its organization and is thoroughly acquainted with its entire operations. He is in every way qualified and worthy of the appointment.

Sincerely yours,

  
Administrator

WE HEARTILY CONCUR:

The President  
The White House

*file  
personal*

PSF: *Rowe Folder*  
*Subject*

THE WHITE HOUSE  
WASHINGTON

July 14, 1941

Memorandum For The President:

Francis Biddle

Senator Mead telephoned asking that I give you this message:

The Democratic members of the old Joint Committee to Investigate TVA held a conference this morning for the purpose of urging upon you the appointment of Francis Biddle as Attorney General.

They said they would like to see you about this matter, if necessary, but felt that in these days it would be an imposition. They wanted to point out that they knew Biddle's ability very well because he was Counsel to the Committee all through the TVA investigation and they have a high regard for him.

Senator Mead indicated that if I could give you a memorandum on the subject they would not ask for an appointment.

The Democratic members of the Committee are: Senators Mead and Schwartz, and Congressmen Barden of North Carolina and Thomason of Texas.

I told Mead I would give you the message.

*JHR*

James Rowe, Jr.

THE WHITE HOUSE  
WASHINGTON

PSF: Rowe Folder  
Subject

July 17, 1941

Memorandum For The President.

Young Democrats

A few days ago you told me to talk to Matt Adams, the President of the Young Democrats, about the national convention to be held in Louisville, late in August.

I have talked with Adams and have emphasized the fact that, in my opinion, you want partisan politics held to a minimum in these critical days. Adams is sympathetic with that idea and we have agreed that the emphasis should be put on foreign affairs and national defense and also to keep politics out of it as much as possible.

Adams wants two things:

(1) Speakers. We have drawn up the following list, and will take whatever persons we can get. They are:

Mrs. Roosevelt  
The Vice President (or the Speaker)  
Bill Bullitt or Adolf Berle (foreign affairs)  
Leon Henderson (or Wayne Coy - national defense)  
Barry Bingham (he has joined the Navy as an able-bodied seaman,  
He is good on foreign affairs and popular in  
Louisville)

Lyndon Johnson as keynoter. Johnson is 32, is a Young Democrat and there will be no repercussions from the Texas campaign. We are sure his keynote speech will be "right" on foreign policy. At the last convention Claude Pepper keynoted, being young enough to be a Young Democrat. Johnson is the only man in a comparable position to take over the job this year.

Nonetheless Adams and I think this list should be shown to you to indicate your preference or veto, if any. (Of course Ed Flynn will make a speech there).

(2) Resolutions. Adams assures me he can pass any resolution we want. As a matter of fact, he would like to have the resolutions drawn back here, according to the Administration's point of view. If not we might get unfavorable resolutions. My thought is that we can privately give him a really tough resolution on foreign policy, going a great deal farther than the Administration could officially go itself.

If agreeable to you, I can get Ben Cohen to draft proper resolutions on foreign policy, the national defense, labor and industry, and our relationship with the Americas.

Does this program meet with your approval?

JHR  
James Rowe, Jr.

PSF: Rowe Folder  
Subject

*Confidential*

THE WHITE HOUSE  
WASHINGTON

July 18, 1941

Memorandum For The President.

Mr. Justice Murphy

There are persistent and intensifying rumors all over Washington that you plan to make Mr. Justice Murphy Attorney General. Perhaps this is just another one of those Washington stories. Perhaps it is true and you have already made up your mind to do so.

Nonetheless - if it is not too late - I think you should know the reaction of the government lawyers to such an appointment. This reaction which is practically 100% unfavorable is not confined to any particular group of government lawyers (such as the many admirers of Bob Jackson, or the so-called New Dealers, or the more conservative members of the government legal staffs).

It is an opinion held by practically every informed government lawyer, particularly those in the Department of Justice who knew his work best. When he left the Department to go to the Big Court no member of his staff had any respect for him. His performance on the Big Court has not changed that opinion. There has been more and more talk about this forthcoming appointment and it has been regarded more and more seriously. As you know I see a great number of the government lawyers and they are really disturbed about this possibility. There has even been talk of circulating a confidential petition to you among the General Counsels against the possibility of his appointment but I have discouraged this as presumptuous, to say the least. Nonetheless I think you should know their feelings.

I think I am perfectly safe in stating that if you would have this checked independently you would find my statements are correct, and you would also find no lawyer who honestly feels that in these critical times Mr. Justice Murphy is fitted to be Attorney General.

JHR  
James Rowe, Jr.

PSF; *Rowe Under*  
*Subject*

THE WHITE HOUSE  
WASHINGTON

July 21, 1941.

MEMORANDUM FOR

JIM ROWE

Very confidentially, the National Archivist, Dr. Connor, may want to take one of the Chairs of History at the University of North Carolina, especially in view of his wife's health, which is not good in Washington. If he does transfer, he recommends Dr. Buck, his principal assistant.

Will you check Dr. Buck a bit for me? He seems, however, to be a pretty satisfactory person.

F. D. R.

INSTRUCTIONS  
THE WHITE H

Rowe Folder

8-30-41

LILLIAN: This man is in  
Wash. in Archives -  
I only got it Sat.  
So you can show  
the Gen. and make  
the appt.

8030-VI

RB

THE WHITE HOUSE  
WASHINGTON

August 27, 1941

Memorandum For The President.

Archivist

Some time ago you told me to check on Dr. Solon Buck whom Doctor Connor recommended as his successor. My check indicated Buck is an A-minus scholar, spoken of quite highly by historians. At the time I wanted to check further on his administrative ability, because that has been the glaring weakness of the Archives.

I am now told that Buck is an excellent administrator. There is a strong minority group in the Archives which is opposed to him because he rules with a firm hand. When the Archives was in chaos and Dr. Connor did nothing about it, Buck started in and quite ruthlessly brought order to the Archives. In doing so he made enemies. There is no question but that he did the correct thing.

The only other candidate prominently mentioned is Thomas Owen, who has many political endorsements. He has been the American Legion Archivist for some years and is known among scholarly circles as unusually inept.

There is not too much enthusiasm about Buck. He would be a good appointment but he would not be the kind of brilliant appointment that MacLeish was for the Library. Unless you have already committed yourself to Buck, (which Rudolph Forster says you have) it might be desirable to have MacLeish and some of the scholars look around; for example MacLeish mentioned a man named Julian Boyd. He has no idea whether Boyd would be interested. At the present time he is librarian at Princeton and is a great scholar. He was with the Pennsylvania Historical Society for many years, which has quite a scholarly reputation. MacLeish tried to get him as Assistant Librarian but Princeton beat him to the punch. Boyd is 40 years of age. He is not a trained archivist, but has had a great deal of experience along that line. MacLeish describes him as "one of those passionate Roosevelt devotees", despite his Main Line Pennsylvania background. Boyd, according to MacLeish, is always turning up at Hyde Park whenever there is anything doing on the Roosevelt Library. MacLeish does not believe he has any official connection but just arrives because of his pro-Roosevelt feelings.

But Buck's appointment would be good, even if not received with great acclaim.

JHR

James Rowe, Jr.

Pa  
I want to  
see Buck  
some time  
next week  
for 10 minutes  
✓

Sept 4

1  
Subject

PSF: Rnac Folder

file  
personal

THE WHITE HOUSE  
WASHINGTON

July 24, 1941

Memorandum For The President:

Arthur Kent

You sent me the following memorandum:

"Will you check on Arthur Kent of California, who was in either the Treasury or the Attorney General's office, to take Smith's place on the N.L.R.B.? F.D.R."

Kent at one time was a Treasury lawyer. When Bob Jackson was General Counsel of the Bureau of Internal Revenue, he had Kent run his office because he, Jackson, spent all of his time on the Mellon case. When Jackson left, Kent did not get his job but was transferred to the General Counsel's office of the Treasury. He specialized in tax work.

He had several fights with Herman Oliphant, the late General Counsel of the Treasury, on tax bills. As you know, Oliphant was quite liberal and Kent took the conservative position.

Some time later, he went to Stanford to teach tax law, where he now is. He is also associated with Alvord & Alvord, probably the most successful tax firm in Washington which, of course, specializes in keeping its wealthy clients from paying taxes.

At present Mr. Kent is in Washington fighting the current tax bill with Alvord. He is representing the National Association of Manufacturers and other clients of a like nature.

As Ed Foley, the present General Counsel of the Treasury, said:

"To put Kent on the Labor Board would be equivalent to putting on Toland or Congressman Howard Smith of Virginia".

Also, Kent has no labor experience whatever.

JHR

James Rowe, Jr.

THE WHITE HOUSE  
WASHINGTON

July 24, 1941.

MEMORANDUM FOR

JIM ROWE

Will you check on Arthur  
Kent of California, who was in  
either the Treasury or the Attorney  
General's office, to take Smith's  
place on the N.L.R.B.?

F. D. R.

PSF: Rowe Folder

THE WHITE HOUSE  
WASHINGTON

July 25, 1941.

MEMORANDUM FOR

JIM ROWE:

To speak to me about next week.

F.D.R.

RE; Marshall Field

PSF: Jim Rowe Folder  
Subject

THE WHITE HOUSE  
WASHINGTON

July 25, 1941.

MEMORANDUM FOR JIM ROWE:

This is the son of Clarence Dillon and it would help if he could be put on Donovan's staff somewhere. See what you can do.

Also, Tom Corcoran suggests that Ben Cohen be made Assistant to the Attorney General to handle patronage in conjunction with Leo Crowley. What do you think?

F.D.R.

1  
S. e  
Judge-ship

PS F: Rowe  
Subject

THE WHITE HOUSE  
WASHINGTON

July 26, 1941

Memorandum For Mr. Forster:

Matthew McGuire requests that nothing be done on the Lumpkin, South Carolina, judgeship until his return. He has some information on it and wants it held up.

The attached is for your information.  
Please return.

J. M. R.

James Rowe, Jr.

RECEIVED  
JUL 15 1941  
THE WHITE HOUSE

Mr. C. C.

THE WHITE HOUSE  
WASHINGTON

July 14, 1941

Memorandum For Harry Hopkins.

No nominations for Federal District Judgeships in South Carolina will be presented by Justice to the President for at least the next two months.

James Rowe, Jr.

THE WHITE HOUSE  
WASHINGTON

July 12, 1941

CONFIDENTIAL

MEMORANDUM FOR MR. ROWE:

For good political reasons Jimmy Byrnes tells me it would be very unwise to appoint either of the federal judges until after the senatorial election. Jimmy believes that who ever might be appointed will probably hurt Maybank's chances. However, the responsibility for holding it up must rest with us here. Obviously Byrnes cannot be in this and Maybank will not want to make such a request.

HARRY L. HOPKINS

7/14 - I told Matt McGuire who  
said Byrnes had talked to  
him about it.  
JHR

THE WHITE HOUSE  
WASHINGTON

July 29, 1941

Memorandum For The President:

Nan Wood Honeyman

At my request, she was offered a job by Harriet Elliott, to be in charge of consumers' problems of twelve Western states (circa \$4600).

I talked to Mrs. Honeyman about it and she said the job would please her very much if she were qualified. She will correspond with Miss Elliott about it and I am quite sure she will end up by taking the job.

She is still interested in the Collectorship, which does not run out until 1942. Both she and I think it wise that this should not be mentioned to Ed Flynn at this time.

JHR  
James Rowe, Jr.

THE WHITE HOUSE  
WASHINGTON

July 31, 1941.

**MEMORANDUM FOR E.R.**

For your information.

F.D.R.

F.D.R.

THE WHITE HOUSE  
WASHINGTON

July 29, 1941.

MEMORANDUM FOR THE PRESIDENT:

Nan Wood Honeyman

At my request, she was offered a job by Harriet Elliott, to be in charge of consumers' problems of twelve Western states (circa \$4600).

I talked to Mrs. Honeyman about it and she said the job would please her very much if she were qualified. She will correspond with Miss Elliott about it and I am quite sure she will end up by taking the job.

James Rowe, Jr.

*PSF*     *Lowell Golder*  
*Sub.*  
THE WHITE HOUSE  
WASHINGTON

July 30, 1941.

MEMORANDUM FOR

JIM ROWE:

I have read your memorandum with great care and I agree with it. I am, therefore, not sending the letters and I am taking the position that the responsibility in days like these is the responsibility of Fly and the Commission. You might tell this confidentially to Fly. I am returning the whole file for you to keep. In any event, we need not bother our heads about this again until September 16th, or thereafter.

F.D.R.

PS F: Rowe

THE WHITE HOUSE  
WASHINGTON

Subject

July 30, 1941

Memorandum For Mr. Forster:

William E. Ekwall

If the nomination of former Congress-  
man Ekwall for the Republican vacancy on  
the Customs Court comes to you, will you  
let me know?

J+162

James Rowe, Jr.

*File  
Confidential*

*PSF: Rowe Folder  
Subject*

THE WHITE HOUSE  
WASHINGTON

July 30, 1941

Memorandum For The President:

Paul Appleby

Some time ago I gave you a memorandum saying that Claude Wickard and others had suggested that Paul Appleby be made the Agricultural member of the Federal Reserve Board. You sent me the following memorandum:

"Try to find out for me whether it is true that Wickard and Appleby are now really reconciled to each other -- working together -- and if they are, I see no reason to take Appleby out of the good work he is doing now. F.D.R."

I have talked, as casually and tactfully as possible, to a score of persons informed about the Agriculture Department. This is the composite, and I think correct, picture:

When Wickard first became Secretary of Agriculture there was a clash. Both men were somewhat responsible. Appleby had for many years been the real strength of Agriculture when Wallace was the Secretary and he rather expected to handle Wickard the same way. (I do not mean this in a disparaging sense, but only that Appleby is a strong and very persuasive person). Wickard, who had not too much understanding of the pulling and hauling between the various bureaus which centered in the Secretary's office, not only balked at this but also insisted upon doing everything himself.

After a few weeks of internal strife, Appleby went on a thirty-day "inspection trip" for the purpose of educating Wickard. Wickard was soon educated; the Department ended up in administrative chaos and Wickard learned quite thoroughly that he could not do without Appleby. On the other hand, Appleby learned that Wickard was not going to be his "front man".

Out of this clash came a mutual respect and friendship and also a division of duties. Wickard is concentrating on national defense and large policy matters. Appleby also has a hand in policy but is really the administrator of the Department, at which he is a genius. Both men think very much alike on agricultural problems.

Therefore, I am sure that Wickard's suggestion that Appleby go to the Federal Reserve is sincere and not a desire to get rid of him. Appleby's health has not been too good the past few years and he will take the job if you ask him to, because it gives security to his family. He personally is very little interested in security.

If this were done, Wickard would recommend a younger man like "Beanie" Baldwin, Farm Security Administrator, or Milo Perkins (whose health is also bad at the moment) to become Under Secretary.

*JHR*

James Rowe, Jr.

*File Personal*

*PSF: Rowe Folder  
Subject*

THE WHITE HOUSE  
WASHINGTON

August 1, 1941

Memorandum For The President:

Arthur Kent -- addendum

You asked me to check Arthur Kent to replace Ed Smith on the Labor Board. I gave you one report which indicated that Kent's background is that of tax lawyer and law professor; that he was, while in Treasury, on the conservative side of tax matters; he quarreled with Oliphant over this, and is now representing the National Association of Manufacturers which is opposed to the present tax bill. Kent has had no labor experience.

Since then I have learned two things:

(1) Millis recommended him to you. The only reason I can think of for his doing this is because Millis knew him at the University of Chicago when he was teaching law.

(2) I talked to Bob Jackson whose assistant Kent was in Internal Revenue. Jackson spoke very favorably of him as a tax lawyer but says he has had no experience or interest in labor matters. By temperament, a tax lawyer would certainly not be flexible enough to handle labor problems.

Incidentally, I think it would be very fortunate if a lawyer were appointed to the Labor Board. There is none on it now, which fact seems to be reflected in its decisions. I am speaking not of merits but of technical performance.

*JHR*

James Rowe, Jr.

PSF: *Rowe Folder*

THE WHITE HOUSE  
WASHINGTON

August 2, 1941

MEMORANDUM FOR

HON. JAMES H. ROWE

Try to work this out while  
I am away and it is my thought  
that Wallace can put him on his  
Defense Board after Riefler has  
set up the organization.

F. D. R.

Enclosures

THE WHITE HOUSE  
WASHINGTON

PERSONAL AND [REDACTED]

August 1, 1941.

Dear Grace:

This note supplements my talk with you this morning.

I think Ben would be in a position to make a real contribution as Executive Officer of the Economic Defense Board. I don't feel very optimistic about the prospect of the Board as a board accomplishing much. Major decisions of policy must be left to the President. On the other hand, the job of plugging up innumerable small leaks of funds and goods does not lend itself to Board action. The task of uncovering these leaks and getting appropriate action by various government agencies to close them should be that of the Executive Officer. There is a report in this morning's paper that Wallace is considering Riefler for this post. I told Wallace a couple of days ago that such an appointment would be unfortunate for various reasons. It would be looked upon with extreme disfavor by all the New Dealers, would antagonize the Treasury and, more important, would lessen the effectiveness of economic defense action. Riefler has the reputation of never seeing a job through. Wallace thereupon said that he would only use Riefler in the preliminary stages and nothing had been decided.

It is a field in which Ben could make a real contribution but I doubt if he would take it if only Wallace asked him. I think the President would have to make an appeal and convince Ben that he wanted him solely because he was very anxious that a really first-class job be done in economic defense.

Sincerely,

*Lauch*

Miss G. Tully,  
The White House.

THE WHITE HOUSE  
WASHINGTON

July 31, 1941.

MEMORANDUM FOR THE PRESIDENT:

Re: Ben Cohen.

I trust you will forgive this personal note, but Ben has been a close friend for years and I am seriously concerned over his mental state. I know that you appreciate his outstanding ability. I sometimes wonder, however, if you have fully realized his loyalty and devotion to you, his disinterestedness, his almost inhuman capacity for work, and the depth of his feeling about the war. He is not being used in any capacity and, although he has made no complaint nor criticism, I can't help getting the feeling that he is discouraged and disheartened. He says that he is going to retire from the Government but not practice law — just retire.

I hate to see him in this state with no call for his talents at a time like this. Various possibilities come to mind. One is that I think it would help a lot if you called him in, consulted him or gave him some work to do. Another would be to make him the Executive Officer of the new Economic Defense Board. You may, of course, have something else in mind. I have, naturally, not even hinted to Ben that I might speak to you about him.



Lauchlin Currie

PSF: Rowe Folder

THE WHITE HOUSE  
WASHINGTON

August 4, 1941.

MEMORANDUM FOR

JIM ROWE:

To do what you can to hold  
Ben Cohen in status quo until I get  
back -- that I can do nothing about  
it until then. Talk to me about this  
when I get back.

F.D.R.

THE WHITE HOUSE  
WASHINGTON

PSF: Rowe  
Subject

August 7, 1941

Memorandum For Mr. Forster:

Please let me know, before the  
President receives it, when a nomination  
for District Judge in Nebraska comes to  
you.

JHR  
James Rowe, Jr.

~~Personal and~~  
~~Confidential~~

*Low Miller*

August 7, 1941

Dear Mr. Davenport:

I am told that some time ago you spoke to Miss Leland about a man named Siegfried Wallner who was, or is, active in an organization called the First Aid Kits for British Civilians Committee.

At Miss Leland's request I have secured some information about this gentleman. I know of course that you will use it without any reference to the source from which you received it. I can not guarantee its accuracy but I believe it is reliable.

Wallner is apparently the organizer of the above-mentioned Committee. During the last Presidential campaign he was quite active in New York "Democrats for Wilkie" clubs, but seems to have aroused considerable suspicion in those quarters. Certain persons connected with the "Democrats for Wilkie" clubs have stated privately that they regard him as an amateur "con" man. I understand he has made representations that he was born in Germany and was a German machine gunner in the last war, also that he has been connected with the DuPont and Whitney families in the Florida land boom. There is no evidence that he was connected with either family. He has also represented himself as a Colonel in the United States Army Reserve, an F.B.I. agent on a special mission, and that he represented the Secret Service and Military Intelligence in South America several years ago. None of these claims are true.

New York Republican leaders have suspected him of being a Nazi agent.

He resided in Jacksonville, Florida, for approximately two years and left there owing considerable accounts. He was at one time manager of a company called Citrus Champagnes, Inc., until that corporation went out of business. Marriage license records show that he was born in the United States and that his wife was born in Moscow, Russia.

The First Aid Kits for British Civilians Committee is apparently inactive. Although it maintains New York City offices the rent is unpaid. The circumstances of the formation of this Committee appear suspicious but there is no evidence of fraud. The Committee claims that it is working in cooperation with the British War Relief Society and in conjunction with the American Red Cross. Both of these claims are false. The Committee is sponsored by the Sons of St. George, which is a little known but a legitimate organization. Sponsorship of this Committee is not generally known by the members of the Lodge.

It is alleged that Wallner deserted his wife and two children in New York City prior to his residence in Florida; I do not know whether this statement is true. He evidently was married again in Florida. He was originally from Massachusetts. He has stated many times that he was born in Germany. In Florida he was regarded as a high-pressure promoter.

- 2 -

I believe that most of this information is known to you. I expect to have more information at a later date and if you are interested will send it on to you.

With all good wishes,

Very sincerely,

James Rowe, Jr.  
Administrative Assistant  
to the President

Mr. Russell W. Davenport  
14 West 49th Street,  
New York, N. Y.

THE WHITE HOUSE  
WASHINGTON

Hyde Park, N. Y.,  
June 27, 1941.

MEMORANDUM FOR  
JIM ROWE

Will you paraphrase the  
enclosed report and let Russell  
Davenport know?

F. D. R.

*S  
a*

JOHN EDGAR HOOVER  
DIRECTOR



**Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.**

June 20, 1941

BY SPECIAL MESSENGER  
PERSONAL AND  
CONFIDENTIAL

Mr. James Rowe, Jr.  
Administrative Assistant to the President  
The White House  
Washington, D. C.

Dear Mr. Rowe:

With further reference to your request for an investigation of one Siegfried Wallner, who is reputedly at the head of the First Aid Kits for British Civilians Committee, there is transmitted herewith one copy each of the following described reports reflecting the results of continued investigation by this Bureau:

The report of Special Agent J. Burleson Smith, dated May 27, 1941, at Miami, Florida.

The report of Special Agent R. W. Wall, dated June 12, 1941, at Washington, D. C.

Further investigation is being conducted in this matter and as additional reports are received in this Bureau copies thereof will be immediately furnished to you.

Sincerely yours,

J. E. Hoover

Enclosure

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1  
THIS CASE ORIGINATED AT

**NEW YORK CITY**

FILE NO. **65-1503**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                  |                                         |                                                                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------------------------------------------|
| REPORT MADE AT<br><b>MIAMI, FLORIDA</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | DATE WHEN MADE<br><b>5-27-41</b> | PERIOD FOR WHICH MADE<br><b>5-26-41</b> | REPORT MADE BY<br><b>J. BURLESON SMITH</b> <b>JBS:JHK</b>            |
| TITLE<br><br><b>SIMPFRIED WALLNER</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                  |                                         | CHARACTER OF CASE<br><b>MISCELLANEOUS<br/>INFORMATION CONCERNING</b> |
| <p><b>SYNOPSIS OF FACTS:</b></p> <p style="margin-left: 100px;">Subject lived at Windsor Hotel, Jacksonville, Florida, approximately two years and was known at hotel as having been born in Germany. Registered as member of Democratic Party with local Registration Bureau and as citizen of U.S. and native of Massachusetts. Left Jacksonville owing considerable accounts. Was manager of Citrus Champagnes, Inc., until that corporation went out of business. No evidence of representations of any connection with U. S. Government. No indication of subversive activities. No information obtained subject connected with DuPont interests in Florida or that he owns any real estate in Florida. Marriage license records show subject born in U. S. and wife born in Moscow, Russia.</p> <p style="text-align: center;">- RUC -</p> <p><b>REFERENCE:</b>      Bureau teletype dated 5-24-41; report of Special Agent WILLIAM K. HARVEY, dated 5-15-41, New York City.</p> |                                  |                                         |                                                                      |
| APPROVED AND FORWARDED:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                  | SPECIAL AGENT IN CHARGE                 | DO NOT WRITE IN THESE SPACES                                         |
| COPIES OF THIS REPORT<br><br><b>5 - Bureau<br/>3 - New York<br/>2 - Miami</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                  |                                         |                                                                      |

62-1503

**DETAILS:**

**AT JACKSONVILLE, FLORIDA**

This investigation was conducted jointly by Special Agent R. A. Alt and the writer.

Mr. EARL W. STRICKLAND, clerk, Retail Credit Men's Association, Atlantic National Bank Annex, advised the writer that the credit bureau records reflect no record of the Citrus Champagnes Company, Incorporated, but that they reflect a report dated May 4, 1937, concerning subject in which he is reported to be between 38 and 40 years of age, married, to have two dependents, and to be a resident of the Windsor Hotel, Jacksonville, having come to Jacksonville in the early part of 1936 from New York City. He is reported to have formerly resided in Cuba and other Latin American countries and to have been engaged in the wine business for several years. He is reported as having been the former manager of Citrus Champagnes Company, Incorporated, and as having later been associated with the Associated Winery, Incorporated, both of which concerns are now defunct.

When subject was interviewed by a credit bureau representative in January, 1937, he stated that he had been engaged in business for himself as a wine broker since 1933 and that his income approximated \$300.00 monthly. Nothing detrimental against subject personally is reported by the credit bureau in its report and he is reported as being capable and experienced in his line of work. While in Jacksonville he appeared entirely dependent upon his own earnings, is reported to own no realty and trade reports available at the credit bureau show that subject left Jacksonville owing \$876.00 on a Buick automobile which was later paid by a brother stated to be the manager of Wallner Hosiery Mills, Pulaski, Virginia, and also left owing the Windsor Hotel a big bill that remained unpaid at the time of the credit report, i.e., May 4, 1937.

A copy of this credit report was mailed by the local credit bureau to the credit bureau in Cleveland, Ohio, but the informant did not know whether or not subject had gone to Cleveland after leaving Jacksonville. The records of the credit bureau

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revealed that subject had deserted his wife and two children prior to coming to Jacksonville and that he had left them stranded in New York City.

The records of Dun & Bradstreet made available to Special Agent R. A. Alt reflected a report in that office dated October 29, 1936, on the Citrus Champagnes, Inc., made when that corporation was going out of business. The plant of this corporation was reported as having been located on the Northwest corner of Forsythe and Lafayette Streets, Jacksonville, Florida, and when interviewed the company's officials are reported as having stated "they were discontinuing operations, the Government having turned down the product and would not permit it to be shipped." The corporation's machinery was returned to the concerns from which it had been purchased, and its merchandise on hand was destroyed. The corporation was reported as having no assets. A report dated April 15, 1935, disclosed that AUGUST HECKSCHER, recently deceased, of New York City and Lake Wales, Florida, was elected president of the corporation, the paid capital stock of which was reported to have been \$25,000.00. Citrus Champagnes, Inc., is reported to have been in business only a short time and to have maintained its offices at 1325 Barnett Bank Building, which was also the office address of AUGUST HECKSCHER. Subject's name is mentioned in none of the reports on the Citrus Champagnes, Inc. It should be noted that the files on Citrus Champagnes, Inc., at Dun & Bradstreet office contain the notation "main reports have been lost or destroyed."

Mrs. LYRA CANNON, Chief Deputy, Registration Bureau, Duval County Court House, advised that the records of that office reflect that subject registered on March 28, 1936, giving his address as the Windsor Hotel, his occupation as manufacturer, and his age as 40. After reviewing that he was a citizen of the United States and a resident of the state of Florida for 12 months, he was issued certificate #339. In signing the registration book, subject registered as a Democrat and gave his native state as Massachusetts.

Mr. JERRY R. CALDWELL, manager, Windsor Hotel, advised that subject had lived in the Windsor Hotel for about two years

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in 1935 and 1936, and then left on May 12, 1937 owing a big bill which still remains unpaid. Mr. CALDWELL recalled that subject went to Pulaski, Virginia, when he left Jacksonville and that he visited a brother there who is reported to be the manager of a cotton hosiery mill. Since then Mr. CALDWELL has communicated with subject at #3 Green Street, Fairhaven, Massachusetts, and later at 519 West 123rd Street, New York City.

Mr. CALDWELL recalled that subject had frequently stated he was born in Germany and had left that country for Cuba and other Latin-American countries where he engaged in the wine brokerage business for many years. Mr. CALDWELL did not know through which port subject entered this country and did not know his citizenship status but recalled that subject had come to Jacksonville from New York City, where he was reported to have left his first wife and children.

During the time he was in Jacksonville, subject is reported to have married his present wife whom he had met previously in Germany. According to Mr. CALDWELL, it was generally known around the Windsor Hotel that neither subject nor his wife was born in this country and that the wife was a Russian whose family had been exiled after the Russian revolution and who had come to the Pacific Coast of this country via China on a League of Nations passport. She and her father are reported to have gone to New York after their entry on the Pacific Coast, and she later came to Jacksonville to marry subject. During their stay at the Windsor Hotel, a child was born out of this second marriage of subject.

Mr. CALDWELL could recall no instances in which subject represented himself to be connected with the United States Government in any capacity. He advised that subject was first connected with Citrus Champagnes, Inc., and that he was back in this venture by AUGUST HECKSCHER, but Mr. CALDWELL was of the opinion that HECKSCHER and subject were not related. After the failure of Citrus Champagnes, Inc., subject is reported to have promoted several private ventures, all of which were financial failures, and some of which were attempted in Montgomery and other places in Alabama.

Mr. CALDWELL observed that subject was the typical high-

62-1503

pressure promoter who always had some get-rich-quick scheme under way and who seemed receptive to any scheme which might net him an income. The informant recalled that subject was quite fluent in his use of German and expressed the opinion that subject's connection with subversive pro-German activities would in no way surprise him.

Mr. CALDWELL expressed the belief that Mrs. KELLY GREIGER, Deland, Florida, knew subject and his wife probably better than any one else while they were in Jacksonville. He recalled that at that time Mrs. GREIGER was a practical nurse who attended subject's wife for several months before and after the birth of the child and recalled that Mrs. GREIGER had gone to Pulaski, Virginia, with the WALLNERS when they left Jacksonville. No attempt is being made by this office to contact Mrs. GREIGER until the Miami Field Division is so requested by the office of origin in this case.

Mr. MACKINNEY J. DAVIS, clerk, County Judge's Office, Duval County Court House, advised that on April 20, 1935, a marriage license was issued to subject and one ANASTASIA TWORECK, which license and other information is recorded in Marriage Book #44, page 213A, Duval County Judge's Office. Mr. DAVIS advised that on his application for marriage, subject is stated to be a resident of New York City, age 38 (born Falls River, Massachusetts), occupation - executive, and to have been married before and divorced in Jacksonville, Texas. In her application for marriage, ANASTASIA TWORECK states her residence to be New York City, her age to be 26 (born in Moscow, Russia), to have no occupation, and not to have been previously married.

Mr. EDWARD BALL, President, Florida National Corporation, Barnett National Bank Building, advised that he had no recollection of ever having heard of subject or of subject's connection with the DuPont interests in Florida. It should be noted that the Florida National Corporation is the managing corporation for the DuPont interests in Florida.

REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT **NEW YORK, N. Y.**

FILE NO. **47-2840**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                  |                                         |                                                                                         |
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| REPORT MADE AT<br><b>WASHINGTON, D. C.</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | DATE WHEN MADE<br><b>6/12/41</b> | PERIOD FOR WHICH MADE<br><b>6/10/41</b> | REPORT MADE BY<br><b>R. W. WALL</b><br><span style="float: right;"><b>RWW:MC</b></span> |
| TITLE<br><br><b>SIEGFRIED WALLNER</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                  |                                         | CHARACTER OF CASE<br><br><b>MISCELLANEOUS -<br/>INFORMATION CONCERNING</b>              |
| <p><b>SYNOPSIS OF FACTS:</b></p> <p><b>JAMES HEATHERINGTON, U. S. Navy, advises subject worked in Wilkie Club Headquarters in New York and is regarded by him as amateur "con" man. No definite indications of any subversive activities. No record at Immigration and Naturalization Service or State Department of the subject. Attorney CRAVEN believed to be in District Attorney's Office of New York City.</b></p> <p style="text-align: center;">- RUC -</p> <p><b>REFERENCE:</b></p> <p><b>Report of Special Agent WILLIAM K. HARVEY, New York, N. Y., dated May 15, 1941; Bureau letter dated May 24, 1941 (65-35194).</b></p> <p><b>DETAILS:</b></p> <p><b><u>AT WASHINGTON, D. C.</u></b></p> <p><b>JAMES HEATHERINGTON, Personnel Department Room 3066, Navy Building, advised that he had served as Supervisor of Wilkie Clubs in the city of New York and that he had come to know SIEGFRIED WALLNER through WALLNER'S work with these Clubs. HEATHERINGTON went on to advise that due to the confusion that prevailed in that office during the time that WALLNER began working there, he was unable to recall the circumstances under which WALLNER assumed employment. However, he did state that WALLNER received no compensation whatsoever while he worked in the Wilkie Clubs and that his services were</b></p> |                                  |                                         |                                                                                         |
| APPROVED AND FORWARDED:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                  | SPECIAL AGENT IN CHARGE                 | DO NOT WRITE IN THESE SPACES                                                            |
| COPIES OF THIS REPORT<br><br><b>5 - Bureau</b><br><b>2 - New York</b><br><b>2 - Washington Field</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                  |                                         |                                                                                         |
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entirely satisfactory while he was there. He went on to state that WALLNER had impressed him as a "liar" and that he told stories that no one could possibly believe. He stated that WALLNER represented himself to be acquainted with many people of wealth and influence and referred to them by their first names, as well as to going into very lengthy stories as to how he had met them and what close friends he was with them. HEATHERINGTON advised that during the conversations with WALLNER, however, he had heard WALLNER make no representations that he was connected with the Federal Bureau of Investigation and that he did not recall WALLNER having ever stated that he was connected with the United States Army.

HEATHERINGTON stated that an attorney, whom he believes to be in the office of THOMAS E. DEWEY, District Attorney for the city of New York, whose name he recalled to be CRAVEN, had advised someone in his office that WALLNER was a Nazi Agent paid by the German Government. HEATHERINGTON advised that information afterward came to his attention that WALLNER was indebted to CRAVEN and had paid off this indebtedness and that he personally felt CRAVEN was making these statements possibly to hurt WALLNER as a result of his not paying this debt. HEATHERINGTON stated that the true and correct name of this attorney CRAVEN could be obtained from one MICHAEL STUM, whose address may be obtained from Mr. JOHN UNDERHILL, of the Wilkie Club Headquarters, telephone Murray-Hill 3-1776. Mr. HEATHERINGTON stated that after he had listened to quite a few of the fantastic stories of WALLNER, he had come to ignore them and to distrust anything that WALLNER said. He went on to advise that nothing of a definite nature had come to his attention which indicated that WALLNER was in any way connected with subversive activities in the United States and that he personally considered WALLNER a shrewd, fluent, conniving individual who was attempting to make money fast through various schemes. He also said he considered WALLNER as an amateur "con" man.

Mr. HEATHERINGTON stated that WALLNER had made rash promises to various individuals in the Wilkie Club Headquarters as to amounts of pay he would give when he had set up the first-aid kits for British Civilians Committee and that he had taken several members who formerly worked for the Wilkie Club into this organization, but that he understood none of them had received their promised salaries. Mr. HEATHERINGTON stated that

he was not positive, but he believed that personnel cards were submitted by various employees of the Wilkie Clubs and that possibly WALLNER had submitted such a card, which would reflect considerable background information pertaining to the subject. Mr. HEATHERINGTON advised that this card, if in existence, could be obtained through Mr. JOHN UNDERHILL, telephone Murray-Hill 3-1776. Mr. HEATHERINGTON was unable to give any further definite information concerning the subject.

Miss PEARL HARRISON, of the Immigration and Naturalization Service, advised the writer that no record of the subject was reflected in the indices of that office.

Confidential Informant S-3 advised that the indices of that department failed to reflect a passport record or visa record pertaining to the subject.

UNDEVELOPED LEADS

THE NEW YORK FIELD DIVISION

AT NEW YORK CITY

Will contact the office of District Attorney THOMAS E. DEWEY and ascertain if an attorney by the name of CRAVEN is employed there. Should such be true, will contact CRAVEN and obtain from him definite information which resulted in his making statements to the effect that the subject is a Nazi Agent.

Will contact Mr. JOHN UNDERHILL, Wilkie Club Headquarters, telephone Murray-Hill 3-1776, and ascertain from him whether or not the employment cards of that office reflect the card of the subject. Will also obtain from him the address of MICHAEL STUM.

Will contact MICHAEL STUM and ascertain the address of Attorney CRAVEN, who made the accusations that the subject is a Nazi Agent.

- REFERRED UPON COMPLETION TO THE OFFICE OF ORIGIN -

JOHN EDGAR HOOVER  
DIRECTOR



**Federal Bureau of Investigation  
United States Department of Justice  
Washington, D. C.**

May 26, 1941

BY SPECIAL MESSENGER  
PERSONAL AND  
~~CONFIDENTIAL~~

Mr. James Rowe, Jr.  
Administrative Assistant to the President  
The White House  
Washington, D. C.

Dear Mr. Rowe:

With further reference to your recent request for an investigation of one Siegfried Wallner, who is reputedly at the head of the First Aid Kits for British Civilians Committee, there is being transmitted herewith one copy of the report of Special Agent William K. Harvey, dated May 15, 1941 at New York City, which sets forth in detail the results of investigation conducted in the New York City Area. Photostatic copies of the enclosures mentioned therein are also being transmitted for your attention.

Please be advised further investigation is being conducted in this matter, and as additional reports are received in the Bureau copies thereof will be immediately furnished to you.

Sincerely yours,

*J. Edgar Hoover*

Enclosures

*Brooks Tully,  
Have in on old report on the  
man who was interested in for  
Russell Davenport. Jim Rowe*

# FEDERAL BUREAU OF INVESTIGATION

Form No. 1

THIS CASE ORIGINATED AT

**NEW YORK CITY**

**NY**

**62-7872**

**AFO**

FILE NO.

|                                        |                                  |                                                         |                                               |
|----------------------------------------|----------------------------------|---------------------------------------------------------|-----------------------------------------------|
| REPORT MADE AT<br><b>NEW YORK CITY</b> | DATE WHEN MADE<br><b>5/13/41</b> | PERIOD FOR WHICH MADE<br><b>5/10, 11, 12, 13, 14/41</b> | REPORT MADE BY<br><b>VIRGIL K. HARVEY</b>     |
| TITLE<br><b>SIGMUND WALLNER</b>        |                                  |                                                         | <b>MISCELLANEOUS - INFORMATION CONCERNING</b> |

**SYNOPSIS OF FACTS:**

Subject apparently organizer of First Aid Kits for British Civilians Committee. Prominent in local Wallkie Clubs. Has made representations born in Germany, German machine gunner and pilot last war, connected with Buford and Whitney Florida land boom, Col. U.S. Army Reserve, F.B.I. agent on special mission, representing Secret Service and Military Intelligence some few years ago in South America; but no present evidence of obtaining money, or fraud. Presently residing past two years 519 W. 113rd Street, New York City and suspected of being paid foreign agent. New York Republican leaders reiterate Nazi suspicions and state exceptionally clever and very smooth. Little known of Subject prior to summer of 1940. Registered New York City Board of Elections as being born U.S.A., 40 years old, formerly residing Hotel Windsor, Jacksonville, Fla. where allegedly voted 1936. James Heatherington, U.S. Navy, Washington, D.C., alleged to have information concerning subject's representations. First Aid Kits for British Civilians Committee apparently inactive, maintains New York City offices, rent unpaid; circumstances of formation and set-up appears suspicious but no direct evidence of fraud. Committee allegedly working in cooperation with British War Relief Society and in conjunction with American Red Cross, both of which claims false. Sponsored by American Order Sons of St. George, legitimate organization but little known. Sponsorship not generally known by members of this lodge. Credit record places Wallner as President of company to manufacture champagne from grapefruit 1935. No information concerning company yet ascertained. No criminal record New York City.

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**DETAILS:**

This is a joint report of Special Agents William K. Harvey, W. F. Caldwell, J. Q. Harris and G. B. Stedman.

The following investigation was conducted in response to a telephonic request from the Bureau received by the New York Field Division at 6:45 P.M. on May 9, 1941 and 12:15 P.M. on May 10, 1941, requesting that a discreet but complete investigation be conducted regarding the subject SIEGFRIED WALLNER and in particular his activities and any alleged subversive or pro-Nazi activities or sentiments; and also of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE, an organization fraudulently claiming to be affiliated with the British War Relief Society and the Red Cross and alleged to be promoting the idea of having people buy first aid kits worth 50¢ for distribution to English civilians at the price of \$1.00. It is also understood that WALLNER has represented himself to be an agent of the Federal Bureau of Investigation, a member of the Secret Service, and a Colonel in the United States Air Corps Reserve, all of which claims are false.

MR. RONAYNE SULLIVAN, Assistant Director, DIVISION OF CHARITIES LICENSING, NEW YORK CITY DEPARTMENT OF WELFARE, advised that his department had no record of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE or the Anglo-American Lodge No. 78, American Order Sons of St. George, alleged to be sponsoring the Committee, or Harold H. Newberry, Chairman, Matthew M. Sedgwick, Treasurer, William J. Tinkham, Secretary, or subject Siegfried Wallner. SULLIVAN stated that there had been no application for a license by this organization and that his only information concerning it was ascertained from a small newspaper clipping of April 23, 1941 which stated that the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE was sponsored as above set out which was planning to raise sufficient funds for the purchase of 50,000 first aid kits which were to be shipped to Britain by the American Red Cross and in which endeavor the Committee was working in cooperation with the BRITISH WAR RELIEF SOCIETY, INC., U.S. State Department license #208, and in conjunction with the AMERICAN RED CROSS.

MR. WILLIAM B. HARRIS, Vice-President, FORTUNE MAGAZINE and HUGH FOSBURN, Assistant to RUSSELL DAVENPORT, Editor, Fortune Magazine, advised that they had conducted an investigation of SIEGFRIED WALLNER and the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE with which he is apparently connected, for the reason that WALLNER has recently

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made himself chairman of the Republican Wildlife Clubs of New York County and information concerning him was desired by BAYNEPORE.

HARRIS and POSNERMAN stated that although WALLER'S name does not appear on the literature of the FIRST AID KITTS FOR BRITISH CIVILIANS COMMITTEE, he is generally understood to be instrumental in the organization and to be the moving force behind it. They stated that WALLER has a number of aliases, according to information received by them, made the following representations: That he is in his late forties, was born in Germany, served as a machine gunner and later a pilot in the German army in the last war serving on the Eastern front and seeing no military service against the American troops; that he left Germany about 1932 because of differences with the Hitler regime; that he still holds estates near Potsdam; that he served for several years as a soldier of fortune in South and Central America, particularly in Haiti and Santo Domingo and that he now carries in his leg a bullet received in Santo Domingo which sometimes causes him to limp; that he participated heavily in the Florida land boom with the Whitneys and the Duponts and that he now has a small income from Florida land holdings; that he is a Colonel in the U.S. Army Reserve and that several years ago he went to South America on a special mission for the Secret Service and that he is at the present time often sent on special missions by the FBI. HARRIS and POSNERMAN stated that this information, as far as they were concerned, was purely hearsay and that they had not heard subject make these statements. They further advised that so far as they had been able to ascertain, little is known of WALLER prior to the summer of 1940 but that he supposedly came to New York from Florida and that he intermittently acts as a liquor salesman although they have been unable to ascertain when he represents or is employed by.

A report of the GREATER NEW YORK CREDIT BUREAU made to POSNERMAN and HARRIS shows that HAROLD E. HERBERT, JR. who is listed as Chairman of the FIRST AID KITTS FOR BRITISH CIVILIANS COMMITTEE, is about 48 years old, lives at 3050 Perry Avenue, Bronx, N.Y., is renting a \$70.00 per month apartment and is having difficulty paying the rent and is employed as a mechanic and estimator at the John Galle Marble & Tile Company, 1476 East 22nd Street, Bronx, N.Y. at a salary believed to be about \$40.00 per week. POSNERMAN and HARRIS were unable to ascertain any information concerning the AMERICAN ORIGIN SOHS OF ST. GEORGE and advised that in their opinion it was probably "a phoney organization."

MRS DANIELA HENRY, Investigator, PORTUNE MAGAZINE, advised that she made a visit about the 25th of April to the offices of the FIRST AID KITTS FOR BRITISH CIVILIANS COMMITTEE, 17 East 42nd

Street, New York City at which time she interviewed a MR. TENNEY and a PROFFESSOR NORMAN, allegedly of City College, New York City. She stated that TENNEY, who appeared to her to be a second rate promoter, refused to give any definite information about the organization or about the source or cost of the kits which they proposed to purchase or distribute, but stated it was a very fine organization sponsored by the ANGLO-AMERICAN LONDON NO. 6, AMERICAN COUNCIL SOUS OF ST. GEORGE and operating in close cooperation and in conjunction with the BRITISH WAR RELIEF SOCIETY and the AMERICAN RED CROSS. TENNEY advised MISS HENRY that the kits were to be purchased at a few cents under \$1.00 and were to be sold to contributors at \$1.00 each, the margin being used to pay necessary but very small overhead expenses.

MISS HENRY stated that in her opinion the offices of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE looked suspicious and did not look to her as a legitimate charity of this type should look. Certain literature was given to Miss Benny by TENNEY including literature published by the BRITISH WAR RELIEF SOCIETY and the NATIONAL INFORMATION BUREAU, an organization which investigates charities, and also certain literature apparently being distributed by the FIRST AID KITS COMMITTEE.

MISS HENRY stated "This outfit may be legitimate philanthropists and charitable workers, but they look to me as if they are more likely to be out for a piece of change." No definite information as to the number of employees or their full names could be ascertained by Miss Benny, and she added that the thing which struck her most forcibly was the complete lack of activity at the offices when she visited them.

HENRY advised that the day after MISS HENRY visited the offices of the FIRST AID KITS COMMITTEE, at which time she did not see WALLER and Waller's name was not mentioned, WALLER telephonically communicated with ROBERT DAVENPORT, Manager of PORTUNE and asked DAVENPORT if he was investigating him.

ROBERT advised agents that ALBERT NORMAN, 535 Cathedral Parkway, New York City, who was displaced by subject WALLER as head of the New York County Wildlife Clubs, might have some information concerning him and suggested also that DAN KISHNER, New York State Republican headquarters, be contacted for the same reason.

It was ascertained that the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE has offices on the 11th floor of an office building at 17 East 42nd Street. MR. ROBERT C. THOMAS, rental agent, NATIONAL

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CITY REALTY CORPORATION, 17 East 42nd Street, New York City, advised that he had rented this space to WALLNER on behalf of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE on the first or second of April at a rental of \$1700.00 a year, the first month's installment of which was due May 1st, but that up to that time, May 13, 1941, no rent had been paid although he had demanded payment several times. THOMAN knew very little about the organization and stated that although WALLNER made the arrangements and the negotiations, the lease was signed by a HAROLD H. NEWBERRY. He stated that there was apparently no activity at these offices although there was usually somebody there and suggested that the central offices of the NATIONAL CITY REALTY CORPORATION be contacted.

THOMAN subsequently advised that he was informed that WALLNER had at one time been employed by the AUGUST HEGESCHER REALTY CORPORATION, Pershing Square Building, New York City.

MR. A. MALLACH, Research Director, COMMUNITY SERVICE SOCIETY advised that his organization, although they came in contact with most charitable organizations, has no record of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE, or the AMERICAN ORDER SONS OF ST. GEORGE, SIEGFRIED WALLNER or any of the personnel of the Committee.

MISS SARAH MARSHALL, Research Secretary, WELFARE COUNCIL FOR THE STATE OF NEW YORK, an organization which investigates charities, stated that her records made no mention of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE, any of the personnel thereof, the AMERICAN ORDER SONS OF ST. GEORGE or SIEGFRIED WALLNER.

LESTER GRANT, member of the Administrative Committee, BRITISH WAR RELIEF SOCIETY, INC., advised that about the last of February HAROLD H. NEWBERRY and MATTHEW SEDGWICK came to his office stating that they represented the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE, an organization formed and sponsored by the ANGLO-AMERICAN LODGE NO. 78, AMERICAN ORDER SONS OF ST. GEORGE, which organization GRANT understood to be a St. George Society, a well known and very prominent benevolent organization, which erroneous impression GRANT remained under until contacted during the present investigation. GRANT advised that NEWBERRY asked him if the British War Relief Society would be interested in a gift of 50,000 first aid kits to be sent to British civilians and to be paid for by the AMERICAN ORDER SONS OF ST. GEORGE and its affiliated organizations, stating that no drive or direct solicitation was contemplated. GRANT advised NEWBERRY that they would contact the RED CROSS to see if the kits were needed and if they were they would be very glad to receive them.

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GRANT subsequently contacted CAPTAIN CHARLES B. SCULLY, AMERICAN RED CROSS, New York City, who advised that they would be interested in the first aid kits but that they could not be placed on their priority list as emergency supplies.

GRANT advised that he subsequently learned that HENRIKY and SEDGWICK contacted Captain Scully and exhibited to him a first aid kit which they had also exhibited to GRANT. SCULLY recommended certain changes which apparently were agreed to by HENRIKY. The list of the contents of the kits appearing in the literature of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE was the same as the list recommended by SCULLY in a letter, a copy of which appeared in Grant's files.

GRANT further stated that he thought very little more of this organization until some time late in March when he received a letter from HENRIKY on the letterhead of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE, which letterhead stated that it was operating in cooperation with the British War Relief Society, Inc., U.S. State Department license #208, and also in conjunction with the AMERICAN RED CROSS and further stating that a direct appeal was to be made for funds, a letter subsequently having come into Grant's possession from a MRS. H.H. NEAL written on the same stationery and requesting a contribution. GRANT immediately wrote a letter of protest to HENRIKY advising him that the British War Relief Society had understood that the kits were to be given as a gift financed by the AMERICAN ORIGIN BONS OF ST. GEORGE and their affiliates; that no direct solicitation was contemplated and that they would have to refuse to authorize the use of their name in conjunction therewith and expressed in that letter a protest at the unauthorized use of the British War Relief Society's name and State Department license number. Subsequently HENRIKY appeared at Grant's office and a discussion was had of the subject, but no result was reached. Some days later GRANT wrote a second letter of protest to HENRIKY and urgently requested that Henbery answer his letters and advise him what he intended to do, but to date Grant has received no response to either of these letters.

GRANT advised that he was also informed that some of the literature issued by the Committee had borne the name of the AMERICAN RED CROSS and a copy of a letter appeared in Grant's file from CAPTAIN SCULLY to HENRIKY stating definitely that the Red Cross refused authority to use such name and were very displeased at the fact that it had already been used by the FIRST AID KITS

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FOR BRITISH CIVILIANS COMMITTEE without proper authority.

GRANT described the first aid kit as exhibited to him by HENKERY as being a khaki colored rubber lined pouch with a shoulder carrying strap and containing a number of bandages and medicines, but stated that he was unable to secure any information concerning the cost or who was to manufacture them.

CAPTAIN CHARLES B. SCULLY, AMERICAN RED CROSS, New York City, advised substantially the same as the information received from Grant. He stated that he knew nothing of SIGFRIED WALLNER or of anybody else connected with the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE except HENKERY who contacted him once regarding the contents of the kit, and MATTHEW SEDGWICK whom he knew casually as the Manager of the CASCADES SWIMMING POOL, Bronx, N.Y. SCULLY reiterated the information that the RED CROSS had given the FIRST AID KITS COMMITTEE no authority to use their name and had written them a letter of protest concerning the unauthorized use of the same.

SCULLY stated that he knew nothing of the source of the kits, but that in his opinion they could not be made up with the contents as listed on the literature of the FIRST AID KITS COMMITTEE at a cost of less than \$1.00 and that in all probability their cost would be considerably more than \$1.00, particularly considering the fact that tweezers and scissors were to be included.

MR. LESLIE W. NEWCOMB of the NATIONAL CITY REALTY CORPORATION, 20 Exchange Place, New York City, advised that no investigation was conducted of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE when they were leased the present offices at 17 East 42nd Street and exhibited letters of recommendation of the committee from HAROLD H. HENKERY, MATTHEW M. SEDGWICK and SIDNEY J. ARNER, an attorney who is listed on the literature of the Committee as a member of the Sponsors Committee.

NEWCOMB had no additional information concerning the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE and knew nothing of WALLNER and stated that any such information would probably be in the possession of RICHARD THOMAN, who had been previously contacted.

MR. LUTHER REED, national headquarters, BUNDLES FOR BRITAIN, Squibb Building, New York City, advised that his organization had no record of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE or any of its personnel or of Subject SIGFRIED WALLNER except that he remembered that some few days ago a Mrs. J. MAHER from 558 Fourth Street,

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Newark, N.J. had stopped in at his office to make a contribution to the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE but before leaving made the contribution to BUNKERS FOR BRITAIN instead. No record appeared in the files of this organization concerning the Committee or any of its personnel and REED further advised that he had heard nothing concerning it.

MR. D.B. BURNOR, NATIONAL INFORMATION BUREAU, 330 West 42nd Street, New York City, advised that although his organization investigates numerous charities, they had no record of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE although they were starting an immediate investigation of them on the request of FORTUNE MAGAZINE.

BURNOR advised that he would inform agents of the results of such investigation as soon as it was completed. He stated also that there appeared in his files a letter from one ALBERT A. KREMER, Certified Public Accountant, 521 Fifth Avenue, New York City, advising that he had been retained to audit the books and accounts of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE and that he would furnish the NATIONAL INFORMATION BUREAU voluntarily with financial information obtained by him.

Miss B.E. Herts, BRITISH LIBRARY OF INFORMATION, 620 Fifth Avenue, New York City, advised that this organization has no record of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE, the AMERICAN ORDER SONS OF ST. GEORGE, SIEGFRIED WALLNER, HAROLD NEWBERRY or any of the other personnel above mentioned. She stated, however, that she would contact all of the employees and try to ascertain if any of them had any information concerning these organizations. Some time later she brought to agent LEONARD F. STELFAX, an employee, who advised that his brother-in-law, CECIL MURRELL, was a prominent member of the AMERICAN ORDER SONS OF ST. GEORGE and that on April 19, 1941 he, Stelfax, attended an annual St. George's Day Ball sponsored by this organization and attended by a large number of people, the proceeds of which were to go to British war relief.

STELFAX advised that the organization, although not too well known, is thoroughly respectable and is composed of men and women of British extraction and operates as a lodge and charitable organization. STELFAX gave agent a copy of a souvenir program for this dance which contains certain information concerning the AMERICAN ORDER SONS OF ST. GEORGE and which is being enclosed with copies of this report to the Bureau. STELFAX stated that he was acquainted with MATTHEW SEDGWICK and so far as he knew he was perfectly reliable. STELFAX suggested that his brother-in-law, CECIL MURRELL be contacted and advised that MURRELL,

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in his opinion, is thoroughly reliable and would be glad to give a representative of the Bureau any desired information without revealing the same to anyone.

DANIEL REISNER, Secretary, NEW YORK CITY REPUBLICAN COMMITTEE, 45 West 40th Street, New York City, advised that he had been rather well acquainted with SIEGFRIED WALLNER since the summer of 1940 at the beginning of the Willkie presidential campaign but that he knew nothing of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE except that he understood that WALLNER was connected with it.

REISNER stated that at a preliminary mass meeting of WILLKIE supporters in the 13th Assembly District, New York City, late in the summer of 1940, at which time REISNER was Chairman of the New York City Independent Clubs for Willkie, Subject SIEGFRIED WALLNER, made an extemporaneous speech and that he, Reiser, was much impressed by Wallner's apparent ability. He said that WALLNER then began to work actively for the Willkie movement and spent a great deal of time at the headquarters at 100 East 42nd Street. He stated that during the campaign he was used as a contact man between the various Willkie Clubs, and later, that he managed the offices at 100 East 42nd Street.

REISNER advised that some time in the Fall of 1940 he was told by JAMES HEATHERINGTON, who is now in the U.S. Navy and was at that time prominent in the Willkie Clubs, that an attorney named GRAVEN had told Heatherington that WALLNER was very pre-Nazi and in his opinion a paid German agent. Reiser stated that members of the Willkie Clubs then became suspicious and watched WALLNER very carefully from that time on but that they could find nothing definite connecting him with any subversive activity although his actions were suspicious.

REISNER stated that subsequent to that time WALLNER came to him and told him that he understood he had been accused as a Nazi, at which time Wallner gave Reiser a brief sketch of his life, stating that he was in his late forties, was born in Germany, served as a machine gunner and later as a pilot in the German army in the last World War at the Eastern front seeing no service against American troops; that he still has estates in Germany; that he came to this country about 1932 because of differences with the Hitler regime; that he has been a seldier of fortune in Central and South America and occasionally limps and carries a cane because of an old bullet wound; that he participated heavily in the Florida land boom with the Whitneys and the DuPonts; that he has been married twice and at present is married to a Russian; that he has a small income from property holdings in Florida; that he is a Colonel in the United States Air Corps Reserves;

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that he went to South America on a special mission for the Secret Service or Military Intelligence.

REISNER stated that he could not remember whether or not WALLNER ever stated that he was an agent or was doing special work for the Federal Bureau of Investigation but that he could have made such a statement very easily.

REISNER advised that the above statements were made consistently by WALLNER to various people but that he could give at present no definite list of names except that of ALBERT REISNER, JAMES HEATHERINGTON and two women who worked at Willkie headquarters, a MISS RAND and a VIRGINIA (last name unknown) with whom WALLNER is believed by Reisner to have been having affairs.

REISNER stated that he had been unable to find any evidence that WALLNER had used his representations of being an Army Colonel, etc. for the purpose of procuring anything of value or for the purpose of perpetrating any fraud. He advised that on a few occasions he loaned WALLNER \$5.00, which small loans have never been repaid, but stated that he did not loan Wallner such money on the representations he made since, frankly, he did not believe such representations.

REISNER characterized WALLNER as being unquestionably of very great intelligence and cleverness, having an exceptionally ingratiating personality and being very smooth in his actions. He stated that WALLNER was handsome, very much a ladies' man and had a remarkable ability to ingratiate himself with exceptional rapidity.

REISNER stated that the rumors concerning WALLNER being a Nazi agent had continued to circulate but so far as he knew no one had been able to develop any definite evidence pointing thereto. He stated that he had often wondered why WALLNER who during the campaign raised sums of money from some place to pay certain campaign expenses, has been willing to devote time and expense to the extent he has to an organization which has almost no political significance. He stated that the only motive he could figure for this is the fact that Wallner might have been willing to put in this time and expense in order to develop an entree into anti-Administration business circles which his present title as Chairman of the WILLKIE CLUBS would unquestionably give him.

REISNER stated that towards the close of the campaign some bitterness developed against WALLNER because of his alleged pre-Nazi sympathies although no one in the Republican organization had

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ever heard any pre-Nazi statements made by WALLNER. For that reason REISNER said he and HEATHERINGTON went to WALLNER and advised him to give them a complete biographical sketch of his past life, business connections, friends, etc. in order that these rumors could be squashed once and for all. REISNER stated that WALLNER became very much perturbed over this suggestion and obviously did not want to give such a sketch stating that he was doing certain confidential work for either the Military Intelligence, the Secret Service or the F.B.I. and for that reason would not like to put such information about himself on record. No such biographical sketch was ever furnished by Wallner.

REISNER advised that in his opinion WALLNER was a man of unquestioned ability and cleverness and that he would be perfectly capable of being a competent and very clever foreign agent and stated that in his opinion the apparent stupidity of Wallner's wide-spread bragging might be a part of a very clever scheme to place himself in a position with contacts and an entree which would make him dangerous as an espionage agent.

REISNER stated that no one in the Republican organization had realized how little was actually known about WALLNER until the rumors of his Nazi sentiments became wide-spread and said that to his knowledge no one knew anything about Wallner's background except what he himself had told them. Reiser suggested that BERGER and HEATHERINGTON be contacted for additional information concerning subject.

REISNER also stated that subject was apparently very much interested in making the Independent Willkie Clubs, of which he is now Chairman, an organization of national power and significance and that some time ago he was very much enthused with the idea in which he tried to interest Reiser in buying a newspaper to be used by the Willkie Clubs stating to Reiser that he thought he could make some money out of such a proposition and also that he felt it would be a great source of power and influence for the WILLKIE CLUBS.

REISNER stated that WALLNER claimed to be either a nephew or close and intimate associate of AUGUST HECKSCHER, a prominent New York philanthropist, recently deceased.

REISNER stated that WALLNER speaks perfect English and does not appear to be of foreign extraction and stated that he believes that WALLNER is now residing at 519 East 123rd Street, New York City and that he registered Republican in the last election.

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REISNER also stated that he had heard WALLNER claim to be a brother of the Wallners operating the WALLNER SILK NOSEWEY COMPANY, 538 Fifth Avenue, New York City, and to have been connected with the Young Democratic organization in 1936, and further advised that he is always talking a great deal about visiting a son in Washington, D.C.

MISS ELIZABETH KEMLO, 519 West 123rd Street, New York City who, on October 1, 1940, advised the Bureau that SIGFRIED WALLNER, living at that address, is definitely pro-Nazi and suspected by her of being a paid foreign agent, advised that she has been acquainted with Wallner at that address where she lives since last September and that he is believed to have lived there for the last two or three years and is well liked by GEORGE REISNER who operates the hotel at this address. She stated that WALLNER is married to a woman about 35 years old who claims to be a Russian, whose name is ANASTASIA and that they have a daughter named NATASHA who is about five years old.

MISS KEMLO stated that WALLNER has often made definitely pro-Nazi statements and that he is generally considered to be pro-German and that a peculiar chain of coincidences about him has impressed her very forcibly, namely, that for the past several months, every time there has been a train wreck, a ship fire or other catastrophe, WALLNER has been absent from home and has often come back shortly thereafter looking as if he had been under some great strain. She mentioned in particular a Pennsylvania train wreck near Berden, Pa. March 16, 1941 in which five were killed and 121 injured, and a series of train derailments subsequent to that time, and a Red Cross ship fire in Hoboken, N.J. at about the same time. She stated that WALLNER had been absent from home the entire week prior to May 9th and that when he returned he looked as if he had been under some terrible strain; that he was pale, haggard, nervous and had lost a great deal of weight and that during all of the time he was gone his wife was so nervous as to be almost hysterical.

MISS KEMLO had no definite information concerning what WALLNER does or who his associates are but stated that he usually leaves the house every morning and returns very often late at night. She stated that there is apparently family trouble between Wallner and his wife but that she believes it to be a pretense as she has noticed them alone several times when they have been exceptionally affectionate. She said that Wallner's wife speaks with a definite foreign accent but she does not believe it to be Russian.

MISS KIRKLE had no further definite information concerning WALLNER but stated that she would keep the Bureau advised if she learned anything further.

ALBERT BERGER, 535 Cathedral Parkway, New York City, advised that he has been casually acquainted with WALLNER since about August of 1940 through their activity together in the Independent Clubs for Wilkie. Berger stated that he did not know Wallner well and that he knew nothing of his life or activities prior to that time but that he had seen him often and had worked with him from September until December of 1940 although he knew nothing concerning him except what he had heard through rumors and what WALLNER himself had told him. BERGER repeated substantially the story of REISNER as to the rumors and accusations that WALLNER was a Nazi agent and stated that he had received most of his information from Reiser. He stated that he remembered particularly that Subject WALLNER had told him that he was born in Germany, had served as an officer in the German army; had an income from land in Florida, made frequent trips to Washington, had acted intermittently as a liquor salesman, had a 150,000 acre estate in Florida, was a Colonel in the U.S. Army Reserve, was very often called on special missions for the F.B.I. and had some years ago gone to South America on a special assignment for the F.B.I. at which time he masqueraded as a salesman. Wallner told Berger that he was a naturalized American citizen and that he came to this country some time prior to 1930 and that he was in his late forties, thought by Berger to have mentioned 45.

BERGER stated that WALLNER had never tried to borrow money from him and that so far as he knew Wallner had not attempted to use his representations as the basis for receiving any money or thing of value or instituting any fraudulent schemes although he stated he understood Reiser had loaned Wallner \$5.00 which had never been repaid. Berger characterized subject as being affable, very intelligent and extremely clever. As an illustration of Wallner's suspicious actions, Berger stated that he had often heard Wallner answer the phone "This is the Colonel speaking" and that several times mail had come to the Independent Wilkie Clubs' headquarters at 100 East 42nd Street addressed to COLONEL SYLVIA WALLNER. Berger stated that whenever Wallner answered the phone he held his hand around the receiver in such a manner it was impossible for anyone accidentally or intentionally to overhear any part of his conversation, and stated it had been a source of suspicion to him that Wallner always refused to be pinned down to any concrete facts about his past life or experience.

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BERGER was unable to furnish the names of any other people to whom WALLNER represented himself as an F.B.I. agent except REISNER and JAMES HEATHERINGTON and a man named UNDERHILL, at present State Chairman of the Willkie Clubs and MRS. ADA DAVIS, a stenographer, both of whom he stated to be very very close to Wallner and stated that in his opinion anything learned by them would be immediately and automatically communicated to Wallner. Berger stated, however, that he knew both Heatherington and Reiser to be reliable.

BERGER stated that WALLNER very cleverly managed to have himself elected Chairman of the Associated Willkie Clubs of New York County over the opposition of a man named STURGES who had the backing of JAMES HEATHERINGTON for the position, but stated that he doubted that Sturges had any information concerning him.

BERGER advised that WALLNER claimed, by his talk, to be a very ardent supporter of national defense and also to be very bitterly anti-Roosevelt and stated that, although he could not say for sure, Wallner was making any effort to use his political connections against the present foreign policy, he did know that the same men who supported Wallner for the Chairmanship of the Willkie Clubs, at a general meeting approximately three weeks ago, very bitterly and publicly opposed the present foreign policy of the nation and attempted to get the Willkie Clubs to commit itself to an isolationist policy. However, Berger did not seem very certain of this assertion and refused to draw the inference that Wallner was strongly isolationist or against the present "Aid to Britain" policy.

BERGER stated that in his opinion WALLNER was capable enough to be dangerous and that he felt the explanation for Wallner's spending time and possibly some money in the Willkie organization, was because of the entree that his title as Chairman unquestionably gives him into the ranks of industrialists and businessmen, particularly those who are bitterly opposed to the present administration. Berger stated that he had found during the time he was Chairman of the Willkie Clubs, that the title did unquestionably furnish such an entree.

BERGER stated that up until the last month or two WALLNER apparently had had very little money but that in the last month and a half or two months he has seemed to have quite a lot of ready cash. Berger stated that during the entire time of the campaign Wallner wore the same suit day after day and that this fact was remarked on by both he and REISNER.

BERGER stated that WALLNER had told him that he had three brothers who owned the WALLNER SILK NOSEWEY COMPANY but that he was somewhat of a "black sheep" in the family. Berger also stated that he had been told by Wallner and had heard it rumored, that Wallner had been very successful in placing them in jobs connected with national defense but that he had no definite information as to how such jobs were procured or any actual instances thereof. He stated that Wallner often bragged about this fact and advised that he thought a RALPH FLORIO, active in the Wilkie Clubs, might know something about this but stated that in his opinion it would be dangerous to contact him since Florio was unquestionably very close to Wallner and probably under Wallner's orders.

BERGER had no definite evidence that WALLNER is either pro-Nazi or has been using the various representations made by him to gain any money or thing of value or perpetrate any scheme or fraud. Berger stated, however, that Wallner's entire attitude and actions were to him very suspicious and mentioned a time or two when he thought he had noticed looks of intense displeasure, quickly veiled on Wallner's face, of hearing certain anti-Nazi statements.

BERGER stated that although WALLNER claims to be in his late forties, in his opinion he cannot be much older than 35 or 40 at the very latest. Berger advised that he watched Wallner carefully personally because BERGER told him of the suspicions that Wallner might be pro-Nazi, but that even despite that fact he had been unable to secure any definite or accurate information other than that given above. He mentioned one instance, however, in which WALLNER, while bragging about his connection with the F.B.I., had exhibited to him an envelope with the address covered up which bore a return address of the Federal Bureau of Investigation, Washington, D.C. Berger admitted, however, that he saw nothing else except the return address and could not identify the envelope or any further information concerning it.

Among other things which BERGER mentioned were a secretive attitude assumed by WALLNER, his refusal to give any definite information about himself, his apparent lack of any visible means of support, numerous instances where he had held mysterious conversations suddenly terminated upon the entrance of other people, and also his general mysterious secretive and sometimes self-important attitude. BERGER mentioned also the fact that Wallner frantically answered all phone calls to the office at 100 East 42nd Street whenever possible before anyone else could pick up the phone.

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BERGER advised that he had often wondered, in view of WALLNER'S apparent cleverness, why he bragged so often about his connections and his past history, but stated that after a certain amount of reflection he had come to the conclusion that this attitude might be a part of a very clever scheme by Wallner to ingratiate himself into a position where his contacts and associates might be valuable, either for espionage purposes or for purposes of some fraud.

BERGER advised that he had no knowledge concerning the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE or the personnel thereof except that WALLNER had at one time told him that he was connected with the organization. Berger was not in possession of any additional information concerning Wallner or the First Aid Kits for British Civilians Committee.

ALLISTER STURGES, JR., Home Life Insurance Company, New York City, advised that he had become acquainted with WALLNER last summer through the Willkie campaign and had known him more or less casually since that time. He stated that about two weeks after he first met Wallner, JAMES HEATHERINGTON came to him and told him that WALLNER was a Nazi Fifth Columnist, but Sturges did not know where Heatherington received his information. Sturges stated that he understood some time later Wallner faced Heatherington with the fact that he was suspicious of him as a Fifth Columnist at which time Heatherington and Reiser requested WALLNER to give them a biographical sketch of his past history and connections, which Wallner evaded doing. Sturges stated that he had been suspicious of Wallner since that time and that he felt his suspicions were borne out by Wallner's secretive and mysterious actions and attitude, but stated that he felt JAMES HEATHERINGTON probably knew more about Wallner than he did and suggested that he be contacted. Sturges stated that Heatherington is now an ensign in the Personnel Section of the U.S. NAVY DEPARTMENT, Washington, D.C. and that his residence address either is now or is to be very soon 2700 Q Street, N.W., Washington, D.C.

STURGES advised that he and WALLNER had been opponents for the Chairmanship of the Republican Willkie Clubs and that Wallner by a clever and underhanded double cross had beat him out of the Chairmanship. Sturges stated that Wallner was unquestionably clever and, in his opinion, intelligent enough to be very dangerous if he is a Fifth Columnist, but stated that he had no actual evidence of any subversive activity on Wallner's part.

STURGES advised that about two weeks ago he contacted WALMER at the office of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE in regard to a political matter at which time Walmer appeared to be in charge of the office and was reading proof on some literature which he told Sturges was to be sent out by the Committee. Sturges advised that at that time Walmer told him the FIRST AID KITS COMMITTEE had up to date raised some thirty thousand odd dollars to be used in the purchase of these first aid kits which were to be sent to suffering British civilians in cooperation with the BRITISH WAR RELIEF SOCIETY and in conjunction with the AMERICAN RED CROSS, but stated that Walmer gave him no definite information concerning the origin of the kits, the cost of them, who was to make them or whether or not any of them had been as yet made up or purchased.

STURGES stated that he was acquainted with some of the people apparently working for the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE and stated that he understood that they had all been promised salaries although none of them had as yet been paid anything in cash. He mentioned the name of Miss VIRGINIA MCANULTY, formerly employed by the Filibuster Committee, who is now employed for the First Aid Kits Committee, but stated that it was very probable that she was having an affair with Walmer and he did not believe it would be advisable to contact her for the reason that she would immediately go to Walmer with any information she received.

STURGES also mentioned the name of a MRS. E.H. HEAL, an interior decorator now out of work, at 125 East 63rd Street, New York City, who is employed by the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE and stated that she was very close to WALMER but that he understood she was a little disappointed because the money had not been flowing into the First Aid Kits Committee as rapidly as had been expected. (It is to be noted that the latter soliciting funds for the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE which was exhibited by Lester Grant of the British War Relief Society was signed by Mrs. E.H. Heal). STURGES stated that it was his understanding that Mrs. Heal has been promised a salary of \$50.00 per week from the First Aid Kits Committee.

STURGES stated that he was impressed by the fact that there was apparently no activity at the offices of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE but stated that he had no knowledge or evidence that the Committee was conducting or is contemplating a fraudulent scheme. Sturges also stated that there were no first aid kits in the offices and that it looked very much like a mediocre organization and did not appear to be doing very much.

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STURGES suggested that MRS. JOHN (ADA) DAVIS be contacted regarding WALLNER, stating that she and Wallner had now fallen out because of the recent political fight over the Chairmanship of the Willkie Clubs. Sturges advised that he would ascertain how Mrs. Davis now feels about Wallner and would advise agent as soon as possible.

STURGES advised that at various times WALLNER had told him that he was born in Germany and that he was a former machine gunner and officer in the German army; that he had an income from land holdings in Florida; that he had intermittently been a liquor salesman; that he was a Colonel in the United States Army Reserve; that he had a son who was to enter West Point shortly; that he used to be in the business of selling monkey glands and that he was either a nephew or a cousin of August Heckscher, the philanthropist, recently deceased, and that he was receiving a substantial legacy from the Heckscher estate. Sturges stated, however, that he had examined the Heckscher will and that Wallner's name was not mentioned.

STURGES stated that he could not remember ever hearing WALLNER state that he was connected with the F.B.I., Secret Service or Military Intelligence, but thought that HEATHERINGTON might know about that. Sturges stated that so far as he knew Wallner had never raised any money for or contributed any money to the WILLKIE CLUBS except that about two or three months ago he loaned the Willkie Clubs \$25.00 and then immediately proceeded to run up a \$28.50 personal telephone bill on the phone at the club headquarters and that after much discussion and argument the two were cancelled off, one against the other. Sturges also stated that during the last campaign Wallner ran up a bill for \$1800.00 for the use of sound trucks and although it was unauthorized was paid by the Willkie Clubs to escape a law suit during the campaign. Sturges also stated that so far as he knew Wallner had no opportunity to make any money out of his association with the Willkie Clubs unless perhaps, he received a commission from the money paid to the sound truck company.

STURGES stated that MISS CHARLOTTE RANNEY, at present a Secretary in the STATE WILLKIE CLUB headquarters, is very much opposed to WALLNER and might be safely contacted regarding him. He also advised that he had heard that Wallner had been able to place men in minor jobs through a JOHN COFFEEN, a New York contractor, but stated that he did not know whether any of such jobs were in defense work; also he did not know the reliability of COFFEEN or his whereabouts but believed he resided in the same neighborhood as WALLNER.

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Through a telephonic pretext agent ascertained from a MR. WALLNER of the WALLNER SILK Hosiery Company, 536 Fifth Avenue, New York City, that SIEGFRIED WALLNER is his brother but that he is not in any way connected with the Hosiery Company and that Wallner does not know his present location.

Through R.A. Sicles of DUN & BRADSTREET, New York City, it was ascertained that the WALLNER SILK HOSIERY COMPANY has no credit record there. However, a report was found stating that on August 3, 1930 SIEGFRIED WALLNER was residing in Room 976 of the Commodore Hotel, 42nd Street and Lexington Avenue, New York City, but that the Dun & Bradstreet investigator had been unable to contact him for an interview or find any information concerning him except the fact that he was apparently not a seeker of general commercial credit.

A record was also found at DUN & BRADSTREET concerning CITRUS CHAMPAGNES, INC., manufacturers, which record dated December 7, 1935 stated that this was a new company at that date, recently incorporated under the laws of the State of Florida, with an authorized capital stock of \$25,000.00, \$10,000.00 of which had been paid in, in cash and that SIEGFRIED WALLNER was President of the corporation, T.C. MITCHELL, Vice-President, G.B. HAYES, Secretary, and a Board of Directors composed of the officers and of AUGUST HECKSCHER and S. CAZAUFRANY, it being believed that HECKSCHER furnished the capital for the enterprise. The purpose of the company was stated to be the manufacture of champagne from grapefruit under a process owned by WALLNER and CAZAUFRANY, the grapefruit to be furnished from a large citrus grove owned by Heckscher in Florida. This report also stated that a plant had been equipped at 32 West Forsyth Street at Jacksonville, Florida. At that time the Citrus Champagnes Company shared offices with AUGUST HECKSCHER, Room 2007, Pershing Square Building, 52 Vanderbilt Avenue, New York City and its credit was believed to be all right although no basis for that appeared.

The records examined at the BUREAU OF IMMIGRATION AND NATURALIZATION, 641 Washington Street, New York City revealed the naturalization of only one SIEGFRIED WALLNER who, according to these records, filed a Declaration of Intention #19900 in the U.S. District Court for the Southern District of New York on November 19, 1911 and was naturalized on February 23, 1915.

The records of P. Doyle, Deputy Clerk in Charge of Naturalization records, U.S. DISTRICT COURT for the Southern District of New York, 641 Washington Street, New York City, revealed that a SIEGFRIED WALLNER born in Furzburg, Germany September 7, 1885 entered this country at the Port of New York from Antwerp, Belgium October 16, 1900 on the SS HOONLAND; that he was naturalized in the Southern District Court February 23, 1915; that he at that time was married to FLORENCE WALLNER and they had one daughter JOHANNA WALLNER born in New York City October 28, 1912. However, it is not believed that this SIEGFRIED WALLNER can be the subject of the instant case because of the discrepancy in their ages and also because in the naturalization records the description of Siegfried Wallner shows him to be 5'5" tall and weighing about 120 lbs., whereas the description of subject in the instant case hereinafter set out shows him to be 6 feet or over and to weigh approximately 160 lbs. No further naturalization record of anyone named SIEGFRIED WALLNER could be found in New York City and it was also ascertained through Deputy Clerk Doyle that no one named SIEGFRIED WALLNER has filed a Declaration of Intention to become a citizen in the U.S. District Court for the Southern District of New York, which district court has jurisdiction over subject's present residence.

Miss Gladys O'Neil, CREDIT BUREAU OF GREATER NEW YORK, 55 Fifth Avenue, New York City, advised that the records there showed no credit record for SIEGFRIED WALLNER, the WALLNER SILK Hosiery Company, or CITRUS CHAMPAGNES, INC., but that there was a credit record regarding HAROLD H. NEWBERRY, which record is identical with the information given by HUGH POSBURN and WILLIAM B. HARRIS of the Fortune Magazine and hereinabove set out.

The records of the Borough of Manhattan Board of Elections, 400 Broome Street, New York City, as exhibited to agent by JACOB ROSENBERG, Chief Clerk, revealed that SIEGFRIED WALLNER registered Republican 1940 in the 9th Election District of the 15th Assembly District, giving his residence at that time as 519 West 123rd Street and stating that he had been a resident of the State, County and City of New York for the past year and one half; that he is 40 years old, and born in the United States; that he is a broker and that his last residence and place of voting was Hotel Windsor, Jacksonville, Fla. in 1936. No record could be found of the registration of Wallner's wife ANASTASIA WALLNER.

CECIL MURRELL, Bell Telephone Company, 370 West 149th Street, Bronx, N.Y. advised agent that he has, for the past seven

years been a member of the EMPIRE LODGE, AMERICAN ORDER SONS OF ST. GEORGE; that he is at present a District Officer of the Lodge and is well acquainted with the personnel and its purposes. Hurrell stated that although the Lodge is not too well known it is a substantial fraternal and charitable organization with branches scattered throughout the entire country with a membership which is very considerable, being at the present time something over 10,000 and at one time having reached a peak of approximately 30,000. HURRELL stated that this organization, of which one of the lodges in New York City is named ARDOL-AMERICAN LODGE NO. 78, is thoroughly reliable; that its membership is respectable and that it has been actively engaged in efforts to promote British war relief because of the fact that most of the members are either British or of British extraction.

HURRELL stated that he had been intimately acquainted for the past six or seven years with HAROLD H. HENREY and WATHER SEDGWICK listed respectively as Chairman and Treasurer of the PITTSY AID KITS FOR BRITISH CIVILIANS COMMITTEE and that he was acquainted with WILLIAM J. TIMHAM, Secretary of the Committee. Hurrell stated that he had had numerous lodge and social contacts with both SEDGWICK and HENREY and that they all belonged to the same Masonic Lodge and had been thrown into close association for several years and that in his opinion both men were sincere, reliable and honest and of unquestioned reputation. He stated also that HENREY appears to be a man of very moderate means and is employed by the CULLO STONE COMPANY of the Bronx, is about 50 years old and has a son in the United States Army. Hurrell commented upon the fact that several times recently he has been at lodge committee meetings with HENREY and SEDGWICK and at no time have they mentioned to him the war kits for British civilians Committee which seemed very strange to him in view of the fact of their close association. Hurrell had never heard of the PITTSY AID KITS FOR BRITISH CIVILIANS COMMITTEE and was very much surprised that it was sponsored by a Lodge of the AMERICAN ORDER SONS OF ST. GEORGE. He stated that the Lodge seal of the Lion and the unicorn which appears on the front of the circular distributed by the Pitts Aid Kits Committee is the personal possession of WATHER SEDGWICK and in his personal custody. He stated also that the small round seal appearing on the back of that circular is the seal of the AMERICAN ORDER SONS OF ST. GEORGE and could only be gotten, so far as he knows, from an officer of the Order. He stated that WILLIAM J. TIMHAM, as Secretary of the ARDOL-AMERICAN LODGE NO. 78, AMERICAN ORDER SONS OF ST. GEORGE, would have access to this seal.

HURRELL stated that he would be very glad to cooperate in any way possible in ascertaining the true status of the PITTSY AID KITS FOR BRITISH CIVILIANS COMMITTEE and that he would keep the inquiry regarding it in strictest confidence. He stated that he did not like

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to believe that SEDGWICK and HENBERRY were connected with a fraudulent scheme of British relief but that if they were he would be only too glad to do everything in his power to furnish the Bureau with accurate information concerning the matter. MURRELL stated that in his opinion it would be impossible for this organization to have been set up without HENBERRY and SEDGWICK knowing a great deal about it, but he thought that in view of the patriotic pre-British fervor of both men it would be "easy to sell them the Brooklyn Bridge if you put a British war relief tag on it."

MURRELL had never heard of SHERBID WALKER and apparently had never heard of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE until contacted during the course of this investigation. Murrell advised that there is to be held within a few days a meeting of the District Lodge Committee of the Anglo-American Lodge No. 78, AMERICAN ORDER SONS OF ST. GEORGE, which meeting will be attended by both HENBERRY and SEDGWICK, and stated that he would be more than glad to ascertain all information which he could at that time regarding the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE without arousing their suspicions.

MURRELL was mailed a copy of the circular issued by the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE in order that he would have an excuse to bring the matter up. Subsequently, Murrell recontacted agent and stated that he had been informed by HENBERRY that HENBERRY was going to make an effort to get all of the lodges of the AMERICAN ORDER SONS OF ST. GEORGE to sponsor the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE and that this would be taken up at a lodge committee meeting on May 16, 1942 at which time he would be very glad to get detailed information concerning the organization and would recontact this office regarding the same. At this subsequent time Murrell also stated that HENBERRY had told him that the FIRST AID KITS COMMITTEE was operating in close cooperation with the British-American Medical Unit, U.S. State Department License #357, and that HENBERRY stated he had been getting help from a number of the WILLIE campaign supporters but claimed that the organization was his personal idea. MURRELL also stated that HENBERRY evinced a great deal of bitterness toward the BRITISH WAR RELIEF SOCIETY but refused to go into details regarding the same.

Subsequently ALLISTER STURGES recontacted this office and advised that he has ascertained that HEN. ADA DAVID, 17 East 9th Street, New York City, telephone Stuyvesant 9-0245, is now very bitter toward WALKER because of the recent WILLIE Clubs Chairmanship fight. Mrs. Davis also advised Sturges that she was acquainted with all of

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the clerical personnel of the FIRST AID KITS FOR BRITISH CIVILIANS COMMITTEE and that although they had been promised substantial salaries, none of them had as yet been paid and that WALLNER is the head of the First Aid Kits Committee, which is now sending out circularization letters to a number of bars, saloons and cafes in New Haven and other points outside of New York and that in her opinion this organization is "definitely a phoney."

It was ascertained by Special Agent James E. Ames of the New York City Field Division, that Subject SIEGFRIED WALLNER has no criminal record in New York City.

A composite description of SIEGFRIED WALLNER as received from all of the persons interviewed who are acquainted with him and believed to be reasonably accurate follows:

|                 |                                                                       |
|-----------------|-----------------------------------------------------------------------|
| Age:            | From appearance, late 30's; claims to be 44-48                        |
| Height:         | 6'-4"1"                                                               |
| Weight:         | 155-165 lbs.                                                          |
| Build:          | Slender; shoulders decidedly sloped and walks with a decided slouch   |
| Hair:           | Light brown to blonde; possibly sprinkled with gray; soft             |
| Mustache:       | Wears small military mustache                                         |
| Eyes:           | Light; probably blue                                                  |
| Complexion:     | Fair                                                                  |
| Features:       | Small, sharp and regular; considered handsome and quite a ladies' man |
| Teeth:          | White, regular                                                        |
| Scars or Marks: | No scars or distinguishing marks so far as known.                     |

Subject alleges to occasionally walk with a limp because of an old bullet wound, but persons interviewed state they have never seen him limp. Speaks perfect English without trace of accent and is apparently very well educated. Dresses neatly and conservatively.

ENCLOSURES - BUREAU (7)

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2 Circulars published and apparently being distributed by the First Aid Kits for British Civilians Committee.

3 forms to be filled out by donors and placed in the kits, and an envelope addressed to the Committee.

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UNDEVELOPED LEADS

WASHINGTON FIELD DIVISION

At Washington, D.C. - Will interview James Heatherington, ensign, U.S. Navy Department, Personnel Division, residence, either now or very soon to be 2700 Q. Street, N.W., and ascertain from him all information he may have concerning Subject Siegfried Wallner, and particularly the name of the Attorney Craven who allegedly accused Wallner of being a Nazi.

MIAMI FIELD DIVISION

At Jacksonville, Fla. - Will conduct an appropriate investigation concerning Citrus Champagnes, Inc., believed to have a plant at 32 West Forsyth Street.

Will conduct an investigation concerning Subject Siegfried Wallner who is alleged to have resided at the Windsor Hotel in 1936 and some time thereafter.

NEW YORK CITY FIELD DIVISION

At Bronx, N.Y. - Will recontact Cecil Murrell, 111 East 188th Street and ascertain any additional information he may have regarding the sponsors of the First Aid Kits for British Civilians Committee by the American Order Sons of St. George.

At New York City - Will contact Mrs. Ada Davis, 17 East 9th Street and ascertain any information she may possess regarding Siegfried Wallner and the First Aid Kits for British Civilians Committee.

Will conduct any other investigation deemed advisable.

- PENDING -

*File  
Personal*

PSF: Rome Folder  
1-41  
Subject

THE WHITE HOUSE  
WASHINGTON

August 8, 1941

MEMORANDUM FOR

ADMIRAL STARK

The President asks that you  
speak to him about this tomorrow  
morning.

Respectfully,

F. J. TERRY

*H.R. 8671  
H/Personal  
Aug 8, 1941*

THE WHITE HOUSE

WASHINGTON August 7, 1941

Memorandum For The President.

H. R. 4671

I recommend this bill be vetoed.

(1) General. As Senator Norris pointed out during the debate, this is the first step toward having an "ogpu" in each government agency. As Senator Maloney pointed out, we got through the last War without having this sort of a gun-shoe outfit, composed of civilians, in the Navy Department.

Of course, there is some sabotage, and protection is necessary. I do not see why a straight-out appropriation to O.N.I. is not the correct manner for handling it. Sufficient reserve officers could be called to active duty for this work.

Mr. Hoover is in favor of this bill, because he does not want FBI to do the work; Hoover's desires seem to be irrelevant. If all this sort of necessary but unpleasant work is carried out by FBI, those persons who believe in civil liberties and are therefore alert to curb Hoover's excesses, which are all too usual, can be more effective. The effective saboteurs in this country are of course the Communists. They should be quiescent long enough for an appropriation to be made in the regular way to O.N.I.

Despite my recommendation of a veto, I must point out Secretary Knox has been very anxious to get this legislation through. Despite their letter, Budget officials are privately not very enthusiastic about this bill.

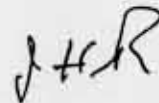
(2) Technical. The bill is ineptly drawn. It applies to "the interests of the United States in and to the Naval Shore establishments". What "and to" means puzzles me and should give rise to troublesome jurisdictional problems. Does FBI cease operations one mile, or 100 yards, from a Navy Yard? This is not academic. As you know, FBI and Naval Intelligence spend much of their efforts on the West Coast in "tailing" each other.

This bill also creates a soft civilian job, with statutory authority. This is because Jerry Doyle, a former

THE WHITE HOUSE  
WASHINGTON

FBI man, who is now attached to the Navy, is taking care of himself.

I believe this bill can be vetoed for technical reasons as per the attached draft of beto prepared by me.

A handwritten signature in dark ink, appearing to read 'JHR', is positioned above the printed name.

James Rowe, Jr.

TO THE HOUSE OF REPRESENTATIVES:

I return herewith, without my approval, a bill entitled "To authorize a plant protection force for Naval shore establishments and for other purposes".

The bill authorizes annual appropriations of not to exceed one million dollars to enable the Secretary of the Navy to establish a plant protection<sup>force</sup> for naval shore establishments, to investigate existing or threatened espionage or sabotage or subversive or other activities contrary to the interests of the United States "in and to the naval shore establishments".

I have no objection to the general purposes of this bill, and in fact I approve most heartily the necessity of constant vigilance against espionage and sabotage attempts. The bill is so drawn, however, that it will inevitably lead to jurisdictional disputes over the policing of the areas contiguous to naval shore establishments. The phrase "in and to naval shore establishments" is so ambiguous as to defy the general principles of legal interpretation. I also object to the creation of a statutory civilian position in the Navy Department, which position is not integrated in the regular manner with the office of Naval Intelligence.

I would not object to a regular appropriation to the Navy Department to carry out the purposes of this bill, which would allow the Secretary of the Navy to call to active duty a sufficient number of reserve officers, or civilians if necessary, and which would be so worded as to confine these activities to naval shore establishments with a minimum of interference to ordinary civilian life in the areas adjacent to our naval shore establishments.

THE WHITE HOUSE

*file  
personal*

*PSF: Rowe Folder  
Subject*

THE WHITE HOUSE  
WASHINGTON

August 18, 1941

Memorandum For The President.

Governor Maybank

Some time in October Army maneuvers are to be held in the Southern States including South Carolina. Maybank has been cooperating with the Army on arrangements.

Maybank wonders if he could write a letter to you discussing the maneuvers and have you reply that you want him to come to Washington to discuss the maneuvers, which he will then do. He would like to do this around August ~~25th~~ 25th. The election is September 2nd. If agreeable to you I will prepare the letters.

Both branches of Labor are "going down the line" for Maybank and I think most of the departments are cooperating.

As of now, I think Maybank will win.

*JHR*  
James Rowe, Jr.

PSF: Rowe Folder  
Subject

THE WHITE HOUSE  
WASHINGTON

August 22, 1941.

MEMORANDUM FOR

JIM ROWE

Will you take this up  
with me after Appleby gets back  
from London?

F. D. R.

Memo 8/21/41 from Jim Rowe to the President  
re Paul Appleby and his appt. to Fed. Reserve  
System. Let to FDR from Marriner Eccles 8/2/41  
re same and memo 8/2/41 to Jim Rowe from FDR  
re sending Appleby's name up to Senate.

PSF      *Romey Folder 1-41*  
*File personal Subject*  
THE WHITE HOUSE  
WASHINGTON

August 26, 1941

Memorandum For Grace Tully.

Tom Amlie

The Congressional election for the vacant seat in Wisconsin takes place August 28th. It is my opinion that the President should not intervene.

Amlie, the former Progressive candidate, has captured the Democratic nomination and is running on an interventionist platform against a Republican isolationist. The latter is backed by the LaFollettes, Wheeler, Lindbergh, Nye and the America First Committee which has spent a great deal of money.

Amlie has received some money from the Democratic Committee (not enough) and the Progressives and the labor group are backing him.

As of now, I am told there is a 50-50 chance for Amlie to win.

The isolationists have made every effort to make this a test of the President's foreign policy. If he intervenes on the side of Amlie it will become such a test in the eyes of the country. In my opinion, there is much more to lose in such a situation than can be gained if Amlie wins. Amlie of course will be an excellent Congressman if he does win.

There may be some last minute attempts to get the President to endorse him. I hope the President will not.

JHR

James Rowe, Jr.

Subject

THE WHITE HOUSE  
WASHINGTON

August 27, 1941

Memorandum For The President.

Scattergood

I do not know how much faith you have in Scattergood's judgment on power matters. However, he telephoned from Los Angeles asking that I give you the following message:

With reference to the existing controversy over power, Scattergood hopes you will not give it to Ickes. He has no personal feelings in the matter, and Ickes is a friend of his but Krug, the TVA man whom OPM has borrowed is so brilliant and has surrounded himself with such good men, both public power men and private utility operators (as distinguished from the private utility financial men), that Scattergood feels the power situation is in better shape today than any other phase of the defense program. As compared with Krug, Ickes knows nothing about power and has no good men around him who do.

*JHR*  
James Rowe, Jr.

PSF: Rowe Letter  
File  
personal  
confidential

PSF Subject File: Rowe, James H., Jr.

Memorandum For The President:

PSF: Rowe Folder

I think this latest Montana poll  
on Wheeler will interest you.

File  
Journal

James Rowe, Jr.

PSF: Rowe

**GREAT FALLS NEWS POLL ON WHEELER**

As compiled from ballots and canvasser's reports  
up to September 1, 1941, in Montana

|                                                                              |        |
|------------------------------------------------------------------------------|--------|
| Total votes cast .....                                                       | 21,643 |
| Would NOT vote for Wheeler today .....                                       | 15,211 |
| Would vote for Wheeler today .....                                           | 4,284  |
| Doubtful, depending on candidates .....                                      | 2,168  |
| Voted for Wheeler last fall .....                                            | 16,207 |
| Did not vote for him last fall .....                                         | 5,436  |
| Allowing that all doubtful votes were given Wheeler<br>the vote would stand: |        |
| For Wheeler .....                                                            | 6,432  |
| Against Wheeler .....                                                        | 15,211 |
| Majority against Wheeler .....                                               | 8,779  |