

Diary

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March 28, 1944
10:00 a.m.

FINANCING

Present: Mr. Bell
Mr. Haas
Mr. Tickton
Mr. Lindow
Mr. Murphy

H.M.JR: Now, what I would like is a little different information than you have, if you don't mind.

Could I see the securities we last sold and what they are selling at? Then I want those sheets showing what we have got outstanding - everything.

MR. LINDOW: I have the bulletin. (Hands the Secretary February Treasury Bulletin) *P.32*

Would you like them to check them for you, Mr. Secretary - the ones most recently issued?

H.M.JR: Yes, if you will.

(Mr. Murphy hands the Secretary Over-Counter Sheet entitled "Over-Counter Closing Quotations on Public Marketable Securities Issued by U.S. Government and by Federal Agencies," dated March 27, 1944) *P.1*

H.M.JR: The '66-'72 is holding up very well?

MR. MURPHY: It has been much higher. It was before Pearl Harbor. I have the price history here. (Refers to Price History of Public Market Securities Issued or Guaranteed as of March 25, 1944)

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MR. BELL: I was a little surprised you wanted to talk about it today - until you had the conference tomorrow with the Fed.

H.M.JR: I would like to know a little bit more about it.

That has gone up a little. (Refers to Over-Counter Sheet)

MR. MURPHY: A little, not very much.

H.M.JR: I want to get the trend.

MR. MURPHY: When the book comes out in the next edition they will show more pep! (Laughter)

H.M.JR: They all seem to have sort of taken a dip and come back.

MR. MURPHY: That is right. At the end of the year it was quite weak.

H.M.JR: When did they strike their low?

MR. MURPHY: At the end of the year.

H.M.JR: No.

MR. MURPHY: Oh, pardon me, I was thinking of a somewhat longer perspective.

H.M.JR: They seem to have gone up.

MR. BELL: Was that before the drive, along about the first or second week in January when we did a little buying?

H.M.JR: But according to this, the middle of this month they went up and then they went down again.

George, how many of these long bonds are there?

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MR. BELL: Four restricted, one in each drive.

H.M.JR: Give me something going back to the first of January, so I can get the movement a little bit more.

MR. HAAS: Yes.

H.M.JR: I can't tell from that.

MR. HAAS: Henry is right, that needs more pep.

H.M.JR: Do a fast job on that.

MR. HAAS: On the long issues?

H.M.JR: Yes.

MR. BELL: They haven't moved a lot.

MR. MURPHY: The long issues were never below par, Mr. Secretary.

H.M.JR: But I would like to know why they went up in the middle. This says the middle of '43, then they went down, and it looks as though they took a bulge here from the 16th of March on. Now it looks as though they are coming down again. It looks as though they went up before our meeting with the bankers and now they are going down. I don't understand it.

MR. BELL: I think your tax exempts went off as a result of publication of that simplification report, and the others followed, a few thirty-seconds, but they didn't go off very much; they have been pretty steady.

H.M.JR: I don't want them all. Can't you take a typical one?

MR. HAAS: We can take the long market, the intermediate, and the short.

H.M.JR: You ought to be able to have that this afternoon.

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MR. HAAS: Yes, sir.

MR. MURPHY: You can see how narrow the range is. That issue is par four, and it has never been lower than par.

H.M.JR: But it looks to me as though something has happened here the last couple of days.

MR. BELL: Nothing but that tax exempt thing, and that may have drawn the others down a little from lack of interest. But the market isn't bad.

H.M.JR: You ought to have that this afternoon, George.

MR. HAAS: Yes.

MR. LINDOW: Here is the maturity schedule over the years, Mr. Secretary. These are in the order in which they come due. These others are listed by categories of securities. I thought you wanted to look at which ones were in '52, and so forth.

H.M.JR: You can give me a piece of paper with better print than this.

MR. LINDOW: We are making a special one.

MR. MURPHY: We are making arrangements to have this blown up.

H.M.JR: Can you have this done by this afternoon?

MR. LINDOW: Sure.

H.M.JR: We usually have a long sheet.

MR. LINDOW: I can get this blown up.

H.M.JR: Dan, the only thing I understand is that you agreed to take the same two and a half?

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MR. BELL: We have agreed among ourselves that we ought to reopen the last two and a half instead of a new two and a half this time.

H.M.JR: That is a '65-'70?

MR. BELL: Yes.

H.M.JR: And two billion two hundred and eighty-seven outstanding?

MR. BELL: That is right. It won't hurt to put another three or four billion on top of that.

H.M.JR: Who is "agin" it?

MR. BELL: I don't know as anybody is. As a matter of fact, we haven't suggested it to anybody. The bankers recommended, and so did the salesmen, a two and a half. They didn't say a new one, and they didn't consider whether it would be a reopening or a new one.

H.M.JR: Do you think we ought to talk to the bond brokers in New York?

MR. BELL: I wanted to ask you this morning if you didn't want to have a few of them down, say, Thursday. We haven't talked to the dealers for some time.

H.M.JR: I think it is healthy.

MR. BELL: Particularly in the Drive. I think it might be a good thing.

H.M.JR: I will tell Fitz to keep Thursday morning open.

MR. BELL: Do you have any particular ones you want?

H.M.JR: The usual. You can start me off at ninety-thirty. I need ten-thirty to eleven for press.

MR. HAAS: They are doing a swell job on the bills.

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MR. BELL: It will take a half hour, I guess. Then we will start at eleven again?

H.M.JR: Yes. Now, will you tell him outside about it?

MR. BELL: Yes.

H.M.JR: Now, the only other thing, if we reopen that - the seven-eighths, is that behaving all right?

MR. BELL: The seven-eighths is all right.

H.M.JR: You show me a chart on that, George, now.

MR. HAAS: Yes, sir.

MR. BELL: We will probably get the usual recommendation from the Federal Reserve crowd that we eliminate the seven-eighths.

H.M.JR: We will do the usual thing and not pay any attention to it.

MR. BELL: Everybody else has recommended that seven-eighths be put in; that is, your salesmen and your Banker Committee.

The other thing that we have to worry about is the two percent bond. If we put a two percent in place of a two and a quarter, there is a question of whether it would be restricted. I think the salesmen probably thought - at least, Mr. Lindow thinks - that they got the idea when we adopted the two and a quarter last time that we had gotten away from selling these bonds to the banks, that we had put on restrictions, and so forth, to eliminate that. And if you put a restriction on the two percent bond, you will probably have to make it a seven and a half, nine and a half; whereas, if you didn't put the restriction on, you would put out an eight, ten year bond like all the others.

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I question putting on a restriction of a security less than ten years. We pretty well sold the banks the idea that they can have anything from ten years down, and I question the advisability, at this time, of putting on a restriction, although I think it can be done for six months.

H.M.JR: Well, as far as I can see, that is the only thing there seems to be any question about.

MR. HAAS: That is right. I agree with Dan for different reasons.

H.M.JR: Let me put it this way: Suppose we got out a ten-year, two.

MR. HAAS: It is eight, ten.

H.M.JR: With no restrictions.

MR. BELL: Well, there would be free riding on that two percent bond. It is a better bond from that standpoint than the two and a quarter was, actually. There probably would be a good deal of free riding.

H.M.JR: All right. Who is going to criticize?

MR. HAAS: My point was that what may happen during this Drive is unpredictable. That gives you elbow room. You will go over big.

H.M.JR: You and I always talk that language and we have always been right! I mean, listen, you need a little elbow room with the Conventions coming on. When is the Democratic Convention?

MR. BELL: I haven't seen any date.

MR. MURPHY: Democratic is in July.

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H.M.JR: I think you need a little elbow room. The only thing I can see is this. Now, who is going to criticize?

MR. BELL: Well, you will get some criticism. As a matter of fact, I saw an editorial the other day in the Financial and Commercial Chronical which said there was about four billion six hundred million dollars of bank buying in this last drive, so that it isn't all so rosy as the Treasury painted it.

H.M.JR: It is like some people worried and said they wanted more liquor, and then WCTU would all be down on us - there are no votes there, and no votes on the Financial Chronical, either.

MR. BELL: Well, of course, we are not thinking of the liquor, and you are not Civil Service! That is out of our bailiwick.

H.M.JR: Like Senator George and Doughton - when I said, "This is good politics," they said, "It is good for the country."

"Well," I said, "they go together."

Seriously, I would like a little elbow room, as George says, in this next Drive. Supposing the Financial Chronical and your girl-friend do write a few articles criticizing us--

MR. BELL: Our girl-friend has been on the other side.

H.M.JR: Which side?

MR. BELL: On our side. She has been very favorable lately. I hope she doesn't switch.

H.M.JR: It is up to you to keep her that way. Do you ever see her?

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MR. BELL: Once a month or so. She sees Charlie Shaeffer quite often, calls him on the telephone about every week.

MR. HAAS: He gets a complimentary copy, about the only one in the Treasury. The library wrote to her and she said, "Please send me fifty dollars," or something.

H.M.JR: Her service, you mean? Oh, I haven't seen her service.

MR. BELL: Charlie gets it. It isn't bad.

H.M.JR: I had forgotten about it.

MR. BELL: She is a pretty smart girl. It is going a little far; the last one I saw, I think she was advising the banks what to do. She said before she started out that that was one thing she would not do, but I notice she is getting into that field.

H.M.JR: Supposing we had no restrictions, then what would the thing be?

MR. BELL: Two percent, eight-ten.

H.M.JR: All agreed on that?

MR. MURPHY: Yes, sir. We figure that it has a hypothetical premium of about a quarter of a point. Naturally, it won't sell at that premium immediately, but that measures its intrinsic attractiveness.

H.M.JR: I am trying to look for the last two percent.

MR. MURPHY: The last one is 9-15, '51-'53.

MR. LINDOW: On the next page, Mr. Secretary. It is right here (indicating). September '51-'53,

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H.M.JR: You have that many of them now?

MR. LINDOW: Yes, sir.

H.M.JR: What yearage?

MR. LINDOW: That would come down in June, 1952.

H.M.JR: Come down here in June?

MR. LINDOW: Yes, sir. There is one small issue there now, a billion and a half.

H.M.JR: You mean that is when it would fall due?

MR. LINDOW: Yes, sir.

H.M.JR: That would be the call date or maturity date?

MR. LINDOW: Maturity would be two years longer.

H.M.JR: Where do you have it?

MR. MURPHY: This is the same issue on this sheet (indicating).

H.M.JR: And did we reopen that, or--

MR. MURPHY: We first offered it in the Third War Loan Drive, and then at the close of the Drive we offered it in a special offering to commercial banks for cash subscription, then we also offered them the opportunity to exchange the bonds that were called last fall. It mounted up.

H.M.JR: Where would this thing fall?

MR. LINDOW: In the middle of June.

MR. BELL: The next would be '52-'54.

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H.M.JR: Do you have a '52-'55 coming due?

MR. LINDOW: Yes, sir.

H.M.JR: Would this be '52-'54?

MR. LINDOW: Yes, sir.

H.M.JR: Only two years?

MR. BELL: Yes.

H.M.JR: There is lots in there, isn't there?

MR. LINDOW: Mostly small issues, though.

H.M.JR: There is a four billion.

MR. LINDOW: In September, yes.

MR. BELL: Quite a bit in that intermediate area. It is where the two and a quarter helped out a little.

MR. TICKTON: Five and a quarter billion of that seven came out of the Third War Loan.

H.M.JR: They wanted two this time?

MR. BELL: Yes.

MR. MURPHY: It was a very popular issue with the Third War Loan, of course, because it was quite a free-riding issue.

H.M.JR: Well, the way I figure is this, in an exchange of ideas, we are going to sell the banks, anyway, after the Fifth War Loan, and I would rather - what would the banks come in for - maybe three or four?

MR. LINDOW: They came in for--

MR. BELL: You mean indirectly or directly?

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H.M.JR: Let's say indirectly.

MR. BELL: About four billion in the Fourth War Loan.

MR. MURPHY: But that includes the securities they purchased of old issues in order - that is, the seepage. It wouldn't at all be all on the two percent.

H.M.JR: Would you say it is open house - the banks could subscribe?

MR. MURPHY: Oh, no.

H.M.JR: But when--

MR. HAAS: You would do it as you have always done it.

MR. BELL: The banks can't subscribe in the Drive.

H.M.JR: But when the Drive is over.

MR. BELL: Then they can buy them from the people who ~~have~~ bought them in the Drive.

MR. MURPHY: Many people would buy them in the Drive in the anticipation of later selling them out to the banks and making patriotism pay.

H.M.JR: Like all of these things, it is a small highly professional group that knows about it.

MR. HAAS: That is right, but they wouldn't know for three or four weeks.

MR. TICKTON: The difference between the Third and Fourth War Loan, -- the two and a quarter, in the Fourth War Loan, was three and a quarter billion - there is two billion dollars difference. That is one measure.

H.M.JR: And we thought we were so noble!

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MR. TICKTON: The three and a quarter billion was the two and a quarter percent bond. The amount seeping into the banks was four and a half billion - switching.

H.M.JR: In the Fourth War Loan, how much do you think the banks will end up owning?

MR. TICKTON: About four and a half billion.

H.M.JR: In the Third about five?

MR. TICKTON: That is right.

H.M.JR: Well, why wasn't there better control?

MR. TICKTON: Well, a lot of people have Government securities now and they can switch out of their old securities into new securities. A lot of people aren't noble with the same securities each time.

H.M.JR: The more I hear, I am against the restricted bond. One way, you go through all the motions but try to be noble, and you get four and a half into the banks; the other way you have got five.

MR. TICKTON: Of course, this escalates from time to time, so you would expect to get considerably more than five if you had a free-riding issue on the Fifth War Loan.

MR. HAAS: I think what you were doing before, Mr. Secretary, was the right procedure. But for this one instance, I would rather be noble later on in the year. I think the trend of what you are doing - and I agree with Wes - but you are in a situation where the development is unpredictable. I think the thing you must be assured of is that it will go over.

H.M.JR: If you had it this way, you could put pressure on the people to buy because they know as soon as the thing is over they can unload on the banks.

MR. MURPHY: They have an escape valve.

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H.M.JR: What do you think, Mr. Bell?

MR. BELL: I think we ought to have a two percent, unrestricted, definitely.

MR. LINDOW: There is no question that is the safest thing. The arguments against making it unrestricted are two, as I see it: One is that there is a likelihood of there being a bad morale factor with some of your sales people. People in Michigan who work hard to get legitimate sales get a little irritated when some other State gets phoney sales through free-riding.

H.M.JR: Like in Oregon.

MR. LINDOW: That is right. They made a lot of cracks about Oregon this last time.

The second thing is that while we have had about four and a half billions of bank participation in this last loan, indirectly, I think that you might get a blast if you had anything like eight or nine billion in the next War Loan. While it is true that only a highly selected group of people read the financial statistics in the course of a political campaign, that might get blown up all beyond its real technical importance.

H.M.JR: I would rather take it that way than to come out with a four or five billion dollar straight bank--

MR. HAAS: Or if you didn't make the quota.

H.M.JR: Let me put it this way: Supposing we get eighteen billion dollars in the Fifth War Loan. How much more will I have to borrow outside of the bills? How much do you figure will go to the banks straight?

MR. LINDOW: We had allowed for eight billion straight, Mr. Secretary.

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H.M.JR: Between then and the 15th of November?

MR. LINDOW: Most of it would have to be before the 15th of November, because that is the period you would be short of money.

MR. BELL: I put in this sheet here the drives.

H.M.JR: This is savings bonds?

MR. BELL: Outside of the drive. I have combined them with the drive. That is what I gave Eccles, also, so they could discuss the thing. I asked them to advise you on that program, the bill program, and the certificate program, the basket securities, the date of the drive, deferred payment for insurance companies, and the time deposits for commercial banks. Those are the things we ought to talk about tomorrow. Whether they will go beyond that, I don't know.

H.M.JR: I don't think this is such a difficult decision to make.

MR. BELL: The only problem we have really is the two percent bond.

MR. HAAS: The bankers recommended the eight but that didn't mean anything.

MR. BELL: They didn't mention restrictions at all; they just assumed it would not be restricted in that area.

H.M.JR: Where are we going to have trouble?

MR. BELL: With the Fed? I don't know as you will have a lot of trouble with them. I think that they probably will recommend, as usual, the elimination of the certificate. The other thing, I think, that they will agree to in part is the bill program, that they won't want to commit themselves to the seven billion dollar program that we have suggested.

MR. HAAS: They may suggest a different kind of bill.

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MR. BELL: Four months and a half or something like that in order to get this three-eighths up a little.

H.M.JR: I don't think there is much more to discuss, is there?

MR. BELL: There are a couple of things, anyway. One is your memorandum about Henry.

H.M.JR: Oh, yes.

MR. BELL: I bet he got a lot of fun out of that.

H.M.JR: I told him what a fine son of the Secretary he was, recommending his men deposit their money in four percent. Do you know a private can deposit any sum?

MR. BELL: Sure, that is a permanent peace legislation, but there are restrictions on it. You can't draw it out whenever you want to.

H.M.JR: He said that.

MR. BELL: It has to be a real emergency, and approved by the commanding officer; otherwise he can't get it out until he gets out of the Army.

H.M.JR: Have you got those regulations?

MR. BELL: I have the law and everything.

H.M.JR: I mean those points you are giving me?

MR. BELL: Yes.

H.M.JR: I want to write him a funny letter. He kept telling me that in the interest of his men--I want to ask him, "Is it in the interest of your men to do this and that?" I mean, those points you just mentioned.

MR. BELL: I will give you this little sheet I have written all over.

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On July 1, 1943, they had twenty-eight million eight hundred and ninety-seven thousand in the account, and on March 1, 1944, they had sixty-three million four hundred and eighty-one thousand, more than double. The accounts increased from one hundred and fifty-seven thousand to two hundred and sixty-six thousand.

MR. HAAS: Just privates?

MR. BELL: Yes, it is confined to the enlisted personnel.

H.M.JR: One man has deposited seventy-five hundred dollars, in his troop.

MR. BELL: But there is a record of a man depositing-- he sold his business, and I don't know whether it is twenty-five thousand or fifty thousand dollars. He just sunk it in this fund and went in the Army. He gets four percent on the liquidation of his business.

MR. HAAS: Government bonds?

MR. BELL: Yes.

MR. TICKTON: Except it is not liquefiable until ~~after~~ the war.

MR. BELL: When he gets out, he will need it.

H.M.JR: Can he get it on discharge?

MR. BELL: Yes, he gets it on discharge.

H.M.JR: Can't he take postal savings, too?

MR. BELL: He can take postal savings any time up to twenty-five hundred.

H.M.JR: There is a limit on that?

MR. BELL: That is right.

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H.M.JR: But there is no limit on this?

MR. BELL: No limit. I think this man deposited fifty thousand dollars in the account the minute he enlisted. He was a smart business boy.

H.M.JR: Henry was very pleased with himself.

MR. BELL: I'll bet he had a good time. I think that was in the National Defense Act, and some of the restrictions were taken off in the 1932 Act.

H.M.JR: You never thought of having this knocked off?

MR. BELL: I don't think you can get it done. I think the Army would kick. I don't think there is enough money going into it to hurt us.

* I have this letter that you got from Eccles, which is a funny thing. I don't know what it is all about yet, but I take it they want to formalize everything that the Committee handles. I think it grew out of that conference we had over here, or at least partly grew out of the conference we had some time ago. I don't remember whether it was before the Fourth or Third. You may recall that Bob Rouse sat in our conferences in my room, and then we came in here and expressed some opinions around the room. Apparently Bob's opinion wasn't quite like the Committee's opinion, and they felt that was bad, having individual members of the Committee express their individual views over here when they come as a committee.

Now, I think if they want to do that, I don't know as we should object, except I don't know as they can tie down their fiscal agents.

H.M.JR: Would you mind handling it?

MR. BELL: Yes. He may tell you why he is doing it tomorrow.

H.M.JR: Oh, God, they have more--

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MR. BELL: I have another letter from Marriner, dated the 21st, in which he sent me a memorandum containing terms on which the Federal Reserve Bank of New York will transact business with brokers and dealers in the U. S. Government securities for the System's open market account. Now, it is confined to the System's open market account, but I think we have got to answer this and say that it can't in any way interfere with our dealings with the brokers or our trust fund accounts.

H.M.JR: Does it say there that they tell the brokers to buy this stuff; and if they get stuck they will take it off their hands at no cost?

MR. HAAS: Just the opposite. I am afraid it might interfere with the arrangements on the bills that the dealers are doing now.

MR. BELL: We will have to say that it can't interfere with any of our dealings.

H.M.JR: I just wondered. Eccles never sends a thing like that--you have always got to look for the Ethiopian.

MR. BELL: Marriner has it in for the dealers and brokers. He would like to have legislation to have control over them.

H.M.JR: He took an awful licking on the Hill, they tell me, vis-a-vis Crowley.

MR. BELL: He didn't go up; Ronald Ransom went up.

H.M.JR: I mean the Board did.

MR. BELL: Yes, Crowley is riding on the crest of the wave now. I think Eccles is going to ask for help in the Senate on the bill.

H.M.JR: You mean the crest of the wave where?

MR. BELL: On the Hill. He has always been very popular. He is very shrewd, you know, in giving out

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appointments, and so forth. They think he is a great administrator up there. Jimmy Byrnes, you know, expressed the sentiment pretty well on the Hill when he said Crowley was the best administrator in the Executive Department.

H.M.JR: When did he say that?

MR. BELL: About a year or so ago.

H.M.JR: Doesn't he ever read the papers?

MR. BELL: No. It was about the time they were going to make him Alien Property Custodian.

But I think we have to answer this. Byrd is having a committee meeting tomorrow at ten-thirty, and you and I don't go. Heffelfinger usually goes and just observes. The unfortunate part about it is, tomorrow they are going to discuss the proposed report on unexpended balances on which you signed the letter the other day. We said we didn't want to join because it was criticizing the Committees of Congress.

Now, I understand Taber is raising quite a fuss about the report, so Byrd is calling a meeting. I think that the only thing Heffelfinger can do is just read your letter and say that we stand on that.

H.M.JR: And explain what is going on, what you and I are doing.

MR. BELL: Explain why we can't be there, but read the letter.

H.M.JR: Why don't I call up Byrd and tell him? Do you think it is the courteous thing to do.

MR. BELL: It might be, yes. You or I will call him?

H.M.JR: I will call him.

MR. BELL: I think that is all I have.

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MR. HAAS: There is only one point, Mr. Secretary, in connection with this financing picture. We haven't discussed it with you. It might come up at a press meeting sometime. That is the thing, Henry, about this gold position. Do you have a minute?

H.M.JR: I have time; I allowed all morning.

MR. HAAS: Just get the thought of it so the Secretary can make up his mind what to say if somebody asks about it.

MR. MURPHY: So far in financing the war, Mr. Secretary, we have had no concern over the adequacy of Federal Reserve credit, that is, over the ability of the Federal to buy Government securities if they wanted to. We have only had to be concerned with the adequacies of their purchases, and consequently, the adequacies of the credit the member banks have.

Now, we can see over the horizon. It isn't right on us, but we can see a limit under present law to the ability of the Federal Reserve--

(The Secretary held a telephone conversation with Senator Byrd, as follows:)

March 28, 1944
10:31 a.m.

22

HMJr: Hello.

Operator: Senator Byrd.

HMJr: Hello.

Operator: Go ahead.

HMJr: Harry?

Senator
Byrd: Henry, how are you feeling?

HMJr: Fine. Never better.

B: Haven't heard or seen you for some time.

HMJr: Yeah. Sold all my apples.

B: Have you? Well, that's good. I've still got some left that's bringing pretty good prices.

HMJr: So I see. Harry, the reason I'm calling, I got your notice about your meeting tomorrow.

B: Yeah.

HMJr: But unfortunately we called a meeting with the Executive Committee of the Federal Reserve to discuss the Fifth War Loan.

B: Uh huh.

HMJr: And so I don't see how Dan or I

B: Well, we are -- we are aiming to take out practically all of those objections....

HMJr: Yeah.

B:that you made to that report.

HMJr: I see.

B: And if you could send somebody down just to keep....

HMJr: Well....

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B:the Committee informed with what we did.

HMJr: Well, I wanted to explain so that you wouldn't think we were not interested.

B: Yeah, I understand.

HMJr: And if it's all right, I'll send Heffelfinger.

B: Fine. Fine, Henry.

HMJr: Is that all right?

B: You bet it is. And I think we -- we got your memorandum and we are trying to arrange it....

HMJr: Yeah.

B:to cut out practically everything on it you objected to.

HMJr: Well, that's very considerate.

B: How are you getting along?

HMJr: I think all right. And they're doing a good job on the Ways-and-Means....

B: Uh huh.

HMJr:on this simplification.

B: When will they report that out?

HMJr: Oh, I think most any time now.

B: Uh huh.

HMJr: And we'll be coming over seeing you people soon.

B: Yeah. Well, we'll be glad to -- glad to see you any time when you come.

HMJr: All right.

B: Thank you very much for calling me.

HMJr: Thank you.

B: Good bye.

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H.M.JR: He says he is taking out all the objections we raised.

MR. BELL: Really?

H.M.JR: Yes. I am glad he didn't ask me what the objections were, but he was pleased to have me call him. It is just a courteous thing. He said, "Send somebody up."

I said, "I will send Heffelfinger."

He said, "All right."

What else, Mr. Bell?

MR. MURPHY: The ability of the Federal Reserve Banks to support our market is measured by--

H.M.JR: Now, make this simple, Henry.

MR. MURPHY: I will try, Mr. Secretary. Their ability to support our market is measured by the Federal Reserve ratio. That is, the ratio of the reserves of the Federal Reserve Banks, which consists principally of gold, to the combined deposits in Federal Reserve notes. This ratio was about ninety-one at the time we entered the war. It has gone down to about sixty-one now; it has fallen about thirty points. The legal ratio minimum is about thirty-seven or thirty-eight. It depends upon various circumstances. So it has fallen considerably more than half of the way that it is permitted to fall by law.

Now, as far as approaching the legal limit is concerned, we can go just as we are for another eighteen months in any event before we came down to the legal minimum, but one thing we are concerned with is that this ratio will continue to fall steadily during this year unless something is done about it, and the market may get concerned about it.

H.M.JR: What is making it fall?

MR. MURPHY: The principal thing is the increasing money in circulation. As money in circulation goes up

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at the rate of fifty billion a year, the liability of the Federal Reserve Banks keeps going up. As we sell more securities to banks and bank deposits go up, the deposits of the bank and Federal go up, and in the meantime they are losing gold at the rate of about a billion dollars a year.

With gold going down and the liabilities going up, the ratio has a strain on it from both ends, and it is falling pretty rapidly.

H.M.JR: And so what? Well, supposing it falls to the legal limit, then what?

MR. MURPHY: Well, if it fell to the legal limit, Fed would have to stop buying Federal Securities, and the market would go to hell in a hand-basket.

H.M.JR: What is the answer? How are you going to do it?

MR. BELL: You have to get your legal limit changed.

MR. MURPHY: A number of things can be done, Mr. Secretary.

H.M.JR: Is it going to happen between now and November?

MR. MURPHY: No, but the one point I would like to make is that, say, about November the ratio may go down to fifty--fifty-one or fifty-two. The question on which there has been some discussion between Fed and ourselves is, would the market be concerned over a ratio of fifty-one or fifty-two?

H.M.JR: Not if they know you can do something.

Listen, Henry, what can you do?

MR. MURPHY: The only thing I believe we could do during the year, Mr. Secretary, without causing more harm than it would do good would be to reduce the member bank

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reserve requirements, which would make some difference. It is arguable whether that would do more harm than good. I think the consensus is that nothing should be done; but if any question comes up, the utmost of confidence should be indicated by both the Treasury and Fed. It is a problem they have well in hand, and I feel personally confident, Mr. Secretary, that in the calm atmosphere which will prevail in the spring of next year a number of things can be done.

H.M.JR: If I am asked about it, I am to say Henry Murphy isn't worried. He says I should be cool and collected. There is nothing to be done.

MR. MURPHY: Everything is under control.

MR. HAAS: Be nonchalant. (Laughter)

H.M.JR: Have you heard the story about the father in the old days the first time he took a vacation and went to Europe? When he came back on the steamer, his two boys in business met him at the dock. He shouted, "Hello, Jake. How is business? Should I worry?" (Laughter)

So every week I will call out, "Hello, Henry. Should I worry." (Laughter) You let me know.

MR. MURPHY: Perhaps you can tell the reporters if you are not worried why should they be?

H.M.JR: To be serious, I am glad you did warn me. I didn't know about it, so I am very glad. But I would like you to give me a little memorandum, not too long, a couple of pages. When it reaches that thing, what are the various things we can do? Will you get me that?

MR. MURPHY: Surely.

MR. BELL: That is in your memorandum number two.

MR. HAAS: It is a little longer than two pages.

H.M.JR: Give it to me in one page then. I got a memorandum the other day from G-2 that was a pip. Anybody

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around here would take twenty pages. They put it down in a page and a quarter on the Argentine. They boiled it down to where you had to read it four times to get it, but it was all there.

MR. MURPHY: I will try to write one you only have to read twice, Mr. Secretary.

H.M.JR: Seriously, boil it down.

MR. BELL: The other thing that you gave my secretary yesterday after lunch was the question about your going on the Hill to discuss the whole financing policy. I would question that at this time and before the Ways and Means Committee.

H.M.JR: Could I argue with you again, because my feeling, frankly, is this, that that evidently is a planned attack on the President and Mr. Hull that this Government has no foreign policy. What I am worried about is that I will be next and I will have no financial policy.

MR. BELL: Did you know it was set out pretty well in your annual report? There was not a lot, but a few rather favorable editorials on it.

MR. HAAS: They never can get you in the position like they got Secretary Hull.

H.M.JR: If it is there, then maybe I can just--

MR. BELL: Paraphrase it?

H.M.JR: Paraphrase it. I like it. Could I argue with you a little bit about that?

MR. BELL: Yes, sure. Everything is going along pretty good on the Hill. You have a rather simple debt bill.

H.M.JR: This was my idea, not Smith's, so maybe it is good.

MR. BELL: I didn't know whose it was. It seems to me you might be stirring up something. They will say,

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"What is the Secretary going into all this for when the thing was rather a simple matter?"

H.M.JR: If I were going to do it, I would go up there and show it to Doughton first and to Rayburn and to George and say, "Is this a good time to do this thing, or should we just do it--"

MR. BELL: I thought if you wanted to do it, maybe a better place would be before the committee that is handling the stabilization, extension of the Stabilization Act, which they want help on, anyhow, but you might give the whole story there.

H.M.JR: Let me think this thing over and talk to you about it again, will you?

MR. BELL: Yes. I understood you were thinking about going next week. I understand the Congress is thinking about adjourning next week.

H.M.JR: Yes, they are adjourning Thursday to the 12th.

MR. BELL: That would be to your advantage, then.

MR. HAAS: Did you ever think, Mr. Secretary, in connection with that, of doing it on the radio? I am afraid with the publicity up there, the barbs that they will throw at you, rather than the thing you are trying to put over--on the radio you are not interrupted.

H.M.JR: You mean, have a little music and everything?

MR. HAAS: You could do it in connection with the announcement about the Fifth War Loan.

H.M.JR: I think you have an idea there. He has an idea! And I don't need Bob Hope on that one. I will give that to Smith now. That is an idea.

(The Secretary held a telephone conversation with Mr. Fred Smith, as follows:)

March 28, 1944
10:44 a.m.

Operator: Go ahead.

HMJr: Fred.

Fred
Smith: Yes, sir.

HMJr: We've just been talking over here about -- the men in the room -- about financing. You see? I mean, the speech of mine in connection with the debt-limit.

S: Yes.

HMJr: And George Haas made the suggestion that he thought it might be good to do it in connection with the announcement next Friday, or next Thursday, with the Fifth War Loan. Now, I -- the other one I can't do until after the 12th anyway because Congress is adjourning.

S: Yeah.

HMJr: Now, I think George has got a very good idea.

S: Well, he mentioned that yesterday and I have only one objection to it and that is that it will immediately fall into the category of a War Bond speech and you won't get across your point that this is the fiscal policy.

HMJr: Well, I'm going to have to argue with you about it a little bit.

S: Okay.

HMJr: Yeah, but I'll -- but he did mention it to you?

S: Yeah, he did and we discussed it.

HMJr: All right.

S: I'm not "agin" it but I just bring up that one hurdle....

HMJr: All right.

S:that we've got to get over.

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HMJr: Okay.

S: Right?

HMJr: Right.

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H.M.JR: I didn't get it. He had some objection, and said you should talk to him about it.

MR. HAAS: I did talk to him about it. I don't see his point.

H.M.JR: He said he thought the fiscal thing would be drowned and lost sight of in connection with the announcement of the Fifth War Loan. I am not sure he is right.

MR. BELL: I would do it sort of separate from the initial announcement. Do it a little later and sort of on an opening.

MR. HAAS: You haven't made that kind of a speech for some time. You could make that. The country is interested in it. You can do that almost any time, but I would hate to see you go up there and see all the barbs thrown at you. That will be in the paper.

MR. BELL: I think you will get a lot of jabs and get the headlines.

H.M.JR: Anything else?

MR. BELL: I was called again this morning by Jack McCloy.

H.M.JR: You stay behind.

BULLETIN
OF THE
TREASURY DEPARTMENT

FEBRUARY
1944

Analysis of Receipts and Expenditures
Composition of the Public Debt
Prices and Yields of Government Securities
Other Treasury Statistics

UNITED STATES
TREASURY DEPARTMENT
OFFICE OF THE SECRETARY

Bulletin of the Treasury Department, February 1944
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W. A. R. 1947-1948

SPECIAL ARTICLES

A-1

Treasury Market Financing

On January 24, the Treasury announced an exchange offering for the \$2,211 millions of 7/8 percent certificates of indebtedness maturing February 1, 1944. Holders of the maturing issue were given an opportunity to exchange their holdings into a new issue of Treasury notes. These notes are dated February 1, 1944, and run for 13 months, to March 1, 1945. They bear interest at the rate of 0.90 percent per annum, payable on a semi-annual basis on September 1, 1944 and March 1, 1945. Subscription books were open for three days, January 24-26, inclusive. A total of \$2,126 millions of the maturing issue, or 96 percent of the amount out-

standing, was exchanged. The remaining \$85 millions of certificates were redeemed in cash.

The maturing certificates were originally issued on February 1, 1943 for the purpose of paying off \$1,566 millions of certificates then falling due, and \$663 millions of new money was raised in the operation.

On February 1, the Treasury paid off in cash the maturing issue of Federal Public Housing Authority 1-3/8 percent notes, outstanding in the amount of \$114 millions.

Preliminary Report on the Fourth War Loan

Preliminary figures on subscriptions to the Fourth War Loan indicate that sales through February 22 aggregated \$15.9 billions. This figure includes all sales of marketable securities during the drive, since the books on these issues were closed on February 15. Sales of United States savings bonds and Treasury savings notes continued, however, and all purchases of these securities which have been cleared through the Federal Reserve Banks by the close of business February 23 will be included in the final drive total.

The preliminary sales figure of \$15.9 billions may be compared with the goal of \$14 billions for the Fourth War Loan. The excess of \$1.9 billions of sales over the goal will be increased as later sales reports are received. Final figures for sales in the Fourth War Loan will be analyzed in the March issue of the "Treasury Bulletin".

The following figures classify the preliminary

sales report as of February 22 by issues.

Fourth War Loan Sales Reported
Through February 22, 1944^{1/}

(In millions of dollars)

Nonmarketable issues:	
Series E Savings bonds.....	2,585
Series F Savings bonds.....	180
Series G Savings bonds.....	74
Series C Savings notes.....	2,086
Marketable issues:	
2-1/2 percent Treasury bonds.....	1,920
2-1/4 percent Treasury bonds.....	3,711
7/8 percent Certificate of Indebtedness.....	6,056
Total.....	15,682

^{1/} Excludes issues purchased outside Fourth War Loan by U. S. Government agencies and trust funds and by commercial banks in connection with the limited investment of their savings deposits.

SUMMARY OF FISCAL STATISTICS

Budgetary Receipts and Expenditures

(In millions of dollars)

	First 7 months, fiscal years 1942 to 1946				Complete fiscal years, 1941 to 1945					
	1942	1943	1944	Change 1943 to 1944	Actual	Estimated	Actual	Estimated	Actual	Estimated
					1941	1942	1943	1944	1945	1946
Receipts:										
Internal revenue:										
Taxes and profit taxes ^{1/}	2,957	5,738	17,114	+11,376	3,470	7,560	16,094	32,673	32,605	+16,579
Excise taxes ^{2/}	577	790	803	+13	595	1,185	1,498	1,470	3,169	+278
Miscellaneous internal revenue ^{3/}	2,707	2,169	5,509	+3,340	2,967	5,867	4,553	5,161	5,169	+606
Customs ^{4/}	279	124	260	+136	329	389	334	420	438	+108
Other receipts ^{5/}	349	231	8,031	+7,800	525	285	916	8,955	2,050	+1,536
Total receipts	5,192	9,122	25,496	+16,374	6,086	13,658	23,385	48,578	43,405	+15,123
Less:										
Amount transferred to Federal Old-Age and Survivors Insurance Trust Fund ^{6/}	449	564	658	+194	661	859	1,103	1,299	8,095	+6,796
Net receipts	4,743	8,558	24,838	+16,284	5,425	12,799	22,282	47,279	35,310	+18,627
Expenditures:										
War activities:										
War Department ^{7/}	5,457	24,530	16,340	-9,190	5,678	14,070	42,259	48,730	47,597	-1,133
Army Department ^{8/}	2,227	5,200	15,050	+9,850	2,315	8,580	20,688	27,000	28,500	+1,500
Miscellaneous war activities ^{9/}	1,225	4,528	6,548	+2,020	110	3,368	8,955	11,210	11,953	+743
Anticipated supplemental appropriations ^{10/}	-	-	-	-	-	-	800	590	-	-
Total war activities	10,349	34,258	37,938	+3,680	6,103	26,018	72,502	86,330	87,650	+1,320
Veterans' Administration ^{11/}	348	353	365	+12	583	556	668	873	1,067	+193
Public Works ^{12/}	425	349	286	-63	738	680	543	569	387	-251
Aid to agriculture ^{13/}	769	524	449	-75	937	1,025	1,155	821	647	-174
Internal Security Program ^{14/}	941	524	558	+34	588	609	735	796	777	-19
Civilian Conservation Corps ^{15/}	211	242	14	-228	1,374	370	299	11	-	-288
Other ^{16/}	115	4	-	-111	257	163	18	-	-	-145
Interest on the public debt ^{17/}	538	590	568	-22	841	873	901	1,490	2,880	+1,389
Anticipated supplemental appropriations ^{18/}	-	-	-	-	-	-	1,111	1,050	2,650	+1,539
Total expenditures	18,113	41,479	52,945	+11,466	22,711	32,737	79,119	95,951	97,995	+2,044
Net budgetary deficit ^{19/}	3,921	32,351	28,717	-3,634	5,103	19,138	52,837	48,752	62,685	+14,933

Source: Daily Treasury Statements, except as noted.

^{1/} Less than \$500,000.

^{2/} Based upon estimates as shown in the 1945 Budget.

^{3/} Includes tax on surplus and tax on victory tax. Beginning July, 1945, includes collections of taxes withheld by employers under the Current Tax Payment Act of 1943. For details see following chapter on Receipts and Expenditures and Appropriations, Table 2.

^{4/} Includes duty-free alcoholic beverages, tobacco, and other merchandise and retailers' excise taxes, and other taxes.

^{5/} Includes receipts by the War, Navy, and Treasury Departments and the U. S. Maritime Commission resulting from the receipt of war contracts. Information on the amount of such receipts is not available on the basis of Daily Treasury Statements. On the basis of covering accounts, such receipts totaled \$554 million for the fiscal year 1945. Budget estimates of such receipts for the fiscal year 1946 are \$1,252 million and \$1,733 million, respectively.

^{6/} For explanation, see Table 1 in Social Security program.

^{7/} Includes expenditures for public debt retirement which are chargeable to the sinking fund, etc., under special provisions of law.

^{8/} Includes expenditures classified as transfers to trust accounts, etc., for the Armed Services Civilian Fund and the National

^{9/} Service life insurance fund.

^{10/} Includes Public Works transactions classified as Building Fund (see).

^{11/} Includes Aid to agriculture transactions classified as Farming Fund (see); expenditures of the Department of Agriculture classified as Departmental in the Daily Treasury Statements and Agricultural Marketing Administration transactions classified as transfers to trust accounts, etc.

^{12/} Represents gross expenditures of \$1,254 million less payments of U. S. investments in capital funds aggregating \$315 million.

^{13/} Includes expenditures classified as transfers to trust accounts, etc., for the National Retirement and Insurance Funds. Budget estimates for 1944 and 1945 include \$7 million and \$10 million, respectively, representing transfers to public debt account for excess-profit tax refund bonds.

Public Debt and Guaranteed Obligations Outstanding

(In millions of dollars)

	End of first 7 months, fiscal years 1942 to 1946				End of fiscal years, 1941 to 1945					
	Jan. 31, 1942	Jan. 31, 1943	Jan. 31, 1944	Change Jan. 31, 1943 to Jan. 31, 1944	Actual	Estimated	Actual	Estimated	Actual	Estimated
					1941	1942	1943	1944	1945	1946
Securities issued by the United States										
Interest-bearing debt:										
Public loans:										
Marketable	42,271	77,496	115,293	+37,797	37,713	55,573	85,510	115,293	115,293	115,293
Non-marketable	10,156	23,256	38,911	+15,655	6,799	24,263	124,509	124,509	124,509	124,509
Total public loans	52,427	100,752	154,204	+53,452	44,512	79,836	210,019	210,019	210,019	210,019
Special issues	7,003	9,179	12,873	+3,694	6,100	7,984	135,340	135,340	135,340	135,340
Total interest-bearing debt	59,430	110,000	167,077	+57,077	50,612	87,820	345,359	345,359	345,359	345,359
Unredeemed debt and debt bearing no interest	441	1,040	3,618	+2,578	194	494	1,116	1,116	1,116	1,116
Total public debt outstanding	60,013	111,040	170,695	+59,585	50,806	88,314	346,475	346,475	346,475	346,475
Securities guaranteed by the United States										
Interest-bearing debt:										
Public loans:										
Marketable	5,673	4,395	4,778	+383	4,360	4,940	4,072	4,072	4,072	4,072
Non-marketable	-	62	131	+110	-	4,540	4,792	4,792	4,792	4,792
Total interest-bearing debt	5,673	4,457	4,909	+452	4,360	9,480	8,864	8,864	8,864	8,864
Unredeemed debt	33	14	6	-27	11	90	8	8	8	8
Total guaranteed securities outstanding	5,706	4,471	4,915	+444	4,371	9,570	8,872	8,872	8,872	8,872
Total public debt and guaranteed securities outstanding	65,719	115,511	175,610	+59,999	55,177	97,884	355,347	355,347	355,347	355,347

Source: Daily Treasury Statements, except as noted.

^{1/} Based upon estimates as shown in the 1945 Budget.

^{2/} Details not available.

^{3/} Includes payments in the amount of \$1,193 million on account.

See dated February 1, 1944 and offered as part of the Fourth War Loan.

^{4/} Includes guaranteed securities which were sold directly to the Treasury.

Means of Financing Cash Requirements

(In millions of dollars)

	First 7 months, fiscal years 1942 to 1946			Complete fiscal years, 1941 to 1945				
	1942	1943	1944	Actual	Estimated	Actual	Estimated	Actual
				1941	1942	1943	1944	1945
Amount required to be financed:								
Net budgetary deficit ^{1/}	9,187	32,351	28,717	5,103	19,138	52,837	48,752	57,185
Net increase in Special Fund balances	317	4,732	2,732	762	358	6,505	44	101
Net expenditures in trust accounts, interest on gold, etc. ^{2/}	1,566	953	1,438	148	3,506	1,861	6,093	3,134
Total amount required to be financed	11,070	38,036	32,887	5,913	23,002	61,203	54,899	60,420
Means of financing:								
Increase in public debt	11,050	38,047	32,963	5,994	23,061	61,274	60,904	60,405
Net increase in Special Fund balances	-	-	-	-	-	-	-	-
Net receipts in trust accounts, interest on gold, etc. ^{3/}	-	-	-	-	-	-	-	-
Total amount financed	11,050	38,047	32,963	5,994	23,061	61,274	60,904	60,405

Source: Daily Treasury Statements, except as noted.

^{1/} Based upon estimates as shown in the 1945 Budget.

^{2/} Includes amounts for public debt retirement which are chargeable to the sinking fund, etc., under special provisions of law.

^{3/} Includes trust accounts, checking accounts of Government agencies, etc., interest on gold, securities in silver, and miscellaneous funds and accounts. Interest on gold includes expenditures for national bank note retirements.

RECEIPTS AND EXPENDITURES
AND
APPROPRIATIONS

- 4 -

February 1944

Appropriations and Net Contract Authorizations for the War Activities Program
As of January 31, 1944

Date approved	Public Law No.	Title of act	Appropriations	Net contract authorizations
76th Congress, Third Session				
Mar. 25, 1940	440	Treasury Department Appropriation Act, 1941	\$ 51,801,375	-
Apr. 18, 1940	409	Independent Offices Appropriation Act, 1941	140,500,000	-
May 14, 1940	408	Justice Department Appropriation Act, 1941 (Title 112)	1,488,000	-
June 11, 1940	408	Navy Department Appropriation Act, 1941	1,504,171,158	-
June 11, 1940	411	Military Appropriation Act, 1941	1,493,387,329	-
June 14, 1940	400	War Department Appropriation Act, 1941	925,400	-
June 20, 1940	403	Civil Activities National Defense Appropriation Act, 1941	17,000,000	-
June 26, 1940	407	Civil Activities National Defense Appropriation Act, 1941 (Refugee relief)	1,476,301,087	-
June 26, 1940	408	Emergency Relief Appropriation Act, 1941	80,000,000	-
June 27, 1940	408	Second Deficiency Appropriation Act, 1940	17,650,000	-
July 18, 1940	94	Public Resolution (War Risk Insurance Fund)	80,000,000	-
Sept. 3, 1940	781	Public Resolution (War Department - military posts and acquisition of land)	2,437,056,788	-
Sept. 8, 1940	79	Third Supplemental National Defense Appropriation Act, 1940	178,763,300	-
Oct. 8, 1940	850	First Supplemental National Defense Appropriation Act, 1941	1,371,416,563	-
Oct. 9, 1940	812	Public Resolution (National defense housing)	148,871,000	-
Oct. 14, 1940	106	Public Resolution (National defense housing)	75,000,000	-
Total, 76th Congress, Third Session			\$ 8,998,015,828	-
77th Congress, First Session				
Feb. 6, 1941	5	Joint Resolution (emergency ship construction)	\$ 713,900,000	-
Feb. 13, 1941	6	Joint Resolution (clothing and equipment - War Department)	175,000,000	-
Mar. 1, 1941	1	Second Deficiency Appropriation Act, 1941	5,067,775	-
Mar. 17, 1941	13	Fourth Supplemental National Defense Appropriation Act, 1941	1,176,404,602	-
Mar. 27, 1941	25	Defense Aid Supplemental Appropriation Act, 1941	7,000,000,000	-
Apr. 1, 1941	25	First Deficiency Appropriation Act, 1941	119,498,008	-
Apr. 5, 1941	28	Independent Offices Appropriation Act, 1941	399,760,000	-
Apr. 6, 1941	29	Fifth Supplemental National Defense Appropriation Act, 1941	2,183,187,300	-
Apr. 6, 1941	29	War Department Appropriation Act, 1941	1,415,521,790	-
May 6, 1941	48	War Department Civil Appropriation Act, 1941	37,805,170	-
May 23, 1941	71	Additional Second Deficiency Appropriation Act, 1941	168,256,000	-
May 28, 1941	72	Treasury Department Appropriation Act, 1941	60,197,350	-
May 31, 1941	88	Justice, State and Commerce Departments Appropriation Act, 1941	129,227,750	-
June 28, 1941	130	Interior Department Appropriation Act, 1941	2,235,000	-
June 28, 1941	130	Interior Department Appropriation Act, 1941	10,369,471,604	-
June 30, 1941	139	Military Appropriation Act, 1941	173,384,900	-
July 1, 1941	146	Labor - Federal Security Appropriation Act, 1941	798,896,581	-
July 5, 1941	190	Second Deficiency Appropriation Act, 1941	6,480,012,644	-
Aug. 25, 1941	267	First Supplemental National Defense Appropriation Act, 1942	5,285,200,000	\$ 600,000,000
Oct. 28, 1941	282	Second Supplemental National Defense Appropriation Act, 1942	199,000,000	-
(Title 112)			199,000,000	47,000,000
Nov. 19, 1941	299	Defense Highway Act of 1941	9,112,025,797	50,000,000
Dec. 17, 1941	353	Joint Resolution (War, Philippine relief, and defense housing)	210,000,000	-
Dec. 23, 1941	373	Joint Resolution (War, Philippine relief, and defense housing)	-	-
Total, 77th Congress, First Session			\$ 81,596,437,490	\$ 707,000,000
77th Congress, Second Session				
Jan. 25, 1942	422	Fourth Supplemental National Defense Appropriation Act, 1942	\$ 12,629,872,476	-
Feb. 7, 1942	441	War Appropriation Act, 1942	23,738,095,474	\$ 2,900,000,000
Feb. 12, 1942	442	Joint Resolution (financial aid to China)	800,000,000	-
Feb. 21, 1942	443	First Deficiency Appropriation Act, 1942	135,853,325	-
Mar. 5, 1942	474	Fifth Supplemental National Defense Appropriation Act, 1942	30,412,177,000	-
Apr. 28, 1942	527	War Department Civil Appropriation Act, 1942	87,486,585	-
June 5, 1942	572	State Supplemental National Defense Appropriation Act, 1942	18,351,128,093	40,000,000
June 15, 1942	584	Joint Resolution (War Risk Insurance Fund)	210,000,000	-
June 23, 1942	598	Joint Resolution (Education and Training)	9,500,000	-
June 27, 1942	630	Independent Offices Appropriation Act, 1942	695,079,790	150,000,000
July 2, 1942	644	Justice, State and Commerce Departments Appropriation Act, 1942	1,092,812,000	-
July 2, 1942	645	Public Law (Federal Works Agency - public works)	261,708,180	-
July 2, 1942	646	Labor - Federal Security Appropriation Act, 1942	8,977,370	35,000,000
July 2, 1942	647	Second Deficiency Appropriation Act, 1942	227,726,604	-
July 2, 1942	648	Military Appropriation Act, 1942	20,425,678	-
July 2, 1942	649	War Housing and Public Works Appropriation Act, 1942	42,880,003,067	-
July 2, 1942	650	First Supplemental National Defense Appropriation Act, 1943	1,846,274,990	-
July 2, 1942	651	Second Supplemental National Defense Appropriation Act, 1943	6,299,361,444	7,000,000,000
Oct. 28, 1942	753	Second Supplemental National Defense Appropriation Act, 1943	-	-
Total, 77th Congress, Second Session			\$13,736,203,988	\$10,400,000,000

(Continued on following page)

Regraded Unclassified

Appropriations and Net Contract Authorizations for the War Activities Program
As of January 31, 1944 - (Continued)

Date approved	Public Law No.	Title of Act	Appropriations	Net contract authorizations
76th Congress, First Session				
Mar. 2, 1939	5	Joint Resolution (Selective Service System).....	\$ 21,150,000	\$ 2,097,111.94
Mar. 18, 1940	11	First Deficiency Appropriation Act, 1941.....	6,063,944.94	30,000.00
Mar. 21, 1940	30	Supplemental Bond Appropriation Act, 1941.....	7,496,178.119	-
Apr. 29, 1940	45	Joint Resolution (Farm Labor Program).....	3,000,000	-
May 7, 1940	60	Joint Resolution (Commerce Department - war training program).....	1,547,408	-
June 9, 1940	84	War Department Civil Appropriation Act, 1941.....	6,273,629.00	-
June 14, 1940	77	Defense Aid Supplemental Appropriation Act, 1940.....	1,795,021.559	-
June 20, 1940	90	Independent Offices Appropriation Act, 1941.....	27,427,226.198	5,349,000.00
June 26, 1940	92	Naval Appropriation Act, 1941.....	67,619,000	-
July 1, 1940	109	Department of State, Justice, and Commerce Appropriation Act, 1941.....	39,079,479.579	-
July 1, 1940	128	Military Appropriation Act, 1941.....	14,884,000	-
July 17, 1940	149	Department of Agriculture Appropriation Act, 1941.....	51,879,600	-
July 18, 1940	152	United States District Court, District of Columbia Appropriation Act, 1941.....	14,884,000	-
July 18, 1940	153	Interior Department Appropriation Act, 1941.....	307,993,500	-
July 18, 1940	154	Labor - Federal Security Appropriation Act, 1941.....	7,011,997.504	14,000,000
July 18, 1940	155	National War Academy Appropriation Act, 1941.....	151,340,000	-
July 18, 1940	156	Second Deficiency Appropriation Act, 1941.....	18,667,000	-
July 18, 1940	157	Joint Resolution (Labor Department).....	-	5,000,000.00
Oct. 1, 1940	204	Public Law (naval expansion program).....	-	-
Dec. 17, 1940	206	First Supplemental National Defense Appropriation Act, 1940.....	61,287,468	-
Dec. 23, 1940	215	-	-	-
Total, 76th Congress, First Session.....			\$195,316,499.321	\$21,000,961.94

76th Congress, Second Session

Jan. 26, 1941	208	Public Law (Army - Public Works).....	-	\$ 201,040,000
Pending 10/				
		Independent Offices Appropriation Act, 1941.....	\$ 6,090,304,347.11	\$ 1,101,000,000.00
Summary				
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00

Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00
Total, 76th Congress, First Session.....			\$ 195,316,499.321	\$ 21,000,961.94
Total, 76th Congress, Second Session.....			\$ 6,090,304,347.11	\$ 1,101,000,000.00

- 1/ Complete of appropriations and net contract authorizations available as of and after July 1, 1940. Includes: (1) authorizations of the Reconstruction Finance Corporation and its affiliates for war purposes, and (2) unexpended balances of appropriations as June 30, 1940 (except immediately available funds from fiscal year 1941) appropriated available for expenditures in the fiscal year 1941. Contract authorizations have been reduced by later appropriations which were earmarked in authorizing acts for this purpose.
- 2/ Public resolution number.
- 3/ Represents the net amount of contractual authority that the President may authorize the head of any department or agency of the Government to enter into for the procurement of defense articles, information or services for the Government of any country whose defense the President deems vital to the defense of the United States. Includes \$5,503,529,500 appropriated for the fiscal year 1940. Unexpended contract authorizations for the same appropriation program are as follows:

Date approved	Public Law No.	Amount
Feb. 7, 1940	461	\$ 2,400,000,000
Dec. 16, 1940	187	(Reimbursed by Navy Department)..... 1,804,518,782
June 26, 1940	99	(Reimbursed by Navy Department)..... 3,389,000,000
Dec. 17, 1940	204	(Reimbursed by Navy Department).... 5,097,449,880
Total.....		\$12,690,968,662

Table 1.- Summary by Major Classifications

(In millions of dollars)												
Fiscal year or month	Receipts				Expenditures							
	Total receipts	Direct receipts			Less net amounts transferred to Federal Old-Age and Survivors Insurance Trust Fund 1/	Net receipts	Total expenditures	General 2/	War activities 3/	Reserve funds (net) 4/	Transfers to trust accounts, etc. 5/	Net cash liability 6/
		Internal revenue 6/	Excises	Other receipts								
1939.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	9,956
1940.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,079
1941.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,200
1942.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,321
1943.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,442
1944.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,563
1945.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,684
1946.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,805
1947.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	10,926
1948.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,047
1949.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,168
1950.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,289
1951.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,410
1952.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,531
1953.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,652
1954.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,773
1955.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	11,894
1956.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,015
1957.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,136
1958.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,257
1959.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,378
1960.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,499
1961.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,620
1962.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,741
1963.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,862
1964.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	12,983
1965.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,104
1966.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,225
1967.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,346
1968.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,467
1969.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,588
1970.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,709
1971.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,830
1972.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	13,951
1973.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,072
1974.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,193
1975.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,314
1976.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,435
1977.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,556
1978.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,677
1979.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,798
1980.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	14,919
1981.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,040
1982.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,161
1983.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,282
1984.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,403
1985.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,524
1986.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,645
1987.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,766
1988.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	15,887
1989.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,008
1990.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,129
1991.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,250
1992.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,371
1993.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,492
1994.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,613
1995.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,734
1996.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,855
1997.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	16,976
1998.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,097
1999.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,218
2000.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,339
2001.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,460
2002.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,581
2003.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,702
2004.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,823
2005.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	17,944
2006.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,065
2007.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,186
2008.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,307
2009.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,428
2010.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,549
2011.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,670
2012.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,791
2013.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	18,912
2014.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,033
2015.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,154
2016.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,275
2017.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,396
2018.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,517
2019.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,638
2020.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,759
2021.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,880
2022.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,901
2023.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,922
2024.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,943
2025.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,964
2026.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	19,985
2027.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,006
2028.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,027
2029.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,048
2030.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,069
2031.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,090
2032.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,111
2033.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,132
2034.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,153
2035.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,174
2036.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,195
2037.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,216
2038.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,237
2039.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,258
2040.....	3,115	2,841	317	152	-	1,114	8,811	4,908	331	156	77	20,279
2041.....	3,1											

Budgetary Receipts and Expenditures - (Continued)

Table 6.- Totals by Months, Beginning with 1935

(In millions of dollars)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Net budgetary receipts 1/													
1935.....	293	214	551	708	846	1,024	879	891	821	235	234	434	1,897
1936.....	328	218	752	811	856	529	294	343	399	272	231	217	1,776
1937.....	329	230	967	1,118	850	828	387	412	747	292	282	393	5,732
1938.....	394	308	814	862	1,177	774	273	449	576	300	350	278	4,680
1939.....	371	364	799	1,047	1,047	869	331	447	576	279	104	301	4,512
1940.....	385	444	799	1,047	1,047	869	331	447	576	279	104	301	5,474
1941.....	340	541	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555	1,555
1942.....	578	758	3,947	3,947	3,947	3,947	3,947	3,947	3,947	3,947	3,947	3,947	3,947
1943.....	784	925	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805	2,805
1944.....	2,747												
Budgetary expenditures 2/													
1935.....	482	428	570	690	827	863	861	844	870	512	449	601	4,643
1936.....	521	480	516	531	585	2,427	554	574	574	577	564	714	2,844
1937.....	539	546	766	690	514	1,253	535	517	534	569	497	430	7,754
1938.....	609	674	705	631	566	530	725	540	718	737	645	870	4,767
1939.....	650	612	820	730	694	890	818	775	741	701	648	452	4,087
1940.....	712	668	822	783	647	687	818	706	759	869	417	1,170	5,037
1941.....	1,111	1,075	1,799	1,558	1,141	1,528	1,598	1,589	1,874	2,083	1,898	2,940	15,053
1942.....	2,628	2,429	3,441	3,793	3,253	4,430	5,160	5,215	5,321	5,337	6,343	6,900	38,084
1943.....	6,272	6,119	7,354	7,466	7,435	8,327	7,117	7,517	7,535	7,494	7,833	7,452	89,084
1944.....	7,519												
Net budgetary deficit 3/													
1935.....	279	154	-31	372	281	230	282	125	349	397	395	173	2,255
1936.....	293	262	-116	600	430	1,898	362	231	177	405	331	195	4,872
1937.....	300	316	-200	577	284	425	268	105	-115	273	172	-185	1,754
1938.....	198	166	-212	369	195	195	401	199	50	437	296	157	2,347
1939.....	385	396	137	317	344	335	499	429	60	442	288	311	1,940
1940.....	398	724	22	479	367	277	487	258	44	536	395	454	3,403
1941.....	773	534	-167	750	747	259	1,180	1,133	759	1,637	1,894	1,320	10,804
1942.....	2,050	1,871	-126	3,058	3,381	2,037	4,413	4,628	3,404	5,331	5,741	3,779	39,614
1943.....	5,504	5,184	2,147	5,952	5,955	3,758	5,105	4,895	2,087	5,426	5,740	1,714	53,530
1944.....	4,823												

Source: Daily Treasury Statements.

1/ Total receipts less net amounts transferred to Federal Old-Age and Survivors Insurance Trust Fund.

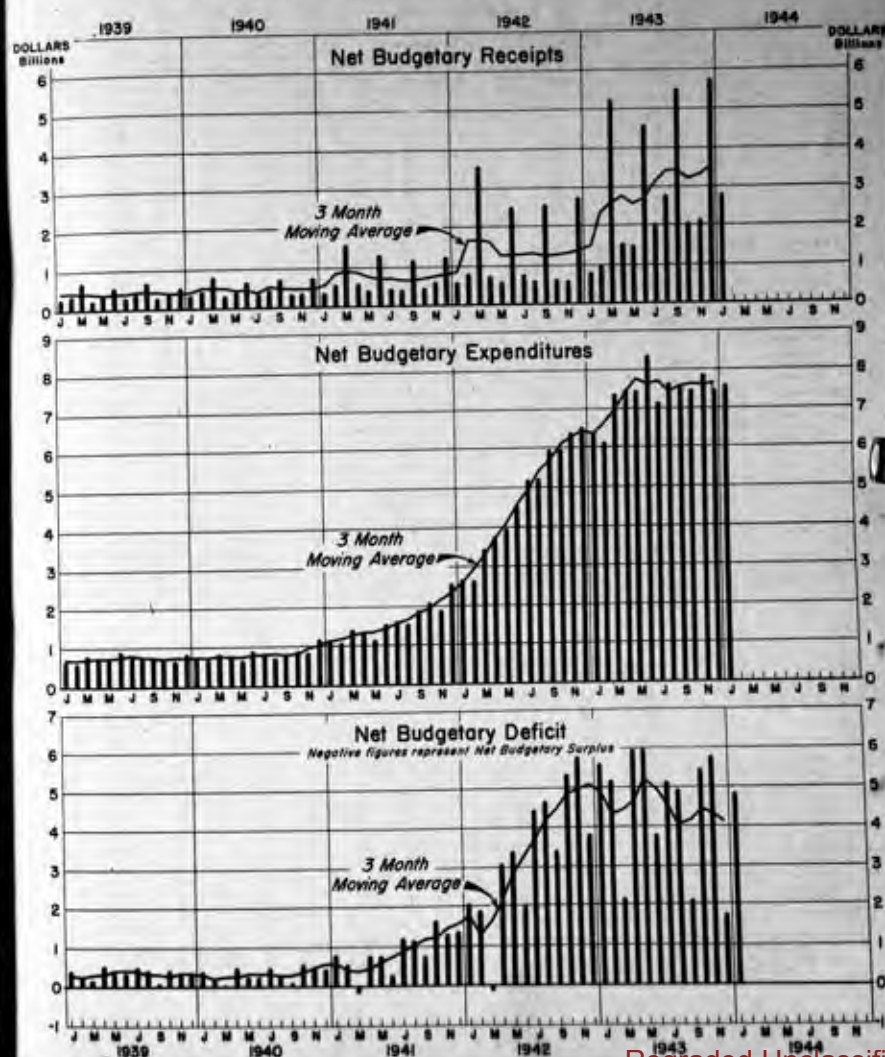
2/ Excludes public debt retirements.

3/ Total expenditures less net receipts.

February 1944

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BUDGETARY RECEIPTS AND EXPENDITURES



Regraded Unclassified

Trust Account, Etc. Receipts and Expenditures

Table 1.- Trust Funds
(In millions of dollars)

Fiscal year or month	Total trust funds, net receipts (-) or net expenditures (+)	Federal Old-Age and Survivors Insurance Trust Fund			Unemployment Trust Fund			Railroad Retirement Account			Other trust accounts 1/		
		Net	Receipts	Expenditures	Net	Receipts	Expenditures	Net	Receipts	Expenditures	Net	Receipts	Expenditures
1934	+94	-	-	-	-	-	-	-	-	-	+46	217	217
1935	+46	-	-	-	-	-	-	-	-	-	+46	302	257
1936	+39	-	-	-	-	19	19	-	-	-	+39	2,051	2,012
1937	+19	-	257	257	-	294	294	-	-	-	+19	854	835
1938	+11	+1	402	401	+12	763	751	+2	142	142	-	343	347
1939	+29	+1	530	529	+1	838	837	+2	109	107	+4	349	349
1940	+37	+3	540	537	+4	909	905	+2	123	122	+9	542	533
1941	+37	+15	717	702	-	1,114	1,114	+11	127	115	+10	602	592
1942	+66	+9	940	931	-	1,244	1,243	-	144	144	+57	512	455
1943	+32	+6	1,190	1,185	-4	1,399	1,404	+4	225	217	+28	575	547
1943-January	+46	+31	39	2	-2	30	42	-	34	34	-4	56	74
February	+229	+234	235	5	-2	252	254	-1	1	1	-11	17	34
March	+250	+272	2	274	+1	34	33	-	1	1	+11	67	75
April	+46	+41	41	5	-1	35	32	-	35	35	-4	35	39
May	+254	+248	252	14	-4	277	279	-	2	2	+15	62	65
June	+279	+287	46	371	-8	81	89	+4	4	4	+11	158	161
July	+42	+40	41	1	+1	46	46	-4	161	160	+25	215	240
August	+279	+270	268	14	-4	313	328	-	1	1	+11	130	140
September	+250	+249	1	249	-5	31	36	-	1	1	+11	113	67
October	+52	+46	39	15	+5	37	31	-	34	33	+40	139	117
November	+252	+256	271	25	-1	261	261	-	4	4	-42	77	123
December	+252	+252	3	250	+40	83	43	-	1	1	-11	114	103
1944-January	+52	+48	32	4	-40	35	75	-	34	34	+65	154	175

Source: Daily Treasury Statements.

* Less than \$500,000.

1/ Includes Government Insurance and Retirement Funds, etc.

Table 2.- Other Funds
(In millions of dollars)

Fiscal year or month	Transactions in checking accounts of Government agencies, etc.			Increment on gold			Seigniorage on silver			Miscellaneous Funds and accounts 1/		
	Total all transactions	Income of obligations 2/	Other transactions	Net	Receipts	Expenditures	Net	Receipts	Expenditures	Net	Receipts	Expenditures
1934	-734	-	-	+211	2,811	2,000	-	-	-	-	-	-
1935	+517	-	-	-111	111	140	-	-	-	-	-	-
1936	+248	-	-	-403	1	404	-176	-	-	-	-	-
1937	+314	-	-	-79	2	101	+40	80	-	-	-	-
1938	+204	-	-	-51	1	52	+90	90	-	-	-	-
1939	+164	+1,306	-137	-5	5	90	90	-	-	-	-	-
1940	+74	+288	-294	-	-	-	-	-	-	-	-	-
1941	+217	+252	-1,069	-	-	-	-	-	-	-	-	-
1942	-3,625	-1,809	-1,815	-	-	-	-	-	-	-	-	-
1943	-3,194	-554	-1,535	-	-	-	-	-	-	-	-	-
1943-January	-185	-4	-178	-	-	-	-	-	-	-	-	-
February	-370	-48	-345	-	-	-	-	-	-	-	-	-
March	-300	-11	-289	-	-	-	-	-	-	-	-	-
April	-17	-4	-13	-	-	-	-	-	-	-	-	-
May	-394	-66	-46	-	-	-	-	-	-	-	-	-
June	+62	-2	+63	-	-	-	-	-	-	-	-	-
July	-785	-341	-445	-	-	-	-	-	-	-	-	-
August	-146	-3	-143	-	-	-	-	-	-	-	-	-
September	-146	+22	-168	-	-	-	-	-	-	-	-	-
October	-139	+2	-141	-	-	-	-	-	-	-	-	-
November	-44	-2	-46	-	-	-	-	-	-	-	-	-
December	-427	+3	-430	-	-	-	-	-	-	-	-	-
1944-January	-165	-18	-146	-	-	-	-	-	-	-	-	-

Source: Daily Treasury Statements.

* Less than \$500,000.

1/ Omits Federal Reserve Bank, and Special Deposits (net). Also includes Agricultural Marketing Administration commodity fund stamp transactions.

2/ Net receipts in this column constitute net sales, and net expenditures constitute net redemptions of obligations. 3/ Detail not available.

Means of Financing Cash Requirements

(In millions of dollars)

Fiscal year or month	Amount required to be financed				Means of financing			
	Total amount required to be financed	Net Treasury deficit 1/	Net increase in Federal Fund balance	Net expenditures in trust accounts, increase on gold, etc. 2/	Total amount financed	Increase in public debt	Net increase in Federal Fund balance	Net receipts in trust accounts, increase on gold, etc. 2/
1934	4,616	2,996	1,780	-	4,616	4,514	-	102
1935	3,809	2,009	-	-	3,809	3,809	-	-
1936	2,590	4,390	480	-	4,390	4,390	-	-
1937	3,149	3,149	-	-	3,149	3,046	103	103
1938	1,546	1,346	-	-	1,546	790	756	350
1939	4,146	2,046	620	-	4,146	3,275	-	871
1940	3,611	3,611	-	-	3,611	3,598	-	13
1941	3,299	3,103	742	-	3,299	3,274	-	25
1942	20,461	19,594	764	-	20,461	19,441	-	1,020
1943	26,274	25,677	6,563	-	26,274	26,274	-	-
1943-January	5,713	5,546	-	157	5,713	5,609	-	104
February	5,168	5,168	-	100	5,168	5,064	-	104
March	2,696	2,347	-	349	2,696	2,443	-	253
April	14,790	5,952	8,438	-	14,790	14,790	-	-
May	6,064	5,995	70	-	6,064	6,064	-	-
June	3,504	3,154	-	-	3,504	794	3,140	-
July	5,740	5,139	-	600	5,740	5,689	-	51
August	4,896	4,896	-	-	4,896	4,896	-	-
September	14,791	2,087	11,794	-	14,791	14,791	-	-
October	6,097	5,446	1,139	152	6,097	6,097	-	-
November	5,740	5,740	-	-	5,740	5,118	-	622
December	2,343	1,715	-	628	2,343	-	-	-
1944-January	4,437	4,437	-	-	4,437	4,741	-	-

Source: Daily Treasury Statements.

1/ Includes amounts for public debt retirement which are chargeable to the sinking fund, etc., under special provision of law.

2/ Omits trust accounts, checking accounts of Government agencies, etc., increase on gold, seigniorage on silver, and miscellaneous Funds and accounts. Increase on gold includes expenditures for national bank note retirements.

Social Security Program
Section I.- Budgetary Receipts and Expenditures

Table 1.- Social Security Act

(In millions of dollars)

Fiscal year or month	Receipts				Less amounts credited to Federal Old-Age and Survivors Insurance Trust Fund 2/	Net receipts
	Social Security taxes					
	Total	Federal Insurance Contributions Act (Old-Age Insurance) 1/	Federal Unemployment Tax Act (Unemployment Insurance) 2/			
1936.....	102.2	104.3	27.8	86.5	-14.3	
1937.....	104.4	104.4	30.1	74.3	30.1	
1938.....	112.2	112.2	31.2	81.0	31.2	
1939.....	104.7	104.7	30.7	74.0	30.7	
1940.....	100.4	100.4	27.7	72.7	27.7	
1941.....	1,052.6	996.4	119.9	876.5	176.1	
1942.....	1,260.9	1,150.9	158.4	992.5	268.4	
1943.....	101.7	101.7	31.5	70.2	31.5	
1944-January.....	276.7	276.7	89.0	187.7	89.0	
February.....	27.8	27.8	9.0	18.8	9.0	
March.....	27.8	27.8	9.0	18.8	9.0	
April.....	27.8	27.8	9.0	18.8	9.0	
May.....	27.8	27.8	9.0	18.8	9.0	
June.....	27.8	27.8	9.0	18.8	9.0	
July.....	27.8	27.8	9.0	18.8	9.0	
August.....	27.8	27.8	9.0	18.8	9.0	
September.....	27.8	27.8	9.0	18.8	9.0	
October.....	27.8	27.8	9.0	18.8	9.0	
November.....	27.8	27.8	9.0	18.8	9.0	
December.....	27.8	27.8	9.0	18.8	9.0	
1944-January.....	27.8	27.8	9.0	18.8	9.0	

Social Security Program - (Continued)

Section I.- Budgetary Receipts and Expenditures - (Continued)

Table 2.- Railroad Retirement Act

(In millions of dollars)

Fiscal year or month	Receipts		Expenditures			Balance of expenditures 2/
	Contributory Rating Act of 1937	Total	Administrative expenses 1/	Transfers to Railroad Retirement Insurance Account (Trust account)	Refunds of loans	
1936.....	4	3	3	-	-	-3
1937.....	150.1	149.0	2.8	146.2	-	-1.9
1938.....	100.1	115.0	2.2	107.9	-	6.7
1939.....	121.0	127.3	2.2	118.7	-	7.1
1940.....	130.9	138.8	1.8	128.4	-	9.4
1941.....	170.0	182.5	1.6	168.9	-	11.5
1942.....	204.4	200.3	1.4	198.9	-	5.5
1943.....	1.1	34.5	1.4	33.1	-	1.4
1944-January.....	7.4	7.4	1.4	6.0	-	1.4
February.....	7.4	7.4	1.4	6.0	-	1.4
March.....	7.4	7.4	1.4	6.0	-	1.4
April.....	7.4	7.4	1.4	6.0	-	1.4
May.....	7.4	7.4	1.4	6.0	-	1.4
June.....	7.4	7.4	1.4	6.0	-	1.4
July.....	7.4	7.4	1.4	6.0	-	1.4
August.....	7.4	7.4	1.4	6.0	-	1.4
September.....	7.4	7.4	1.4	6.0	-	1.4
October.....	7.4	7.4	1.4	6.0	-	1.4
November.....	7.4	7.4	1.4	6.0	-	1.4
December.....	7.4	7.4	1.4	6.0	-	1.4
1944-January.....	7.4	7.4	1.4	6.0	-	1.4

Source: Daily Treasury Statements.

1/ Less than \$50,000.

2/ Includes only expenditures from appropriations made specifically for administrative expenses relating to the Railroad Retirement Act.

3/ Derived by appropriations from the General Fund of the Treasury.

Table 3.- Railroad Unemployment Insurance Act 1/

(In millions of dollars)

Fiscal year or month	Receipts		Expenditures			Balance of expenditures 2/
	Railroad Unemployment Insurance Contributions Act 1/	Total	Administrative expenses (Railroad Unemployment Insurance Administration Fund) 1/	Transfers to Railroad Unemployment Insurance Account, Unemployment Insurance Trust Fund 2/	Refunds of loans	
1936.....	-	-	-	-	-	-
1937.....	-	-	-	-	-	-
1938.....	-	-	-	-	-	-
1939.....	-	-	-	-	-	-
1940.....	4.9	5.0	5.0	-	-	-0.1
1941.....	4.8	10.0	1.4	8.6	-	0.4
1942.....	15.5	15.4	1.4	14.0	-	-0.1
1943.....	10.3	8.8	1.4	7.4	-	2.9
1944-January.....	1.1	1.1	1.1	-	-	-
February.....	1.1	1.1	1.1	-	-	-
March.....	1.1	1.1	1.1	-	-	-
April.....	1.1	1.1	1.1	-	-	-
May.....	1.1	1.1	1.1	-	-	-
June.....	1.1	1.1	1.1	-	-	-
July.....	1.1	1.1	1.1	-	-	-
August.....	1.1	1.1	1.1	-	-	-
September.....	1.1	1.1	1.1	-	-	-
October.....	1.1	1.1	1.1	-	-	-
November.....	1.1	1.1	1.1	-	-	-
December.....	1.1	1.1	1.1	-	-	-
1944-January.....	1.1	1.1	1.1	-	-	-

Source: Daily Treasury Statements.

1/ Less than \$50,000.

2/ Operated as Railroad Unemployment Insurance Administration Fund.

3/ Represents 25% of contributions under the Railroad Unemployment Insurance Act; the remaining 75% is deposited in the Railroad Unemployment Insurance Account, Unemployment Trust Fund (See Table II, Table 3). Includes amounts appropriated to Railroad Unemployment Insurance Administration Fund equivalent to amounts of loans collected with respect to the period from January 1936 to June 1938, inclusive. Free employee subject to the Railroad Unemployment Insurance Act, as follows:

(In millions): October year 1936 - \$2.7, 1937 - \$2.3, 1938 - \$4.8, and for the first six months of the calendar year 1939 - \$2.8, aggregating \$12.6. These amounts are included in Table 1 under Federal Unemployment Tax Act (Unemployment Insurance).

4/ Includes only expenditures from appropriations made specifically for administrative expenses relating to the Railroad Unemployment Insurance Act.

5/ Represents amounts paid of the Railroad Unemployment Insurance Administration Fund under act of Oct. 10, 1939.

6/ Derived by appropriations by Congress.

Source: Daily Treasury Statements.

1/ Less than \$50,000.

2/ Receipts Title III of the Social Security Act.

3/ Receipts Title II of the Social Security Act. Includes amounts equal to appropriations to Railroad Unemployment Insurance Administration Fund equivalent to amounts of loans collected with respect to the period from January 1936 to June 1938, inclusive. Free employee subject to the Railroad Unemployment Insurance Act (See Table I of Section II).

4/ Prior to January 1, 1940, figures represent amounts transferred to the Old-Age Reserve Account. From January 1 to July 1, 1940, "transfers" were made to the Federal Old-Age and Survivors Insurance Trust Fund. Subsequently receipts have been deposited in the General Fund of the Treasury and "appropriated" directly to the Federal Old-Age and Survivors Insurance Trust Fund. Amounts shown as transfers reflect calculations made for reimbursement to the General Fund amount to cover administrative expenses, which are shown as expenditures.

Section II, Table 1.

Includes only expenditures from appropriations made specifically for administrative expenses relating to the Social Security Act; for administrative expenses relating to the Social Security Act, Department of Labor; and administrative expenses transferred to the General Fund of the Treasury under Section III (17) of the Social Security Act, as amended. Beginning July 1, 1940, includes also administrative expenses under the Wagner-Dever Act. Includes administrative expenses payable from other appropriations, principally for the following agencies: Bureau of Internal Revenue of the Treasury Department, and Public Health Service and Office of Education of the Federal Security Agency.

Derived by appropriations by Congress. Second Deficiency Appropriation Act, Fiscal year 1938, approved June 20, 1938, carried an appropriation of \$40,961,000 for refund to certain States of portion of Federal employees' tax for 1938 collected under the Social Security Act.

Social Security Program - (Continued)

Section II.- Statements of Trust Accounts

Table 1.- Federal Old-Age and Survivors Insurance Trust Fund 1/

(Cumulative from organization - in millions of dollars)

End of fiscal year or month	Receipts			Expenditures			Balance		
	Total receipts	Appropriations by Congress	Interest on investments	Total expenditures	Old-age benefit payments	Survivors benefit payments	Total	Investments	Unexpended balance
1934.....	167.3	209.0	2.2	2.4	2.4	2.4	267.3	267.3	113.0
1935.....	182.7	185.0	17.7	5.4	5.4	5.4	711.2	711.2	1.9
1936.....	182.7	185.0	17.7	5.4	5.4	5.4	1,140.3	1,140.3	1.9
1937.....	1,179.4	1,179.4	47.1	47.1	47.1	47.1	12.7	1,144.7	1,144.7
1938.....	1,792.1	1,792.1	47.1	47.1	47.1	47.1	79.1	2,367.6	2,367.6
1939.....	2,536.8	2,536.8	47.1	47.1	47.1	47.1	2,367.6	2,367.6	2,367.6
1940.....	1,507.8	1,507.8	47.1	47.1	47.1	47.1	2,367.6	2,367.6	2,367.6
1941.....	2,790.7	2,790.7	47.1	47.1	47.1	47.1	2,367.6	2,367.6	2,367.6
1942.....	3,150.7	3,150.7	47.1	47.1	47.1	47.1	2,367.6	2,367.6	2,367.6
1943-December.....	3,150.7	3,150.7	47.1	47.1	47.1	47.1	2,367.6	2,367.6	2,367.6
1944-January.....	3,150.7	3,150.7	47.1	47.1	47.1	47.1	2,367.6	2,367.6	2,367.6

Source: Daily Treasury Statements.

* Less than \$50,000.

1/ Includes transactions effected under the predecessor Old-Age

Source: Social Security Act.

2/ Of the Social Security Act amendments of 1939.

Table 2.- Railroad Retirement Act

(Cumulative from organization - in millions of dollars)

End of fiscal year or month	Receipts			Expenditures			Balance		
	Total receipts	Appropriations by Congress	Interest on investments	Total expenditures	Benefit payments	Administrative expenses 1/	Total	Investments	Unexpended balance
1934.....	46.6	46.6	-	-	-	-	46.6	-	46.6
1935.....	46.6	46.6	-	-	-	-	46.6	-	46.6
1936.....	147.9	146.5	1.4	79.6	68.1	11.5	66.2	81.4	1.9
1937.....	268.4	268.4	3.4	185.5	82.7	102.8	82.7	185.5	1.9
1938.....	339.0	339.0	5.0	261.7	79.8	181.9	79.8	261.7	1.9
1939.....	506.9	506.9	4.4	477.0	79.0	388.0	79.0	477.0	1.9
1940.....	500.9	500.9	11.4	466.1	104.8	361.3	104.8	466.1	1.9
1941.....	871.5	871.5	17.3	576.5	194.9	381.6	194.9	576.5	1.9
1942.....	1,104.6	1,104.6	17.7	732.7	302.3	430.4	302.3	732.7	1.9
1943-December.....	1,104.6	1,104.6	17.7	732.7	302.3	430.4	302.3	732.7	1.9
1944-January.....	1,104.6	1,104.6	17.7	732.7	302.3	430.4	302.3	732.7	1.9

Source: Daily Treasury Statements.

* Less than \$50,000.

Table 3.- Unemployment Trust Fund

(Cumulative from organization - in millions of dollars)

End of fiscal year or month	Receipts			Expenditures			Balance		
	Total receipts	State unemployment insurance activities	Transfers from Federal Unemployment Insurance Account 1/	Total expenditures	State unemployment insurance activities	Transfers to Federal Unemployment Insurance Account 2/	Total	Investments	Unexpended balance
1934.....	18.9	18.9	-	-	-	-	18.9	-	18.9
1935.....	23.5	23.5	-	-	-	-	23.5	-	23.5
1936.....	1,079.2	1,079.2	-	-	-	-	1,079.2	-	1,079.2
1937.....	1,534.3	1,534.3	-	-	-	-	1,534.3	-	1,534.3
1938.....	2,867.9	2,867.9	-	-	-	-	2,867.9	-	2,867.9
1939.....	1,977.9	1,977.9	-	-	-	-	1,977.9	-	1,977.9
1940.....	3,715.9	3,715.9	-	-	-	-	3,715.9	-	3,715.9
1941.....	6,624.8	6,624.8	-	-	-	-	6,624.8	-	6,624.8
1942.....	7,730.0	7,730.0	-	-	-	-	7,730.0	-	7,730.0
1943-December.....	7,730.0	7,730.0	-	-	-	-	7,730.0	-	7,730.0
1944-January.....	7,730.0	7,730.0	-	-	-	-	7,730.0	-	7,730.0

Source: Daily Treasury Statements.

* Less than \$50,000.

1/ Includes advance of \$15 million from the Treasury and subsequent repayment, both falling place in the fiscal year 1940.

2/ Represents 90% of contributions under the Federal Unemployment Insurance Act; the remaining 10% is used for administrative expenses. (See Section 1, Title 3.)

3/ Represents amounts transferred from States to Federal Unemployment Insurance Account equivalent to amounts of funds collected, with respect to period from January 1935 to June 1939, inclusive, from employers and employees who came within the purview of the Federal Unemployment Insurance Act.

4/ Represents excess funds of the Federal Unemployment Insurance Administration Fund under Act of May 10, 1933.

5/ For Federal unemployment benefits and refunds.

Cash Income and Outgo of the Treasury, by Major Classifications 1/

(in millions of dollars)

	1943												1944
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.
Cash income													
Budgetary:													
Internal revenue:													
Taxes and profits taxes:	356	380	412	400	390	2,807	1,925	1,925	1,925	1,925	1,925	1,925	1,925
Employment taxes:	356	380	412	400	390	353	313	313	313	313	313	313	313
Seigniorage interest proceeds:	25	25	25	25	25	25	25	25	25	25	25	25	25
Postage:	25	25	25	25	25	25	25	25	25	25	25	25	25
Other:	25	25	25	25	25	25	25	25	25	25	25	25	25
Total:	801	835	894	875	850	3,535	2,613	2,613	2,613	2,613	2,613	2,613	2,613
Non-budgetary:													
Trust funds, etc.:													
Unemployment Trust Fund (deposits by States and Federal Unemployment Insurance Act):	40	40	40	40	40	40	40	40	40	40	40	40	40
Trust accounts 2/:	78	78	78	78	78	78	78	78	78	78	78	78	78
Total:	118	118	118	118	118	118	118	118	118	118	118	118	118
Total cash income:	919	953	1,012	993	968	3,653	2,731	2,731	2,731	2,731	2,731	2,731	2,731
Cash outgo:													
Budgetary:													
War activities:	5,987	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771
Defense administration:	47	47	47	47	47	47	47	47	47	47	47	47	47
Public Works 3/:	137	137	137	137	137	137	137	137	137	137	137	137	137
Other:	137	137	137	137	137	137	137	137	137	137	137	137	137
Total:	6,308	5,192	5,192	5,192	5,192	5,192	5,192	5,192	5,192	5,192	5,192	5,192	5,192
Non-budgetary:													
Trust funds, etc.:													
Unemployment Trust Fund (deposits by States and Federal Unemployment Insurance Act):	40	40	40	40	40	40	40	40	40	40	40	40	40
Trust accounts 2/:	78	78	78	78	78	78	78	78	78	78	78	78	78
Total:	118	118	118	118	118	118	118	118	118	118	118	118	118
Total cash outgo:	6,426	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310	5,310

Source: Daily Treasury Statements.

* Less than \$50,000.

1/ These figures are not intended to reflect the budgetary position of the Government, and will not agree with budgetary figures on receipts, expenditures, and deficit such as those appearing in the Daily Treasury Statement and in other tables in the "Treasury Bulletin". For an explanation of the particular data in Daily Treasury Statement figures to which at this time series, see the "Treasury Bulletin", February 1939.

2/ Includes sale of commodity fund stamp, Agricultural Marketing Administration.

3/ Represents Public Buildings Administration, Public Roads Administration, Public Works Administration, Federal Public Housing Authority, other and other work and fund stamp, Treasury.

4/ Includes advance of \$15 million from the Treasury and subsequent repayment, both falling place in the fiscal year 1940.

5/ Represents 90% of contributions under the Federal Unemployment Insurance Act; the remaining 10% is used for administrative expenses. (See Section 1, Title 3.)

6/ Represents amounts transferred from States to Federal Unemployment Insurance Account equivalent to amounts of funds collected, with respect to period from January 1935 to June 1939, inclusive, from employers and employees who came within the purview of the Federal Unemployment Insurance Act.

7/ Represents excess funds of the Federal Unemployment Insurance Administration Fund under Act of May 10, 1933.

8/ For Federal unemployment benefits and refunds.

Total Cash Income and Outgo, by Month

(in millions of dollars)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Cash income													
1934.....	356	380	412	400	390	2,807	1,925	1,925	1,925	1,925	1,925	1,925	1,925
1935.....	356	380	412	400	390	353	313	313	313	313	313	313	313
1936.....	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079	1,079
1937.....	1,534	1,534	1,534	1,534	1,534	1,534	1,534	1,534	1,534	1,534	1,534	1,534	1,534
1938.....	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868	2,868
1939.....	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978
1940.....	3,716	3,716	3,716	3,716	3,716	3,716	3,716	3,716	3,716	3,716	3,716	3,716	3,716
1941.....	6,625	6,625	6,625	6,625	6,625	6,625	6,625	6,625	6,625	6,625	6,625	6,625	6,625
1942.....	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731
1943-December.....	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731
1944-January.....	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731	7,731
Cash outgo													
1934.....	5,987	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771
1935.....	47	47	47	47	47	47	47	47	47	47	47	47	47
1936.....	137	137	137	137	137	137	137	137	137	137	137	137	137
1937.....	137	137	137	137	137	137	137	137	137	137	137	137	137
1938.....	5,987	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771
1939.....	47	47	47	47	47	47	47	47	47	47	47	47	47
1940.....	137	137	137	137	137	137	137	137	137	137	137	137	137
1941.....	137	137	137	137	137	137	137	137	137	137	137	137	137
1942.....	5,987	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771	4,771
1943-December.....	47	47	47	47	47	47	47	47	47	47	47	47	47
1944-January.....	137	137	137	137	137	137	137	137	137	137	137	137	137

Regraded Unclassified

Assets of the General Fund of the Treasury

(In millions of dollars)

End of fiscal year or month	Total	Notes, bills, and currency	Deposits in Federal Reserve Banks	Special Deposits amount of sales of Government securities (Net loan accounts)	Other deposits and collections
1934.....	3,033	1,046	97	1,494	37
1935.....	2,615	1,094	118	799	46
1936.....	2,709	856	141	1,150	46
1937.....	2,709	1,085	141	1,049	30
1938.....	2,415	827	329	811	58
1939.....	3,087	1,196	1,099	776	99
1940.....	2,638	974	254	850	159
1941.....	2,612	988	1,036	561	145
1942.....	3,547	897	803	1,479	265
1943.....	10,149	911	1,038	7,647	553
1943-January.....	8,200	897	454	6,387	375
February.....	8,295	878	623	1,479	395
March.....	8,758	871	643	2,094	390
April.....	13,112	883	1,025	10,445	359
May.....	13,152	897	1,031	11,117	447
June.....	10,149	911	1,038	7,647	553
July.....	8,127	906	929	6,792	495
August.....	8,495	905	1,034	6,354	495
September.....	18,754	883	1,534	15,475	556
October.....	10,438	900	1,099	17,280	559
November.....	10,460	934	1,045	16,770	551
December.....	12,678	905	1,408	9,944	521
1944-January.....	12,873	937	1,598	10,314	598

Source: Daily Treasury Statements.

GENERAL FUND OF THE TREASURY

-18-

Balance in the General Fund of the Treasury

(In millions of dollars)

End of fiscal year or month	Total assets	Total liabilities	Balance in the General Fund	Analysis of Balance in the General Fund 1/		
				Working balance	Seigniorage on all gold	Increment on gold
1934.....	3,033	841	2,192	1,771	1,407	811
1935.....	2,615	179	1,436	1,051	147	787
1936.....	2,709	294	2,415	2,069	334	197
1937.....	2,709	156	2,553	2,000	166	198
1938.....	2,415	303	2,112	1,622	644	147
1939.....	3,087	368	2,719	2,150	936	132
1940.....	2,638	147	1,491	1,163	587	143
1941.....	2,612	179	2,433	1,485	604	143
1942.....	3,547	352	3,195	2,429	604	143
1943.....	10,149	643	9,507	8,744	619	144
1943-January.....	8,200	477	7,723	6,461	619	144
February.....	8,295	903	7,392	6,354	619	144
March.....	8,758	579	8,179	6,418	619	144
April.....	13,112	495	12,617	11,494	619	144
May.....	13,152	465	12,687	11,394	619	144
June.....	10,149	643	9,507	8,744	619	144
July.....	8,127	510	7,617	7,439	619	144
August.....	8,495	541	7,954	7,462	619	144
September.....	18,754	578	18,176	17,392	619	144
October.....	10,438	541	9,897	16,574	619	144
November.....	10,460	534	9,926	16,144	619	144
December.....	12,678	584	12,094	11,932	619	144
1944-January.....	12,873	634	12,239	11,476	619	144

Source: Daily Treasury Statements.

1/ In the fiscal years 1939 and 1940, \$91 millions and \$954 millions, respectively, were transferred from increment on gold to the working balance for retirement of national bank notes. In this statement, however, charges for retirement of national

bank notes are reflected directly against increment on gold in the years during which the retirements were actually made. Inactive gold in the amount of \$1,087 millions for the fiscal year 1937 is considered as a part of the working balance.

Analysis of Change in Balance of General Fund of the Treasury

[In millions of dollars - Not increase or net decrease (-)]

Change during fiscal year or month	Total change in General Fund balance	Working balance					Treasury on gold ^{1/}
		Total working balance	General and special accounts ^{2/}	Public debt accounts ^{3/}	Trust accounts ^{4/}	Miscellaneous funds and accounts ^{5/}	
1935.....	1,790	908	-1,935	4,524	26	-	211
1936.....	-741	-199	-1,209	1,735	24	-	-
1937.....	860	1,267	-1,000	5,475	34	-	178
1938.....	-128	-70	-1,149	2,746	19	-	40
1939.....	-334	-377	-1,344	732	11	-	90
1940.....	509	537	-1,042	1,880	29	2	90
1941.....	-247	-297	-1,311	2,508	37	14	69
1942.....	742	722	-1,103	5,244	37	11	80
1943.....	308	344	-19,998	23,461	64	39	14
1944.....	4,515	6,515	-25,497	64,274	52	262	-
1945-January.....	-2,829	-2,829	-1,546	2,899	24	27	-
February.....	-2,331	-2,331	-1,104	2,994	29	26	-
March.....	-1,213	-1,213	-2,147	1,483	-260	11	-
April.....	4,438	4,438	-1,952	14,342	49	14	-
May.....	70	70	-1,255	6,264	51	-	-
June.....	-3,180	-3,180	-1,734	744	-279	-3	-
July.....	-512	-512	-1,105	4,828	22	-1	-
August.....	-2,731	-2,731	-4,896	2,134	273	4	-
September.....	11,794	11,794	-2,047	14,251	-265	2	-
October.....	1,139	1,139	-1,426	6,497	52	14	-
November.....	-4,738	-4,738	-5,740	1,112	210	14	-
December.....	-2,624	-2,624	-1,714	-281	-262	22	-
1944-January.....	-55	-55	-4,423	4,781	50	101	-

Source: Daily Treasury Statements.

* Less than \$500,000.

- ^{1/} This is the net budgetary deficit. Excludes amounts for public debt retirement which are chargeable to the sinking fund, etc., under special provisions of law.
- ^{2/} This represents the increase in the gross public debt, except as noted. (See footnote ^{3/}.)
- ^{3/} Includes Federal Old-Age and Survivors Insurance Trust Fund, Unemployment Trust Fund, Railroad Retirement Account, Government Insurance and Retirement Funds and other trust funds.
- ^{4/} Comprises Public Works Administration revolving fund and special deposits (net). Also includes Agricultural Marketing Administration commodity fund stamp transactions.
- ^{5/} Includes expenditures for retirement of national bank notes. In the fiscal years 1935 and 1936, \$91 millions and \$954 millions were transferred from Treasury on gold to the working

balance for retirement of national bank notes. In this statement, however, charges for retirement of national bank notes are reflected directly against Treasury on gold. In the years during which the retirements were actually made, Treasury on gold in the amount of \$1,047 millions for the fiscal year 1937 is considered as a part of the working balance general and special accounts for the purpose of this table.

^{2/} Expenditures for the retirement of national bank notes from Treasury on gold for the fiscal years 1935 to 1939 (as shown below) are not reflected hereto, but are reflected under Treasury on gold as follows: 1935 - \$91 millions, 1936 - \$954 millions, 1937 - \$95 millions, 1938 - \$94 millions, and 1939 - \$5 millions, total - \$2,044 millions. The increase in the public debt shown in the table "Means of Financing Debt Requirements" for the above fiscal years will not agree for the reasons stated above.

PUBLIC DEBT AND GUARANTEED OBLIGATIONS
OF THE UNITED STATES GOVERNMENT

Summary of the Public Debt and Guaranteed Obligations of the United States Government^{1/}

(In millions of dollars)

End of fiscal year or month	Public debt					Guaranteed debt ^{2/}				
	Total	Interest-bearing debt			Natural debt and debt bearing no interest	Total	Interest-bearing debt			Natural debt
		Marketable issues	Non-marketable issues	Special issues			Marketable issues	Non-marketable issues		
1934.....	27,139	27,015	26,096	—	104	573	625	625	—	—
1935.....	32,836	32,701	31,779	—	1,057	1,099	1,123	1,123	—	—
1936.....	38,497	38,372	37,450	—	1,047	1,094	1,118	1,118	—	—
1937.....	42,008	41,883	40,961	—	1,047	1,094	1,118	1,118	—	—
1938.....	46,058	45,933	45,011	—	1,047	1,094	1,118	1,118	—	—
1939.....	49,490	49,365	48,443	—	1,047	1,094	1,118	1,118	—	—
1940.....	52,922	52,797	51,875	—	1,047	1,094	1,118	1,118	—	—
1941.....	56,354	56,229	55,307	—	1,047	1,094	1,118	1,118	—	—
1942.....	59,786	59,661	58,739	—	1,047	1,094	1,118	1,118	—	—
1943.....	63,218	63,093	62,171	—	1,047	1,094	1,118	1,118	—	—
1944-January.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
February.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
March.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
April.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
May.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
June.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
July.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
August.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
September.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
October.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
November.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
December.....	118,303	118,178	117,256	—	1,047	1,094	1,118	1,118	—	—
1944-January.....	178,333	178,208	177,286	—	1,047	1,094	1,118	1,118	—	—

Source: Daily Treasury Statements.

^{1/} Less than \$250,000.^{2/} For detailed statement of the public debt and guaranteed obligations, see following page.

Analysis of Issuance and Retirement of Public Debt

(In millions of dollars)

Fiscal year or month	Public debt receipts (Increase of public debt)					Public debt expenditures (Retirement of public debt)				
	Total	Cash ^{1/}	Certificates of indebtedness, special series ^{2/}	Alphabetical service bonds	Treasury profits less refund bonds	Er-changes	Special issues	Total	Cash ^{1/}	Certificates of indebtedness, special series ^{2/}
1934.....	27,015	26,096	—	—	—	—	919	26,996	—	—
1935.....	32,701	31,779	—	—	—	—	922	31,779	—	—
1936.....	38,372	37,450	—	—	—	—	922	37,450	—	—
1937.....	42,008	41,086	—	—	—	—	922	41,086	—	—
1938.....	46,058	45,136	—	—	—	—	922	45,136	—	—
1939.....	49,490	48,568	—	—	—	—	922	48,568	—	—
1940.....	52,922	51,999	—	—	—	—	922	51,999	—	—
1941.....	56,354	55,432	—	—	—	—	922	55,432	—	—
1942.....	59,786	58,864	—	—	—	—	922	58,864	—	—
1943.....	63,218	62,296	—	—	—	—	922	62,296	—	—
1944-January.....	118,178	117,256	—	—	—	—	922	117,256	—	—
February.....	118,178	117,256	—	—	—	—	922	117,256	—	—
March.....	118,178	117,256	—	—	—	—	922	117,256	—	—
April.....	118,178	117,256	—	—	—	—	922	117,256	—	—
May.....	118,178	117,256	—	—	—	—	922	117,256	—	—
June.....	118,178	117,256	—	—	—	—	922	117,256	—	—
July.....	118,178	117,256	—	—	—	—	922	117,256	—	—
August.....	118,178	117,256	—	—	—	—	922	117,256	—	—
September.....	118,178	117,256	—	—	—	—	922	117,256	—	—
October.....	118,178	117,256	—	—	—	—	922	117,256	—	—
November.....	118,178	117,256	—	—	—	—	922	117,256	—	—
December.....	118,178	117,256	—	—	—	—	922	117,256	—	—
1944-January.....	178,208	177,286	—	—	—	—	922	177,286	—	—

Source: Daily Treasury Statements.

^{1/} Less than \$250,000.^{2/} Includes certificates of indebtedness, special series.^{3/} Details of special series of certificates of indebtedness issued directly and solely to Federal Reserve Bank.

Detailed Statement of the Public Debt and Guaranteed Obligations of the United States Government

(In millions of dollars)

Public debt and guaranteed obligations ^{1/}	End of fiscal year			End of month											
	1941	1942	1943	1944											
				Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Public debt and guaranteed obligations ^{1/}															
Interest-bearing debt:															
Public debt:	46,347	52,922	59,786	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218
Guaranteed obligations:	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123
Total:	47,470	54,045	60,909	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341
Natural debt and debt bearing no interest:	136	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099
Total outstanding:	47,606	55,144	62,008	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440
Interest-bearing debt:															
Public debt:	46,347	52,922	59,786	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218
Guaranteed obligations:	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123
Total:	47,470	54,045	60,909	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341
Natural debt and debt bearing no interest:	136	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099
Total outstanding:	47,606	55,144	62,008	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440
Interest-bearing debt:															
Public debt:	46,347	52,922	59,786	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218
Guaranteed obligations:	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123
Total:	47,470	54,045	60,909	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341
Natural debt and debt bearing no interest:	136	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099
Total outstanding:	47,606	55,144	62,008	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440
Interest-bearing debt:															
Public debt:	46,347	52,922	59,786	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218	63,218
Guaranteed obligations:	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123
Total:	47,470	54,045	60,909	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341	64,341
Natural debt and debt bearing no interest:	136	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099
Total outstanding:	47,606	55,144	62,008	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440	65,440

Source: Daily Treasury Statements.

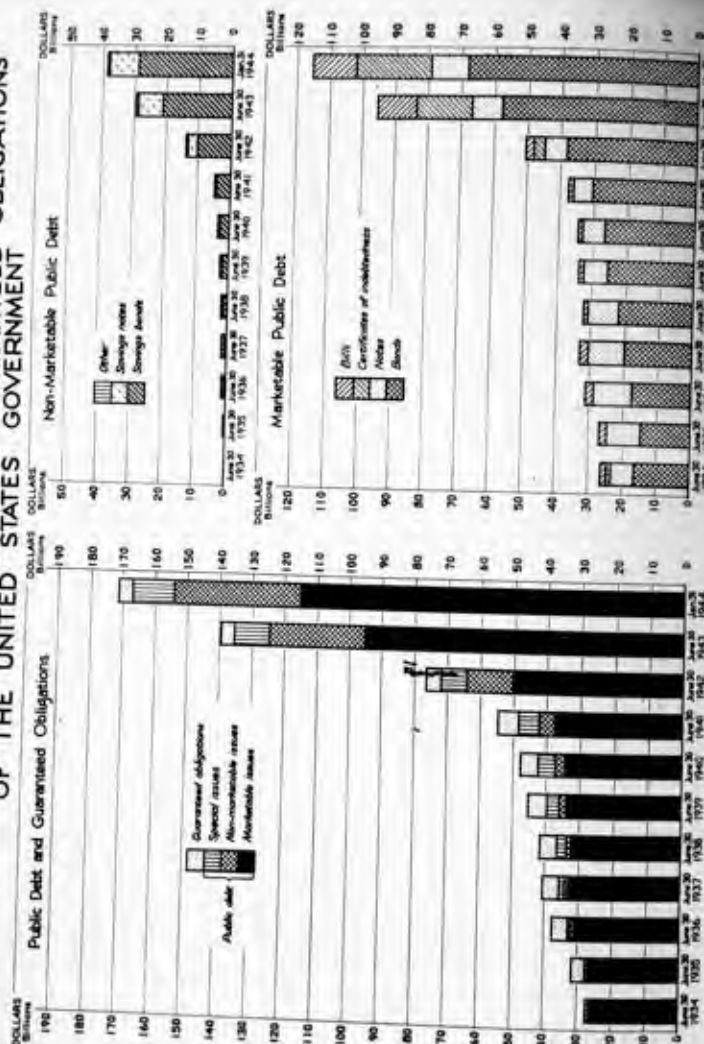
^{1/} Less than \$250,000.^{2/} Includes programs in securities listed February 1, 1944 and offered as part of the Fourth War Loan.^{3/} Natural obligations.

Also guaranteed as to interest only are not included in this table.

Includes programs in securities listed February 1, 1944 and offered as part of the Fourth War Loan.

Natural obligations.

INTEREST-BEARING PUBLIC DEBT AND GUARANTEED OBLIGATIONS OF THE UNITED STATES GOVERNMENT



Treasury Bulletin

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Composition of the Interest-Bearing Public Debt

End of Fiscal year or month	Interest-bearing public debt outstanding (In millions of dollars)										Percent of interest-bearing public debt					
	Public issues										Public issues					
	Bonds					Special issues					Bonds					
	Marketable	Non-marketable	Marketable	Non-marketable	Certificates of indebtedness	Marketable	Non-marketable	Marketable	Non-marketable	Special issues	Marketable	Non-marketable	Marketable	Non-marketable	Certificates of indebtedness	Special issues
1934-January	26,460	15,510	-	6,093	-	1,547	1,404	100.0	62.4	-	62.4	-	39.4	-	5.1	5.1
1934-July	27,000	15,870	62	10,023	-	-	2,053	100.0	13.8	-	-	-	26.3	-	-	2.3
1934-October	30,989	17,368	1,281	11,361	-	-	2,304	100.0	15.6	-	-	-	26.3	-	-	2.3
1934-December	30,800	20,134	1,188	10,617	-	-	2,301	100.0	15.6	-	-	-	26.3	-	-	2.3
1935-January	34,176	22,043	1,356	9,147	-	-	1,154	100.0	16.0	-	-	-	26.3	-	-	2.3
1935-July	29,886	20,428	2,151	7,093	-	-	1,308	100.0	16.0	-	-	-	26.3	-	-	2.3
1935-October	32,116	20,791	7,166	6,983	-	-	1,308	100.0	16.0	-	-	-	26.3	-	-	2.3
1935-December	34,387	20,411	4,999	6,998	-	-	1,308	100.0	16.0	-	-	-	26.3	-	-	2.3
1936-January	31,564	24,281	10,466	6,689	3,015	1,096	2,908	100.0	16.0	-	-	-	26.3	-	-	2.3
1936-July	33,386	27,716	21,704	5,168	7,495	14,266	10,871	100.0	16.0	-	-	-	26.3	-	-	2.3
1936-October	110,034	49,469	16,607	8,855	4,796	20,791	7,487	100.0	16.0	-	-	-	26.3	-	-	2.3
1936-December	112,831	49,469	17,139	8,855	7,126	21,161	8,232	100.0	16.0	-	-	-	26.3	-	-	2.3
1937-January	114,087	49,469	18,276	9,737	7,402	21,381	9,076	100.0	16.0	-	-	-	26.3	-	-	2.3
1937-July	128,043	55,387	19,573	9,737	7,783	15,194	10,944	100.0	16.0	-	-	-	26.3	-	-	2.3
1937-October	134,075	58,131	20,332	9,737	8,153	15,194	10,944	100.0	16.0	-	-	-	26.3	-	-	2.3
1937-December	135,180	57,716	21,704	9,168	7,495	16,261	11,654	100.0	16.0	-	-	-	26.3	-	-	2.3
1938-January	140,238	57,716	22,891	11,879	7,878	16,561	12,460	100.0	16.0	-	-	-	26.3	-	-	2.3
1938-July	142,715	57,716	23,176	11,879	7,703	17,497	12,884	100.0	16.0	-	-	-	26.3	-	-	2.3
1938-October	157,953	65,060	25,060	11,594	8,931	21,134	13,094	100.0	16.0	-	-	-	26.3	-	-	2.3
1938-December	153,589	64,048	26,662	11,594	9,109	21,134	13,094	100.0	16.0	-	-	-	26.3	-	-	2.3
1939-January	158,781	64,048	27,114	11,594	9,278	21,134	13,094	100.0	16.0	-	-	-	26.3	-	-	2.3
1939-July	164,508	64,048	27,588	11,579	9,588	21,134	13,094	100.0	16.0	-	-	-	26.3	-	-	2.3
1939-October	167,043	67,944	29,547	11,175	9,348	21,134	13,094	100.0	16.0	-	-	-	26.3	-	-	2.3

Source: Daily Treasury Statements.

Guaranteed Obligations Held by the Treasury^{1/}

(In millions of dollars)

End of Fiscal year or month	Total	Commodity Credit Corporation	Federal Farm Mortgage Corporation	Federal Public Housing Authority	New Owners' Loan Corporation	Reconstruction Finance Corporation	Massachusetts Valley Authority
1934-January	3,295	-	-	-	-	3,295	-
1934-July	3,095	-	-	-	-	3,095	-
1934-October	4,030	-	-	-	-	4,030	-
1934-December	3,630	-	-	-	-	3,630	-
1935-January	883	-	-	-	-	883	-
1935-July	873	10	-	-	-	863	-
1935-October	304	25	-	-	-	279	-
1935-December	308	140	-	-	-	168	-
1936-January	4,079	263	-	-	-	3,816	-
1936-July	7,335	1,990	-	-	-	5,345	-
1936-October	3,988	665	-	-	-	3,323	-
1936-December	5,200	750	-	-	-	4,450	-
1937-January	5,142	800	-	-	-	4,342	-
1937-July	6,152	750	-	-	-	5,402	-
1937-October	5,257	750	-	-	-	4,507	-
1937-December	7,535	1,990	-	-	-	5,545	-
1938-January	7,063	700	-	-	-	6,363	-
1938-July	7,130	700	-	-	-	6,430	-
1938-October	7,310	700	-	-	-	6,610	-
1938-December	7,577	700	-	-	-	6,877	-
1939-January	7,580	800	-	-	-	6,780	-
1939-July	7,593	800	-	-	-	6,793	-
1939-October	8,046	900	-	-	-	7,146	-

Source: Daily Treasury Statements.
1/ Less than \$500,000.

^{1/} These securities are not included in preceding statements of guaranteed obligations outstanding.

Computed Interest Charge and Computed Interest Rate on the Public Debt and Guaranteed Obligations of the United States Government

(In millions of dollars)

End of fiscal year or month	Public debt and guaranteed obligations			Public debt 1/			Guaranteed obligations 2/		
	Interest-bearing debt outstanding	Computed annual interest charge	Computed annual rate of interest (Percent)	Interest-bearing debt outstanding	Computed annual interest charge	Computed annual rate of interest (Percent)	Interest-bearing debt outstanding	Computed annual interest charge	Computed annual rate of interest (Percent)
1934.....	27,142	855	3.15	25,340	842	3.33	621	12	1.93
1935.....	35,756	853	2.38	27,045	751	2.75	4,123	12	0.29
1936.....	37,157	870	2.34	27,995	695	2.49	4,718	12	0.26
1937.....	40,455	1,047	2.59	28,800	705	2.45	4,460	12	0.27
1938.....	41,408	1,064	2.57	28,576	747	2.62	4,405	12	0.27
1939.....	44,556	1,149	2.58	29,885	1,037	3.47	4,460	12	0.27
1940.....	47,874	1,203	2.51	28,576	1,025	3.59	4,460	12	0.27
1941.....	54,747	1,325	2.42	28,576	1,025	3.59	4,460	12	0.27
1942.....	76,517	2,709	3.54	28,576	1,025	3.59	4,460	12	0.27
1943.....	139,479	2,769	1.99	335,580	2,679	0.79	4,092	41	1.04
1943-January.....	114,303	2,735	2.40	310,026	2,894	0.93	4,277	42	1.30
February.....	117,124	2,811	2.40	312,893	2,938	0.94	4,277	42	1.30
March.....	118,937	2,828	2.37	314,867	2,934	0.93	4,277	42	1.30
April.....	121,006	2,895	2.39	320,643	2,959	0.92	4,363	42	1.30
May.....	124,727	2,763	2.22	324,679	2,843	0.88	4,363	42	1.30
June.....	127,479	2,739	2.15	325,340	2,873	0.88	4,363	42	1.30
July.....	144,020	2,840	1.97	320,238	2,763	0.86	3,789	77	2.03
August.....	146,695	2,892	1.96	324,701	2,802	0.86	3,789	78	2.03
September.....	147,058	2,849	1.93	327,093	2,875	0.88	3,789	79	2.03
October.....	147,701	2,853	1.93	327,989	2,873	0.88	4,113	80	1.94
November.....	148,325	2,853	1.93	328,745	2,873	0.88	4,113	80	1.94
December.....	148,732	2,858	1.93	329,558	2,873	0.88	4,113	80	1.94
1944-January.....	171,318	3,354	1.95	347,643	3,473	0.99	4,409	81	1.84

Source: Daily Treasury Statements.

1/ Treasury bills are included in interest-bearing debt figures at face amount, but for purposes of calculating the computed annual interest charge and the computed rate of interest, the current value is used. For the purpose of computing the annual interest charge and rate of interest on United States savings bonds, Series J and are considered to yield 2.50 percent per annum and Series F is considered to yield 2.50 percent.

2/ Guaranteed securities sold directly to the Treasury, and some-

prices guaranteed as to interest only, are not included in this table.

Maturity Schedule of Interest-Bearing Public Marketable Securities Issued or Guaranteed by the United States Government
As of January 31, 1944

(In millions of dollars)

Year and month	Description of security 1/	Detailed annual maturities		Total annual maturities	
		Fixed-maturity issues	Variable issues classified by year of:	Fixed-maturity issues plus variable issues classified by year of first call	Fixed-maturity issues plus variable issues classified by year of first maturity
			First call	First maturity	
1944.....	Treasury bills.....	13,121			
Feb.....	1-1/2% SPSA note - 2/1/44.....	124			
Feb.....	7/8% Cert. of Indebt. - 2/1/44.....	2,411			
Mar.....	2% Treasury note - 3/1/44.....	519			
Mar.....	3-1/2% SPSA bond - 3/1/44.....	75			
Apr.....	7/8% Cert. of Indebt. - 4/1/44.....	5,255			
Apr.....	1% SPSA note - 4/1/44.....	771			
Apr.....	5-1/4% Treasury bond - 4/1/44.....	1,323			
May.....	7/8% Cert. of Indebt. - 5/1/44.....	1,409			
May.....	3% SPSA note - 5/1/44.....	778			
May.....	3% SPSA bond - 5/1/44.....	825			
June.....	7/8% Cert. of Indebt. - 6/1/44.....	815			
June.....	7/8% Cert. of Indebt. - 6/1/44.....	2,968			
July.....	7/8% Cert. of Indebt. - 7/1/44.....	4,123			
July.....	3% Treasury note - 7/1/44.....	893			
Aug.....	7/8% Cert. of Indebt. - 8/1/44.....	639			
Aug.....	7/8% Cert. of Indebt. - 8/1/44.....	3,559			
Sept.....	7/8% Cert. of Indebt. - 9/1/44.....	3,590			
Oct.....	7/8% Cert. of Indebt. - 10/1/44.....	3,590			
Nov.....	7/8% Cert. of Indebt. - 11/1/44.....	3,590			
Dec.....	7/8% Cert. of Indebt. - 12/1/44.....	3,590			
Total.....		39,397	2,745		
1945-Jan.....	1% SPSA note - 1/1/45.....	390			
Jan.....	1% SPSA note - 1/1/45.....	170			
Jan.....	1% SPSA note - 1/1/45.....	10			
Feb.....	1-1/2% CCC note - 2/1/45.....	412			
Feb.....	1-1/2% Treasury note - 2/1/45.....	718			
Mar.....	1-1/2% Treasury note - 3/1/45.....	1,068			
June.....	1-1/2% SPSA bond - 6/1/45.....	796			
Sept.....	2-1/2% Treasury bond - 9/1/45.....	1,215			
Dec.....	2-1/2% Treasury bond - 12/1/45.....	942			
Dec.....	1-1/2% Treasury note - 12/1/45.....	931			
Total.....		4,500	1,999		
1946-Jan.....	1% Conversion bond - 1/1/46.....	14			
Jan.....	1% Treasury note - 1/1/46.....	303			
Mar.....	1-1/2% Treasury bond - 3/1/46.....	449			
June.....	1-1/2% Treasury bond - 6/1/46.....	1,036			
June.....	1-1/2% Treasury bond - 6/1/46.....	819			
Dec.....	1-1/2% Treasury note - 12/1/46.....	3,263			
Total.....		5,779	2,364		
1947-Jan.....	1% Conversion bond - 1/1/47.....	13			
June.....	1-1/2% SPSA bond - 6/1/47.....	796			
Sept.....	2-1/2% Treasury bond - 9/1/47.....	1,254			
Sept.....	1-1/2% Treasury note - 9/1/47.....	2,707			
Oct.....	4-1/2% Treasury bond - 10/1/47.....	798			
Dec.....	2% Treasury bond - 12/1/47.....	705			
Total.....		5,425	750	1,999	
1948-Mar.....	2% Treasury bond - 3/1/48.....	3,115			
Mar.....	2-1/2% Treasury bond - 3/1/48.....	3,053			
June.....	2-1/2% Treasury bond - 6/1/48.....	1,036			
Sept.....	2-1/2% Treasury bond - 9/1/48.....	1,036			
Dec.....	2% Treasury bond - 12/1/48.....	875			
Total.....		9,115	2,950	1,999	

(Continued on following page)

Regraded Unclassified

Offerings of Marketable Issues of Treasury Bonds, Notes, and Certificates of Indebtedness

Since January 1, 1940

(in millions of dollars)

February 1944

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Offerings and Maturities of Treasury Bills

Table 1.-Description of Treasury Bill Offerings and Amount of Maturities

(amount in millions of dollars)

Date of issue	Date of maturity	Description of new Treasury security				Amount issued				Description of security									
		Series	Rate	Term	Yield	To call	To maturity	Total	Per month	Per year	Public debt outstanding	Class of security	Coupon rate (percent)	Call and maturity	Date of issue				
Offerings in 1940																			
1/23	1/23	1/15/40	3 1/4	T	1/15/40	-	-	1 1/2	535	535	-	-	5	-	2.78	Treas. bond	1-1/2	1/15/40	1/15/40
2/25	2/25	2/15/40	3 1/4	T	2/15/40	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	2/15/40	2/15/40
3/19	3/19	3/15/40	3 1/4	T	3/15/40	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	3/15/40	3/15/40
5/22	5/22	5/15/40	3 1/4	T	5/15/40	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	5/15/40	5/15/40
7/22	7/22	7/15/40	3 1/4	T	7/15/40	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	7/15/40	7/15/40
10/19	10/19	10/15/40	3 1/4	T	10/15/40	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	10/15/40	10/15/40
12/13	12/13	12/15/40	3 1/4	T	12/15/40	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/40	12/15/40
12/13	12/13	12/15/40	3 1/4	T	12/15/40	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/40	12/15/40
Offerings in 1941																			
1/11	1/11	1/15/41	3 1/4	T	1/15/41	-	-	1 1/2	535	535	-	-	5	-	-	Treas. bond	1-1/2	1/15/41	1/15/41
2/15	2/15	2/15/41	3 1/4	T	2/15/41	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	2/15/41	2/15/41
4/15	4/15	4/15/41	3 1/4	T	4/15/41	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	4/15/41	4/15/41
6/15	6/15	6/15/41	3 1/4	T	6/15/41	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	6/15/41	6/15/41
8/15	8/15	8/15/41	3 1/4	T	8/15/41	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	8/15/41	8/15/41
10/15	10/15	10/15/41	3 1/4	T	10/15/41	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	10/15/41	10/15/41
12/15	12/15	12/15/41	3 1/4	T	12/15/41	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/41	12/15/41
12/15	12/15	12/15/41	3 1/4	T	12/15/41	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/41	12/15/41
Offerings in 1942																			
1/11	1/11	1/15/42	3 1/4	T	1/15/42	-	-	1 1/2	535	535	-	-	5	-	-	Treas. bond	1-1/2	1/15/42	1/15/42
2/15	2/15	2/15/42	3 1/4	T	2/15/42	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	2/15/42	2/15/42
4/15	4/15	4/15/42	3 1/4	T	4/15/42	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	4/15/42	4/15/42
6/15	6/15	6/15/42	3 1/4	T	6/15/42	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	6/15/42	6/15/42
8/15	8/15	8/15/42	3 1/4	T	8/15/42	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	8/15/42	8/15/42
10/15	10/15	10/15/42	3 1/4	T	10/15/42	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	10/15/42	10/15/42
12/15	12/15	12/15/42	3 1/4	T	12/15/42	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/42	12/15/42
12/15	12/15	12/15/42	3 1/4	T	12/15/42	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/42	12/15/42
Offerings in 1943																			
1/11	1/11	1/15/43	3 1/4	T	1/15/43	-	-	1 1/2	535	535	-	-	5	-	-	Treas. bond	1-1/2	1/15/43	1/15/43
2/15	2/15	2/15/43	3 1/4	T	2/15/43	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	2/15/43	2/15/43
4/15	4/15	4/15/43	3 1/4	T	4/15/43	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	4/15/43	4/15/43
6/15	6/15	6/15/43	3 1/4	T	6/15/43	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	6/15/43	6/15/43
8/15	8/15	8/15/43	3 1/4	T	8/15/43	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	8/15/43	8/15/43
10/15	10/15	10/15/43	3 1/4	T	10/15/43	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	10/15/43	10/15/43
12/15	12/15	12/15/43	3 1/4	T	12/15/43	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/43	12/15/43
12/15	12/15	12/15/43	3 1/4	T	12/15/43	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/43	12/15/43
Offerings in 1944																			
1/11	1/11	1/15/44	3 1/4	T	1/15/44	-	-	1 1/2	535	535	-	-	5	-	-	Treas. bond	1-1/2	1/15/44	1/15/44
2/15	2/15	2/15/44	3 1/4	T	2/15/44	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	2/15/44	2/15/44
4/15	4/15	4/15/44	3 1/4	T	4/15/44	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	4/15/44	4/15/44
6/15	6/15	6/15/44	3 1/4	T	6/15/44	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	6/15/44	6/15/44
8/15	8/15	8/15/44	3 1/4	T	8/15/44	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	8/15/44	8/15/44
10/15	10/15	10/15/44	3 1/4	T	10/15/44	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	10/15/44	10/15/44
12/15	12/15	12/15/44	3 1/4	T	12/15/44	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/44	12/15/44
12/15	12/15	12/15/44	3 1/4	T	12/15/44	-	-	2	30	30	-	-	5	-	-	Treas. bond	1-1/2	12/15/44	12/15/44

Note: Figures for period between July 1, 1937 and December 31, 1939 are

Annual Report of the Secretary of the Treasury for 1940, pp. 55-56.

† Preliminary.

‡ A complete record of market clearing operations conducted by the

Treasury for auction clearing operations conducted by the United

States may be found in the July 1944 issue of the "Treasury Bulletin", page 6.

§ Issued primarily for refunding maturing security.

Unless otherwise indicated, each offering was at par.

The amounts shown in this column were sold to Government (invested

amounts direct from accounts not held for this purpose.

Additional offerings of par of security already outstanding.

Proceeds of payment of maturing security applied to payment for new

issues - to effect an exchange and so treated in this column.

Certificates of Indebtedness.

Issued primarily for refunding maturing security.

(Amount in millions of dollars)									
Date of issue		Maturity date	Number of days to maturity	Amount of bills tendered	Amount of bills accepted			Amount of unexpired bills (as of date of issue when first column)	Total bills outstanding (as of date of issue when first column)
					Total amount	Amount at competitive bid	Amount on fixed-price basis		
1943-Jan. 6	1943-Apr. 7	91	1,082.5	605.1	605.1	-----	605.1	6,827.5	
Jan. 13	Apr. 14	91	1,082.7	605.5	601.5	-----	601.5	6,829.0	
Jan. 20	Apr. 21	91	1,204.7	702.5	702.5	-----	702.5	6,951.5	
Jan. 27	Apr. 28	91	1,051.7	702.2	702.2	-----	702.2	6,949.4	
Feb. 3	May 5	91	1,501.4	701.9	701.9	-----	701.9	7,146.4	
Feb. 10	May 12	91	1,504.9	701.8	701.8	-----	701.8	7,150.8	
Feb. 17	May 19	91	1,114.7	701.0	701.0	-----	701.0	6,951.4	
Feb. 24	May 26	91	1,059.7	700.8	700.8	-----	700.8	6,951.9	
Mar. 3	June 2	91	1,194.5	701.1	701.1	-----	701.1	7,146.4	
Mar. 10	June 9	91	1,144.3	701.1	701.1	-----	701.1	7,150.8	
Mar. 17	June 16	91	1,268.7	802.8	802.8	-----	802.8	7,150.7	
Mar. 24	June 23	91	1,079.9	802.1	802.1	-----	802.1	7,150.7	
Mar. 31	June 30	91	1,011.1	805.1	805.1	-----	805.1	7,150.4	
Apr. 7	July 7	91	1,104.1	804.7	804.7	-----	804.7	7,149.9	
Apr. 14	July 14	91	1,179.4	805.0	805.0	-----	805.0	7,149.9	
Apr. 21	July 21	91	1,049.7	804.7	804.7	-----	804.7	7,149.9	
Apr. 28	July 28	91	1,095.8	803.8	803.8	-----	803.8	7,149.9	
May 5	Aug. 4	91	1,586.6	901.8	901.8	-----	901.8	10,294.9	
May 12	Aug. 12	92	1,599.3	907.0	826.4	88.6	826.4	10,242.3	
May 19	Aug. 19	92	1,668.7	907.8	811.0	96.8	811.0	10,242.3	
May 26	Aug. 26	92	1,178.7	905.4	852.0	53.4	852.0	10,252.3	
June 2	Sept. 2	92	1,321.5	906.0	861.7	44.3	861.7	11,091.7	
June 9	Sept. 9	92	1,457.2	904.7	820.2	84.5	820.2	11,184.1	
June 16	Sept. 16	92	1,469.5	1,005.5	981.3	24.2	981.3	11,189.4	
June 23	Sept. 23	92	1,174.6	1,005.1	979.1	26.0	979.1	11,189.4	
June 30	Sept. 30	92	1,306.8	1,005.8	984.9	20.9	984.9	11,189.3	
July 7	Oct. 7	92	1,176.4	1,003.1	963.5	39.6	963.5	12,267.2	
July 14	Oct. 14	92	1,195.5	1,003.8	972.8	31.0	972.8	12,267.7	
July 21	Oct. 21	92	1,520.1	1,003.7	933.0	70.7	933.0	12,267.7	
July 28	Oct. 28	92	1,173.8	1,003.8	959.0	44.8	959.0	12,267.4	
Aug. 4	Nov. 4	92	1,508.5	1,005.8	968.5	37.4	968.5	12,267.8	
Aug. 12	Nov. 12	92	1,413.0	994.7	932.9	61.8	932.9	12,267.8	
Aug. 19	Nov. 19	91	1,520.5	1,005.1	974.0	31.1	974.0	12,267.8	
Aug. 26	Nov. 26	92	1,477.9	1,005.0	974.0	33.9	974.0	12,267.8	
Sept. 2	Dec. 2	91	1,177.6	1,003.8	962.3	41.5	962.3	12,267.1	
Sept. 9	Dec. 9	91	1,261.9	1,004.9	950.4	51.5	950.4	13,016.6	
Sept. 16	Dec. 16	91	1,415.4	1,004.8	932.2	73.6	932.2	13,016.6	
Sept. 23	Dec. 23	91	1,498.8	1,017.1	963.9	53.2	963.9	13,016.6	
Sept. 30	Dec. 30	91	1,337.7	1,003.0	961.9	41.1	961.9	13,016.6	
Oct. 7	1944-Jan. 6	91	1,139.5	1,006.9	970.1	36.4	1,006.9	13,016.6	
Oct. 14	Jan. 13	91	1,184.8	1,006.9	970.1	41.8	1,006.9	13,016.6	
Oct. 21	Jan. 20	91	1,413.5	1,006.8	940.3	77.2	1,006.8	13,016.6	
Oct. 28	Jan. 27	91	1,188.5	1,006.1	940.3	78.2	1,006.8	13,016.6	
Nov. 4	Feb. 3	91	1,242.7	1,002.6	934.8	67.9	1,002.6	13,016.6	
Nov. 12	Feb. 10	90	1,467.3	1,009.7	942.1	75.6	999.7	13,017.1	
Nov. 19	Feb. 17	91	1,221.6	1,002.3	930.0	72.3	1,002.3	13,017.1	
Nov. 26	Feb. 24	90	1,602.8	1,002.0	930.0	72.8	1,002.0	13,017.1	
Dec. 3	Mar. 2	91	1,044.2	1,006.4	962.9	83.5	1,006.4	13,017.1	
Dec. 10	Mar. 9	91	1,054.3	1,011.4	967.8	83.5	1,009.3	13,016.6	
Dec. 17	Mar. 16	91	1,816.0	1,000.0	934.4	65.6	1,002.6	13,017.1	
Dec. 24	Mar. 23	91	1,791.7	1,005.5	940.0	65.5	1,002.6	13,017.1	
Dec. 31	Mar. 30	91	1,171.8	1,001.3	969.0	32.3	1,002.0	13,017.1	
1944-Jan. 6	Apr. 6	91	2,298.5	1,018.8	955.7	63.1	1,006.8	13,017.1	
Jan. 13	Apr. 13	91	2,173.7	1,017.1	947.8	27.9	1,009.7	13,017.1	
Jan. 20	Apr. 20	91	2,272.5	1,017.2	957.7	59.8	1,000.8	13,017.1	
Jan. 27	Apr. 27	91	2,393.5	1,015.9	971.0	44.9	1,008.1	13,017.1	

Source: Data on new issues from Public Debt Service; amount of

maturing issues and total bills outstanding are in Daily

Treasury Statement Basis.

Note: Figures are Annual Reports of the Secretary of the Treasury.

1/ Commencing with the offering of Treasury Bills dated

May 12, 1941, tenders for \$114 in the amount of \$100.00

or less from any and all sources have been accepted in full at

a fixed price of 99.95 per hundred.

Offerings and Maturities of Treasury Bills - (Continued)

Table 2.- Prices and Rates of Treasury Bill Offerings

Date of issue	Total bids accepted		Competitive bids accepted			
	Average price per hundred	Equivalent average rate $\frac{1}{2}$	High		Low	
			Price per hundred	Equivalent rate $\frac{1}{2}$	Price per hundred	Equivalent rate $\frac{1}{2}$
		(Percent)		(Percent)		(Percent)
1947-Jan. 8.....	99.910	0.357	99.905 $\frac{1}{2}$	0.357	99.907	0.356
Jan. 15.....	99.908	0.353	99.900	0.371	99.907	0.356
Jan. 20.....	99.907	0.356	99.900	0.373	99.906	0.373
Jan. 27.....	99.908	0.370	99.900	0.371	99.905	0.375
Feb. 3.....	99.907	0.369	99.905	0.357	99.906	0.372
Feb. 10.....	99.906	0.378	99.900	0.371	99.905	0.376
Feb. 17.....	99.905	0.377	99.905	0.357	99.905	0.376
Feb. 24.....	99.904	0.374	99.905	0.377	99.905	0.376
Mar. 3.....	99.907	0.369	99.910	0.277	99.905	0.375
Mar. 10.....	99.906	0.371	99.910	0.277	99.905	0.375
Mar. 17.....	99.906	0.373	99.905	0.357	99.905	0.376
Mar. 24.....	99.905	0.373	99.905	0.357	99.905	0.376
Mar. 31.....	99.904	0.374	99.905	0.357	99.905	0.376
Apr. 7.....	99.905	0.374	99.905	0.357	99.905	0.375
Apr. 14.....	99.905	0.373	99.905	0.357	99.905	0.375
Apr. 21.....	99.905	0.371	99.905	0.357	99.905	0.375
Apr. 28.....	99.905	0.370	99.905	0.357	99.905	0.375
May 5.....	99.906	0.373	99.905	0.357	99.905	0.375
May 12.....	99.905	0.373	99.905	0.357	99.905	0.375
May 19.....	99.905	0.371	99.910	0.352	99.904	0.375
May 26.....	99.905	0.373	99.905	0.352	99.904	0.375
June 2.....	99.905	0.374	99.910	0.352	99.904	0.375
June 9.....	99.904	0.374	99.913	0.340	99.904	0.375
June 16.....	99.905	0.374	99.910	0.352	99.904	0.375
June 23.....	99.904	0.374	99.910	0.352	99.904	0.375
June 30.....	99.904	0.374	99.910	0.352	99.904	0.375
July 7.....	99.904	0.375	99.910	0.352	99.904	0.375
July 14.....	99.904	0.374	99.909	0.353	99.904	0.375
July 21.....	99.905	0.376	99.910	0.352	99.904	0.375
July 28.....	99.904	0.374	99.910	0.352	99.904	0.375
Aug. 4.....	99.904	0.374	99.909	0.355	99.904	0.375
Aug. 11.....	99.904	0.374	99.910	0.354	99.904	0.375
Aug. 18.....	99.905	0.375	99.909	0.355	99.905	0.375
Aug. 25.....	99.904	0.374	99.911	0.348	99.904	0.375
Sept. 1.....	99.905	0.375	99.905	0.357	99.905	0.375
Sept. 8.....	99.905	0.375	99.909	0.350	99.905	0.375
Sept. 15.....	99.904	0.374	99.911	0.352	99.905	0.375
Sept. 22.....	99.904	0.374	99.910	0.352	99.905	0.375
Sept. 29.....	99.905	0.375	99.909	0.353	99.905	0.375
Oct. 6.....	99.905	0.375	99.905	0.357	99.905	0.375
Oct. 13.....	99.905	0.375	99.905	0.357	99.905	0.375
Oct. 20.....	99.905	0.375	99.905	0.357	99.905	0.375
Oct. 27.....	99.905	0.375	99.905	0.357	99.905	0.375
Nov. 3.....	99.905	0.375	99.915	0.340	99.905	0.375
Nov. 10.....	99.905	0.376	99.915	0.340	99.905	0.375
Nov. 17.....	99.905	0.375	99.915	0.340	99.905	0.375
Nov. 24.....	99.905	0.376	99.910	0.357	99.905	0.375
Dec. 1.....	99.905	0.375	99.905 $\frac{1}{2}$	0.357	99.905	0.375
Dec. 8.....	99.905	0.375	99.910	0.356	99.905	0.375
Dec. 15.....	99.905	0.375	99.905	0.357	99.905	0.375
Dec. 22.....	99.905	0.375	99.905	0.357	99.905	0.375
Dec. 29.....	99.905	0.375	99.905	0.357	99.905	0.375
1948-Jan. 5.....	99.905	0.373	99.915	0.336	99.905	0.375
Jan. 12.....	99.905	0.374	99.905	0.357	99.905	0.375
Jan. 19.....	99.905	0.374	99.905	0.357	99.905	0.375
Jan. 26.....	99.905	0.374	99.905	0.357	99.905	0.375
Jan. 30.....	99.905	0.374	99.905	0.357	99.905	0.375

Source: Public Debt Service.
 Each figure: Annual Report of the Secretary of the Treasury.
 $\frac{1}{2}$ Bank clearance basis.

$\frac{1}{2}$ Receipt \$4,000 at 99.940.
 $\frac{1}{2}$ Receipt \$10,000 at 99.955.

Sales of United States Savings Bonds

Table 1.- Summary of Sales and Redemptions, by Series

(In billions of dollars)

Fiscal year or month	Amount outstanding at fiscal year or month $\frac{1}{2}$	Net change during fiscal year or month	Analysis of net change					
			Gross sales			Redemptions		
			Total funds received	Adjustment of value reported to funds received $\frac{1}{2}$	Sales reported $\frac{1}{2}$	Net of redemption values	Total	Original premium price $\frac{1}{2}$	Interest earned $\frac{1}{2}$
All series $\frac{1}{2}$								
1935.....	62.0	+62.0	62.6	-	62.6	-	.5	.5
1936.....	316.1	+254.1	254.0	-	254.0	1.2	11.1	11.1
1937.....	799.6	+483.0	512.6	-	512.6	7.4	28.2	28.2
1938.....	1,271.7	+472.0	647.5	-	647.5	17.1	66.2	66.2
1939.....	1,864.1	+450.5	606.5	-	606.5	28.0	80.0	80.0
1940.....	2,904.7	+1,036.2	1,106.7	-	1,106.7	82.1	112.4	112.4
1941.....	4,324.0	+1,409.3	1,402.4	-69.1	1,333.3	66.5	184.1	184.1
1942.....	10,148.4	+5,774.2	3,774.2	-12.4	3,761.8	87.2	300.9	300.9
1943.....	21,258.8	+11,046.4	11,744.7	+111.1	11,633.6	127.4	341.5	341.5
1943-January.....	15,044.1	+1,194.3	1,240.4	+7.8	1,232.6	18.4	62.4	62.4
February.....	17,067.5	+621.4	847.4	+7	840.5	10.5	75.4	75.4
March.....	17,895.7	+813.2	944.3	+6.7	937.6	10.8	131.2	131.2
April.....	19,067.0	+1,376.3	1,464.7	-73.5	1,391.2	9.4	108.1	108.1
May.....	20,507.4	+1,490.4	1,335.4	+73.5	1,261.9	9.4	103.3	103.3
June.....	21,258.8	+746.8	875.0	+69.5	805.5	10.4	141.1	141.1
July.....	22,030.2	+774.1	889.7	-15.7	874.0	22.4	132.2	132.2
August.....	22,030.2	+663.3	801.7	+48.1	753.6	13.4	121.4	121.4
September.....	24,374.4	+1,749.9	1,305.6	+135.7	1,170.0	13.4	125.3	125.3
October.....	25,095.0	+1,577.4	1,708.2	-53.8	1,654.4	13.1	143.7	143.7
November.....	26,097.0	+601.0	708.1	+48.5	659.6	13.4	125.5	125.5
December.....	27,364.4	+601.0	653.0	+52.8	600.2	13.4	106.9	106.9
1944-January.....	28,905.0	+1,536.2	1,624.4	+68.2	1,556.2	27.7	127.8	127.8
Series A-D								
1935.....	62.0	+62.0	62.6	-	62.6	-	.5	.5
1936.....	316.1	+254.1	254.0	-	254.0	1.2	11.1	11.1
1937.....	799.6	+483.0	512.6	-	512.6	7.4	28.2	28.2
1938.....	1,271.7	+472.0	647.5	-	647.5	17.1	66.2	66.2
1939.....	1,864.1	+450.5	606.5	-	606.5	28.0	80.0	80.0
1940.....	2,904.7	+1,036.2	1,106.7	-	1,106.7	82.1	112.4	112.4
1941.....	4,324.0	+1,409.3	1,402.4	-69.1	1,333.3	66.5	184.1	184.1
1942.....	10,148.4	+5,774.2	3,774.2	-12.4	3,761.8	87.2	300.9	300.9
1943.....	21,258.8	+11,046.4	11,744.7	+111.1	11,633.6	127.4	341.5	341.5
1943-January.....	15,044.1	+1,194.3	1,240.4	+7.8	1,232.6	18.4	62.4	62.4
February.....	17,067.5	+621.4	847.4	+7	840.5	10.5	75.4	75.4
March.....	17,895.7	+813.2	944.3	+6.7	937.6	10.8	131.2	131.2
April.....	19,067.0	+1,376.3	1,464.7	-73.5	1,391.2	9.4	108.1	108.1
May.....	20,507.4	+1,490.4	1,335.4	+73.5	1,261.9	9.4	103.3	103.3
June.....	21,258.8	+746.8	875.0	+69.5	805.5	10.4	141.1	141.1
July.....	22,030.2	+774.1	889.7	-15.7	874.0	22.4	132.2	132.2
August.....	22,030.2	+663.3	801.7	+48.1	753.6	13.4	121.4	121.4
September.....	24,374.4	+1,749.9	1,305.6	+135.7	1,170.0	13.4	125.3	125.3
October.....	25,095.0	+1,577.4	1,708.2	-53.8	1,654.4	13.1	143.7	143.7
November.....	26,097.0	+601.0	708.1	+48.5	659.6	13.4	125.5	125.5
December.....	27,364.4	+601.0	653.0	+52.8	600.2	13.4	106.9	106.9
1944-January.....	28,905.0	+1,536.2	1,624.4	+68.2	1,556.2	27.7	127.8	127.8

(Continued on following page)

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Sales of United States Savings Bonds - (Continued)

Table 1.- Summary of Sales and Redemptions, by Series - (Continued)

(in village of Galiure)

Fiscal year or month	Amount retained out of fiscal year or month 1/	Net change during fiscal year or month	Analysis of net change					Redemption		
			Total Funds received	Addition of sales reported in fiscal period 2/	Sales reported 1/	Amount of redemption value	Total	Original price 3/	Interest received 4/	
Series A										
1941	202.1	+202.1	202.1	-	202.1	-	-	-	-	-
1942	3,670.8	+1,487.7	3,528.1	-15.0	3,543.1	1.3	80.0	80.0	-	-
1943	11,288.8	+7,615.8	8,271.3	+90.7	8,180.5	33.1	688.6	688.6	-	-
1943-January	7,591.7	+770.5	824.9	+3.2	811.7	9.8	147.7	147.7	-	-
February	8,285.4	+717.7	913.6	+4.4	899.8	2.8	62.1	62.1	-	-
March	8,473.3	-	755.4	+7.7	718.7	2.7	115.4	115.4	-	-
April	9,716.0	+200.1	1,006.8	+21.8	1,028.6	1.2	87.1	87.1	-	-
May	12,159.0	+813.0	922.2	-	922.2	4.2	48.3	48.3	-	-
June	11,288.8	+577.8	996.8	+87.4	909.8	6.5	125.1	125.1	-	-
July	11,491.8	+571.1	582.9	-26.1	709.0	8.4	120.3	120.3	-	-
August	12,159.0	+512.8	561.2	-61.4	622.6	4.6	118.0	118.0	-	-
September	13,580.0	+1,285.5	1,300.0	+184.0	1,116.0	2.8	135.8	135.8	-	-
October	14,481.6	+1,201.5	1,242.1	-114.4	1,356.5	6.4	125.1	125.1	-	-
November	15,404.7	+523.1	166.2	+29.6	662.7	7.5	149.7	149.7	-	-
December	15,404.7	+523.1	171.4	+22.5	705.1	11.4	149.8	149.8	-	-
1944-January	15,491.9	+533.8	1,246.6	+79.2	1,005.4	12.7	163.6	163.6	-	-
Series B										
1941	66.6	+66.6	66.7	-4.3	71.0	-	-	-	-	-
1942	858.9	+857.1	839.3	-2.0	837.3	.8	2.9	2.9	-	-
1943	1,242.3	+703.4	757.9	+13.0	764.9	2.3	47.0	47.0	-	-
1943-January	829.8	+75.8	71.1	+1.5	75.4	.3	1.6	1.6	-	-
February	876.6	+48.8	48.3	-2.4	50.9	.7	1.7	1.7	-	-
March	1,108.8	+48.2	43.9	+2.2	43.7	.8	1.8	1.8	-	-
April	1,126.5	+107.7	309.5	+11.3	120.6	-	1.4	1.4	-	-
May	1,209.5	+41.1	85.9	+24.4	71.5	.4	2.4	2.4	-	-
June	1,242.3	+37.8	35.1	+4.0	39.1	.4	2.4	2.4	-	-
July	1,277.1	+39.4	37.6	-	35.6	.7	2.8	2.8	-	-
August	1,308.7	+48.9	28.1	+0.3	28.8	.4	3.0	3.0	-	-
September	1,439.4	+135.7	139.0	+4.0	143.0	.4	3.7	3.7	-	-
October	1,505.6	+90.7	33.1	-	33.1	-	4.1	4.1	-	-
November	1,544.7	+101.1	25.4	+1.1	30.0	.4	3.3	3.3	-	-
December	1,568.7	+100.0	46.1	-7.1	32.5	.8	4.2	4.2	-	-
1944-January	1,691.9	+123.2	126.8	-9.9	127.8	1.1	4.8	4.8	-	-
Series C										
1941	794.0	+794.0	794.6	-56.8	851.4	-	-	-	-	-
1942	2,618.7	+702.1	2,518.1	-4.3	2,607.8	-	11.4	11.4	-	-
1943	5,119.2	+2,704.3	2,759.5	+4.3	2,755.1	-	59.3	59.3	-	-
1943-January	4,013.7	+334.3	348.4	+0.8	349.9	-	4.9	4.9	-	-
February	4,254.0	+200.3	805.3	+2.8	382.4	-	2.9	2.9	-	-
March	4,344.3	+174.8	180.0	-1.8	181.2	-	2.9	2.9	-	-
April	4,735.4	+347.9	353.4	+0.3	353.8	-	5.8	5.8	-	-
May	4,896.8	+496.8	553.9	+36.0	392.0	-	6.2	6.2	-	-
June	5,119.2	+137.8	134.1	+1.3	342.9	-	6.2	6.2	-	-
July	5,880.0	+140.8	149.2	+7.1	161.4	-	8.5	8.5	-	-
August	5,385.0	+105.0	112.4	+1.3	109.1	-	7.4	7.4	-	-
September	5,743.4	+174.4	347.4	-4.3	349.7	-	9.0	9.0	-	-
October	6,029.2	+205.8	279.3	+17.4	291.3	-	9.1	9.1	-	-
November	6,128.9	+95.7	120.4	-1.4	118.8	-	9.1	9.1	-	-
December	6,200.5	+51.6	101.4	+7.1	94.2	-	9.1	9.1	-	-
1944-January	6,494.9	+479.4	445.9	-13.6	500.6	-	12.6	12.6	-	-

Source: Daily Treasury Statements and reports of issues sales.

Preliminary

F. Hayward,
S. Long, Allen, &

✓ All records released

Unclassified series shown in the Daily Treasury Statement have been classified by series.

Series A-2 data are shown only on a funds received basis. Series B data are not available on a sales reported basis prior to July 1961; consequently data for the fiscal year 1961 are on a funds received basis.

2/ Estimated, except:

Series A-2, the sale of which commenced in March 1931 and continued through April 1941, are 10 year Government bonds which were sold at 75% of maturity value, yielding 2.93% per annum if held to maturity; purchases were limited to \$7,500 issue price in any one calendar year and from April 1, 1940, could be made only by individuals. Series

2/ Not yet available

Sales of United States Savings Bonds - (Continued)

Table 2.- Sales Reported by Series, Classified by Denomination

Sales in millions of dollars at same price

Percentage distribution of vote

Table 1.1—Continued																	
Fiscal year or month		Total oil delivered	Domestic oil							Total oil	Domestic oil						
			BPS	QPS	1000	5000	10,000	25,000	100,000		BPS	QPS	1000	5000	10,000	25,000	100,000
Series 2																	
1961 January	101-3	14.4	11.3	84.0	60.7	31.8	100.0	7.3	4.5	20.4	20.9	46.0	10.0	10.0	10.0	10.0	
February	101-4	11.1	10.2	81.8	60.4	31.7	100.0	12.3	9.7	23.1	18.1	39.4	10.0	10.0	10.0	10.0	
March	101-5	10.5	10.0	80.5	60.1	31.6	100.0	10.5	10.1	21.7	18.2	37.3	10.0	10.0	10.0	10.0	
April	101-6	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
May	101-7	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
June	101-8	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
July	101-9	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
August	101-10	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
September	101-11	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
October	101-12	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
November	101-13	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
December	101-14	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
1962 January	102-1	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
Series 7																	
1961 January	101-1	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
February	101-2	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
March	101-3	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
April	101-4	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
May	101-5	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
June	101-6	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
July	101-7	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
August	101-8	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
September	101-9	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
October	101-10	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
November	101-11	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
December	101-12	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
1962 January	102-1	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
Series 8																	
1961 January	101-1	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
February	101-2	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
March	101-3	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
April	101-4	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
May	101-5	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
June	101-6	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
July	101-7	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
August	101-8	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
September	101-9	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
October	101-10	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
November	101-11	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
December	101-12	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	
1962 January	102-1	10.0	9.9	80.0	60.0	31.5	100.0	10.0	10.0	21.0	18.0	36.0	10.0	10.0	10.0	10.0	

Source: Sample of price index

2 Preliminary

• **Northland**

1/ Notes of Section 5. 2 and 3 books _____ May 1, 1945.

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Sales of United States Savings Bonds - (Continued)

Table 3.- Sales Reported by Series, Classified by State

PART A - SERIES A

(In thousands of dollars at face prices)

State	Fiscal year		1943												1944
	1942	1943	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	
Alabama.....	28,394	51,472	6,718	7,207	7,477	12,502	11,106	6,181	7,728	6,399	15,600	17,171	7,466	7,739	1,000
Alaska.....	10,313	27,446	2,774	2,100	2,472	3,176	3,760	2,373	2,450	2,174	5,100	5,294	2,282	2,012	1,000
Arizona.....	21,404	32,164	4,020	4,950	4,009	7,729	5,743	3,609	5,431	3,547	9,800	4,457	3,475	3,393	1,000
California.....	240,392	516,877	51,413	51,828	56,515	62,735	62,735	59,225	62,595	61,399	66,400	127,726	65,040	66,999	4,000
Colorado.....	29,845	50,152	6,416	6,995	6,086	6,101	7,557	4,113	4,111	4,136	11,300	12,817	5,048	5,151	1,000
Connecticut.....	77,543	146,454	17,240	16,576	18,579	18,993	17,696	16,473	12,941	12,399	20,500	29,064	11,287	11,646	1,000
Delaware.....	7,423	23,424	1,473	1,495	1,949	2,120	2,256	1,462	1,206	1,299	1,500	3,195	1,561	1,400	1,000
Dist. of Columbia.....	36,427	43,193	4,099	4,441	4,299	10,870	8,124	5,509	4,495	5,400	11,113	11,044	5,094	4,516	1,000
Florida.....	39,565	65,446	6,540	7,144	7,860	12,446	11,401	6,847	7,802	6,826	13,000	18,765	6,809	8,561	1,000
Georgia.....	25,642	54,524	16,168	8,501	8,213	12,125	10,256	7,946	7,670	7,536	19,500	18,444	4,656	5,902	1,000
Iowa.....	29,467	67,894	6,606	6,996	6,245	5,458	1,191	1,149	1,149	1,149	4,500	6,292	1,047	1,176	1,000
Illinois.....	292,073	578,455	54,863	44,601	53,539	69,607	69,606	46,265	47,876	53,125	77,800	84,906	45,479	50,732	5,000
Indiana.....	76,161	152,413	20,401	18,949	18,949	27,701	27,701	17,472	17,472	18,151	34,400	35,666	18,793	20,281	1,000
Iowa.....	69,558	176,504	18,282	14,949	14,970	25,479	13,415	14,949	13,964	12,400	29,900	33,051	10,470	12,400	1,000
Kansas.....	75,710	106,190	9,011	8,306	10,641	10,640	13,427	7,604	7,439	7,602	30,600	23,497	7,447	7,011	1,000
Kentucky.....	74,293	87,607	4,918	7,600	7,600	14,204	10,130	6,504	7,082	7,279	16,000	16,501	6,494	6,400	1,000
Louisiana.....	56,822	94,322	6,916	6,976	6,169	11,167	10,424	7,214	7,447	7,792	18,800	17,438	5,069	7,151	1,000
Maine.....	17,174	37,781	3,427	2,614	3,339	4,448	4,193	4,614	4,612	4,193	6,500	4,525	1,997	2,414	1,000
Maryland.....	49,829	106,604	10,517	7,741	9,350	12,467	12,461	10,377	8,185	8,185	14,000	17,427	8,013	10,121	1,000
Massachusetts.....	124,237	252,454	25,454	18,476	21,761	29,464	30,746	24,718	25,454	23,466	50,000	50,000	25,454	25,454	1,000
Michigan.....	350,190	631,417	53,424	58,134	58,134	68,134	68,134	58,134	58,134	58,134	75,134	96,001	42,000	42,000	1,000
Minnesota.....	73,181	179,106	12,712	12,712	13,444	14,699	14,699	12,712	12,712	12,712	29,000	29,000	12,712	12,712	1,000
Mississippi.....	22,913	42,870	5,396	4,329	4,329	4,329	4,329	4,329	4,329	4,329	14,100	14,100	4,329	4,329	1,000
Missouri.....	94,408	145,846	18,357	14,223	15,213	29,400	29,400	18,357	15,213	15,213	39,100	34,100	15,213	15,213	1,000
Montana.....	11,710	29,412	4,263	2,781	2,781	4,081	2,781	2,781	2,781	2,781	8,000	7,000	2,041	2,191	1,000
Nebraska.....	26,640	79,211	6,265	5,265	5,265	11,169	10,911	5,265	5,265	5,265	15,300	20,115	5,000	5,000	1,000
Nevada.....	8,900	11,346	1,113	893	893	1,299	1,213	744	718	574	1,800	1,495	593	574	1,000
New Hampshire.....	11,750	29,787	2,514	2,136	2,136	3,612	3,612	2,136	2,136	2,136	8,000	5,011	2,011	1,754	1,000
New Jersey.....	100,516	207,827	20,507	19,270	19,270	20,104	20,104	19,270	19,270	19,270	40,500	44,499	24,114	24,114	1,000
New Mexico.....	4,018	17,294	1,193	2,550	1,193	2,036	1,221	730	730	730	3,500	3,523	1,335	1,446	1,000
New York.....	587,293	1,011,826	102,794	72,560	69,843	106,845	116,845	76,046	69,845	69,845	179,100	158,407	64,537	64,537	1,000
North Carolina.....	42,497	113,809	12,742	9,719	9,719	10,064	8,009	8,146	7,813	7,813	14,000	16,718	8,138	8,064	1,000
North Dakota.....	31,324	59,749	4,260	3,471	3,471	5,156	4,466	4,466	4,466	4,466	8,500	9,305	2,557	2,557	1,000
Ohio.....	180,262	306,756	30,546	29,746	31,200	37,566	37,566	30,546	30,546	30,546	75,000	85,642	39,504	39,504	1,000
Oklahoma.....	36,442	82,147	10,747	6,517	6,517	10,945	9,518	4,748	4,945	4,945	15,500	18,479	6,507	7,471	1,000
Oregon.....	77,734	107,476	10,990	7,499	9,180	12,795	15,472	10,991	9,183	9,183	25,000	26,484	9,183	9,183	1,000
Pennsylvania.....	483,782	826,051	89,546	69,526	69,526	81,764	74,735	69,526	69,526	69,526	100,000	102,527	52,527	52,527	1,000
Rhode Island.....	34,291	71,748	5,205	2,717	2,717	4,464	4,464	2,717	2,717	2,717	6,000	6,154	2,504	2,504	1,000
South Carolina.....	18,750	37,361	4,130	2,661	2,661	4,447	4,447	2,661	2,661	2,661	8,000	8,154	3,021	3,021	1,000
South Dakota.....	21,751	49,751	2,959	2,959	2,959	4,166	4,166	2,959	2,959	2,959	7,000	7,113	2,572	2,572	1,000
Tennessee.....	29,774	100,393	16,944	7,713	7,713	17,099	17,099	7,713	7,713	7,713	16,000	16,149	7,713	7,713	1,000
Texas.....	120,556	304,225	28,811	23,026	26,351	36,901	36,901	23,026	23,026	23,026	69,000	79,792	36,130	36,130	1,000
Utah.....	9,919	33,340	3,745	3,893	3,893	4,889	4,889	3,893	3,893	3,893	8,000	7,913	3,027	3,027	1,000
Vermont.....	7,590	14,171	1,527	1,459	1,459	2,044	2,044	1,459	1,459	1,459	5,000	2,484	1,062	1,062	1,000
Virginia.....	46,773	145,499	19,739	11,302	12,493	16,804	16,332	12,493	11,302	11,302	17,000	23,977	11,000	11,000	1,000
Washington.....	57,362	157,846	16,799	14,566	14,566	15,739	15,739	14,566	14,566	14,566	49,000	56,401	25,717	25,717	1,000
West Virginia.....	27,642	44,247	7,154	5,377	5,377	7,154	7,154	5,377	5,377	5,377	10,000	10,000	5,377	5,377	1,000
Wisconsin.....	71,644	172,640	16,217	13,554	13,554	18,517	18,517	13,554	13,554	13,554	35,000	35,000	13,554	13,554	1,000
Wyoming.....	7,066	17,517	1,305	1,305	1,305	1,305	1,305	1,305	1,305	1,305	3,000	3,000	1,305	1,305	1,000
Alabama.....	9,999	7,357	946	941	941	1,077	990	941	941	941	900	900	941	941	1,000
Alaska.....	319	4,197	417	417	417	417	417	417	417	417	417	417	417	417	1,000
Arizona.....	24,317	61,466	5,147	5,147	5,147	5,147	5,147	5,147	5,147	5,147	5,147	5,147	5,147	5,147	1,000
California.....	1,726	5,801	581	581	581	581	581	581	581	581	581	581	581	581	1,000
Colorado.....	51	201	201	201	201	201	201	201	201	201	201	201	201	201	1,000
Connecticut.....	14	14	14	14	14	14	14	14	14	14	14	14	14	14	1,000
Delaware.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
District of Columbia.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Florida.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Georgia.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Iowa.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Illinois.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Indiana.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Kansas.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Kentucky.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Louisiana.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Maine.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Maryland.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Massachusetts.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Michigan.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907	24,713	34,907	24,713	34,907	34,907	1,000
Minnesota.....	1,417	81,849	5,491	5,491	5,491	7,649	13,547	17,449	14,907						

Participation in Payroll Savings Plans For War Savings Bonds^{1/}

Table 1.- Number of Firms and Number of Persons Participating in Payroll Savings Plans

	1942		1943											
	June 1942	June 1943	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.
Number of firms having payroll savings plans														
Firms with:														
5,000 or more workers.....	477	537	497	499	496	503	503	537	537	535	535	534	534	534
500-4,999 workers.....	4,364	5,777	5,643	5,701	5,755	5,747	5,774	5,757	5,777	5,788	5,793	5,789	5,790	5,788
100-499 workers.....	33,718	37,095	35,940	35,835	35,860	35,517	35,666	35,838	37,056	37,103	37,144	37,000	37,130	37,138
Under 100 workers.....	82,944	149,526	135,094	140,044	144,014	146,137	147,394	149,014	149,585	149,890	150,126	149,946	150,094	150,084
Total number of firms.....	106,999	180,895	167,813	170,078	176,577	178,927	180,291	182,144	182,895	183,316	183,596	183,469	183,500	183,466
Number of workers employed in firms and governmental agencies having payroll savings plans ^{2/} (In millions)														
In firms.....	25.3	27.4	25.7	26.1	27.0	27.8	27.7	27.7	27.4	27.5	27.6	27.6	27.6	27.6
In Federal, State, and local governments and their agencies.....	1.5	3.9	3.5	3.4	3.5	3.6	3.6	3.6	3.9	3.9	3.9	3.9	3.9	3.9
Total.....	27.8	31.3	29.2	29.5	30.5	31.4	31.3	31.3	31.3	31.4	31.5	31.5	31.5	31.5
Number of persons actually participating in payroll savings plans (In millions)														
Total number of (1) workers in firms, (2) workers in Federal, State, and local governments and their agencies, and (3) persons in the armed forces, participating in payroll savings plans.....	2/	26.8	24.5	24.9	25.5	26.0	26.0	26.0	26.6	26.6	26.4	26.4	26.4	26.4

Table 2.- Deductions Under Payroll Savings Plans

	Fiscal year		1943											
	1942	1943	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.
Total amount deducted (in millions of dollars).....	944 1/2	4,067	355	375	360	380	415	425	415	420	413	435	455	440
Percent of participants' pay deducted.....	5.25	8.38	7.25	8.75	8.75	8.75	9.06	9.16	9.06	9.06	9.06	9.36	9.36	9.36

^{1/} Preliminary.^{2/} Estimated.^{3/} Not available.

The total number of (1) workers in firms, and

(2) workers in Federal, State, and local governments and their agencies in June 1942 approximated 15.0 millions. Complete only for deductions from December 1941 through June 1942. Data on deductions prior to December 1941 are not available.

Sales of Treasury Savings Notes^{1/}

Table 1.- Summary of Sales and Redemptions, by Series

(The units - in millions of dollars)

Fiscal year or month	Amount outstanding end of fiscal year or month 2/	Net change during fiscal year or month	Sales	Redemptions and exchanges			
				Total	Received in payment of taxes	Redeemed for cash	Exchanged for new series
All series							
1942.....	1,014.5	+7,014.5	4,138.5	1,136.4	1,125.7	86.7	86.3
1943.....	1,495.5	+4,495.5	2,734.5	4,477.4	4,096.4	381.0	381.0
1943-January.....	6,794.8	+735.4	405.7	88.3	86.3	2.0	2.0
February.....	7,118.7	+375.9	464.2	105.7	79.8	25.9	25.9
March.....	6,506.4	-719.1	444.8	1,085.9	1,014.1	71.8	71.8
April.....	7,782.5	+1,276.1	1,038.9	156.0	176.4	19.4	19.4
May.....	8,162.9	+376.4	437.2	165.8	177.0	11.2	11.2
June.....	7,495.4	-667.5	464.1	1,135.4	1,119.4	16.0	16.0
July.....	7,577.9	+182.5	414.0	231.9	234.4	2.5	2.5
August.....	7,754.7	+176.8	451.5	127.1	127.1	0.0	0.0
September.....	8,476.4	+721.7	2,865.0	1,147.9	1,111.5	36.4	36.4
October.....	9,132.9	+656.5	466.7	304.2	342.4	38.2	38.2
November.....	9,322.5	+189.6	436.8	165.9	165.9	0.0	0.0
December.....	8,599.3	-723.2	436.8	1,135.9	1,066.3	69.6	69.6
1944-January.....	5,502.9	-987.7	1,416.1	312.5	479.4	166.9	166.9
Series A 2/							
1942.....	29.8	+29.8	70.8	11.4	26.6	8.2	8.2
1943.....	466.7	+466.7	338.7	124.0	124.0	0.0	0.0
1943-January.....	309.4	+23.4	34.5	1.5	1.5	0.0	0.0
February.....	300.0	+15.7	15.6	2.5	2.5	0.0	0.0
March.....	285.4	-14.6	15.3	49.9	47.5	2.4	2.4
April.....	296.6	+11.2	21.8	12.3	12.1	0.2	0.2
May.....	310.7	+14.1	7.4	4.4	4.4	0.0	0.0
June.....	266.7	-44.0	4.5	46.4	34.3	12.1	12.1
July.....	261.2	-5.5	4.5	25.9	13.3	12.6	12.6
August.....	267.5	+6.3	4.5	3.7	3.7	0.0	0.0
September.....	267.3	-0.2	4.5	40.2	37.8	2.4	2.4
October.....	260.2	-7.2	4.5	7.4	6.2	1.2	1.2
November.....	244.3	-15.9	4.5	1.5	1.5	0.0	0.0
December.....	166.7	-89.6	4.5	29.6	27.8	1.8	1.8
1944-January.....	160.2	-6.5	4.5	8.5	6.8	1.7	1.7
Series B 2/							
1942.....	2,979.7	+2,979.7	4,066.7	1,167.6	1,087.1	80.5	80.5
1943.....	704.8	-2,379.8	877.1	3,078.1	2,433.3	644.8	644.8
1943-January.....	2,504.8	-64.0	40.5	64.5	64.5	0.0	0.0
February.....	2,511.4	-66.6	40.5	52.4	52.4	0.0	0.0
March.....	1,448.4	-1,063.0	40.5	880.7	880.7	0.0	0.0
April.....	1,395.0	-53.4	40.5	33.4	33.4	0.0	0.0
May.....	1,361.7	-33.3	40.5	45.4	45.4	0.0	0.0
June.....	1,04.8	-994.9	40.5	548.5	548.5	0.0	0.0
July.....	711.2	-33.7	40.5	53.7	52.7	1.0	1.0
August.....	677.2	-34.0	40.5	23.8	23.8	0.0	0.0
September.....	344.6	-332.3	40.5	339.3	339.3	0.0	0.0
October.....	371.4	-26.8	40.5	37.2	36.6	0.6	0.6
November.....	344.6	-26.8	40.5	34.6	34.6	0.0	0.0
December.....	122.6	-132.0	40.5	174.0	174.0	0.0	0.0
1944-January.....	109.7	-118.9	40.5	18.9	18.3	0.6	0.6

(Continued on following page)

Sales of Treasury Savings Notes^{1/2} - (Continued)

Table 1.- Summary of Sales and Redemptions, by Series - (Continued)

(For values - in millions of dollars)

Fiscal year or month	Amount outstanding end of fiscal year or month 1/	Net change during fiscal year or month	Sales	Redemptions and exchanges			
				Total	Received in payment of taxes	Redeemed for cash	Redeemed for new issues
Series C 2/							
1943.....	5,408.0	-4,408.0	7,046.7	1,082.7	1,047.2	35.5	.....
1943-January.....	4,075.2	+399.9	412.4	18.5	18.4	.1 1/2	.....
February.....	4,535.4	+418.2	445.7	25.5	24.5	1.0 3/4	.....
March.....	4,571.8	+78.4	451.5	353.1	349.2	7.2	.....
April.....	5,092.6	+1,520.8	1,611.3	90.3	74.2	12.2	.....
May.....	5,510.6	+418.0	474.5	56.5	54.7	1.8	.....
June.....	5,508.0	-46.6	465.6	510.2	497.5	12.8	.....
July.....	5,745.7	+258.7	424.0	162.3	144.4	17.9	.....
August.....	5,828.5	+133.7	315.5	100.2	75.6	24.7	.....
September.....	5,580.5	-418.1	2,250.0	758.4	758.4	30.0	.....
October.....	5,611.3	+290.8	460.7	159.9	149.9	20.0	.....
November.....	5,797.0	+485.8	330.2	144.4	106.7	37.7	.....
December.....	5,508.0	-409.0	435.8	931.8	858.9	62.9	.....
1944-January.....	5,433.0	+531.0	1,216.1	289.1	254.3	30.9	.....

Source: Daily Treasury Statements.

^{1/2} Less than \$50,000.

^{1/} These notes were originally designed to help taxpayers set aside funds with which to pay taxes and were known as Treasury tax savings notes. Series A notes were designed for the small and moderate taxpayer; series B and series C notes were intended for the large taxpayer. When the collection of taxes through withholding at the source commenced, the need for series A tax savings notes disappeared and their sale was discontinued. Redemption provisions on series A notes were retained to provide for the payment of interest on notes thereafter redeemed for cash (see footnote 1/2). Sale of series C notes which were designed for the investment of idle cash resources as well as the accumulation of tax reserves was continued and the notes were designated Treasury savings notes.

^{2/} Includes national Treasury savings notes. Series A notes, which were sold from August 1, 1941 through June 30, 1943, yield approximately 1.50 percent per annum. Through June 30, 1943 the notes could be redeemed for cash only at the original purchase price; since that date, the notes have been redeemed for cash at the tax payment value

current at the time of presentation. (See also footnote 1/2.) Prior to October 4, 1943, the maximum amount which could be used in payment of each class of tax (income, estate, or gift) by each taxpayer during each taxable year was limited to \$5,000 per value; this limitation was removed as of that date. Series C notes were sold from August 1, 1941 through September 15, 1942, to yield approximately .40 percent per annum. The amount which may be turned in to taxes is unlimited. The notes may be redeemed for cash only at the original purchase price.

^{3/} Series C notes went on sale September 14, 1942. Interest accrues each month on a graduated scale (see "Treasury Bulletin" for August 1943, page 4) to yield approximately 1.07 percent per annum if held to maturity. These notes may be used in payment of Federal taxes at any time two months after the date of issue. The amount which may be turned in to taxes is unlimited. The notes may be redeemed for cash six months after the date of presentation. Prior to July 27, 1943, notes of 30 days were required for each redemption. See also footnote 1/2.

Sales of Treasury Savings Notes - (Continued)

Table 2.- Sales of Series C Notes, Classified by Denomination^{1/2}

Fiscal year or month	Sales in millions of dollars at par								Percentage distribution of sales							
	Total all denominations	Denomination							Total all denominations	Denomination						
		\$100 ^{1/2}	\$500 ^{1/2}	Thousands of dollars						\$100 ^{1/2}	\$500 ^{1/2}	Thousands of dollars				
1943.....	7,046.7	.....	449.0	132.1	1,388.6	2,535.7	1,126.4	1,611.3	100.0	.....	.....	3.3	4.4	18.4	23.4	29.4
1943-January.....	412.4	.....	.....	16.7	21.8	84.9	150.4	67.8	100.0	.....	.....	4.0	5.2	25.3	26.0	18.3
February.....	445.7	.....	.....	9.8	13.7	58.7	141.9	75.8	100.0	.....	.....	2.2	3.1	13.7	18.0	12.1
March.....	451.5	.....	.....	9.9	13.4	54.0	123.0	76.5	100.0	.....	.....	2.3	3.1	15.3	22.5	20.4
April.....	1,611.3	.....	.....	62.0	90.0	339.9	397.7	277.1	100.0	.....	.....	3.1	4.4	21.1	27.1	13.9
May.....	474.5	.....	.....	26.3	23.3	51.1	151.3	69.8	100.0	.....	.....	4.4	5.3	19.2	24.1	24.7
June.....	465.6	.....	.....	10.7	14.4	77.4	176.2	74.8	100.0	.....	.....	2.3	3.1	14.7	14.0	22.9
July.....	424.0	.....	.....	12.4	15.3	72.5	144.1	71.7	100.0	.....	.....	1.0	1.7	17.3	14.8	23.4
August.....	315.5	.....	.....	8.2	9.4	43.4	88.4	56.5	100.0	.....	.....	1.8	2.4	12.4	11.4	21.1
September.....	2,250.0	.....	.....	119.8	133.4	400.4	758.4	307.7	100.0	.....	.....	5.3	5.9	21.7	15.4	13.7
October.....	460.7	.....	.....	34.5	33.3	109.2	141.9	45.1	100.0	.....	.....	7.0	7.4	25.7	20.4	13.7
November.....	330.2	.....	.....	8.6	12.0	40.7	113.3	48.9	100.0	.....	.....	2.0	3.2	12.4	16.4	25.2
December.....	435.8	.....	.....	11.4	14.2	72.3	153.3	86.9	100.0	.....	.....	2.6	3.7	15.7	19.3	21.9
1944-January.....	1,216.1	2.4	6.3	53.5	73.0	295.4	420.8	160.5	100.0	.....	.....	4.4	6.0	25.0	14.8	20.3

Source: (1) Total sales: Daily Treasury Statements; (2) Distribution by denomination: sales reported to the Treasury.

^{1/2} Less than \$50,000 or less than .05 percent.^{1/} Information on sales, by denomination, of Series A and B tax savings notes may be found in the "Treasury Bulletin" for July 1943, page 44.^{2/} Denominations of \$100 and \$500 first offered in November, 1943.Table 3.- Sales of Series C Notes, Classified by Type of Purchaser^{1/2}

Fiscal year or month	Sales in millions of dollars at par			Percentage distribution of sales		
	Total	Type of purchaser		Total	Type of purchaser	
		Individuals, partnerships, and fiduciaries	Corporations		Individuals, partnerships, and fiduciaries	Corporations
1943.....	7,046.7	411.3	6,535.4	100.0	.....	51.8
1943-January.....	412.4	21.7	390.7	100.0	9.0	91.0
February.....	445.7	28.4	417.3	100.0	6.5	93.5
March.....	451.5	51.3	380.2	100.0	11.9	88.1
April.....	1,611.3	129.4	1,481.7	100.0	7.6	92.4
May.....	474.5	37.5	437.0	100.0	7.9	92.1
June.....	465.6	25.9	439.7	100.0	5.4	94.6
July.....	424.0	21.5	392.5	100.0	5.2	94.8
August.....	315.5	15.4	299.1	100.0	7.8	92.2
September.....	2,250.0	166.9	2,083.1	100.0	7.4	92.6
October.....	460.7	51.1	409.6	100.0	11.1	88.9
November.....	330.2	14.3	315.9	100.0	4.9	95.1
December.....	435.8	20.5	415.3	100.0	4.7	95.3
1944-January.....	1,216.1	108.2	1,107.9	100.0	8.9	91.1

Source: (1) Total sales: Daily Treasury Statements; (2) Distribution by type of purchaser: sales reported to the Treasury.

^{1/} Information on sales, by type of purchaser, of Series A and B tax savings notes may be found in the "Treasury Bulletin" for July 1943, page 47.

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OWNERSHIP OF GOVERNMENT SECURITIES

February 1944

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Summary Distribution by Classes of Holders of Interest-Bearing Securities Issued by United States Government and Guaranteed by United States

(In millions of dollars)

End of fiscal year or month	Total amount outstanding	Securities issued by United States Government								Securities guaranteed by United States 1/		
		Distribution by classes of holders								Distribution by classes of holders		
		U. S. Government agencies and trust funds 2/				Federal Reserve Banks		Private investors 3/		U. S. Government agencies and trust funds and Federal Reserve Banks 1/		Private investors 3/
		Total public and special issues	Public marketable issues	Public non-marketable issues	Special issues	Public marketable issues	Total public issues	Public marketable issues	Public non-marketable issues	Public marketable issues	Public non-marketable issues	Public non-marketable issues
1934.....	26,400	1,228	892	-	336	2,332	22,168	22,168	-	621	150	471
1935.....	27,000	1,529	994	-	535	2,533	24,467	24,467	-	4,123	262	3,861
1936.....	32,989	1,950	1,319	-	631	2,930	30,059	27,323	2,736	4,114	2,241	1,873
1937.....	33,800	2,021	1,461	-	560	3,042	30,758	28,297	2,461	4,495	2,302	2,193
1938.....	34,578	2,302	1,778	-	524	3,304	31,274	28,970	2,304	4,493	2,588	1,905
1939.....	35,886	2,600	1,930	-	670	3,570	32,316	29,746	2,570	4,900	2,926	1,974
1940.....	42,772	2,732	2,037	-	695	3,727	39,045	35,318	3,727	4,906	3,011	1,895
1941.....	48,307	2,834	2,093	1	740	3,868	44,439	37,339	7,100	4,362	3,027	1,335
1942.....	71,904	10,130	2,642	3	7,485	8,600	63,304	54,694	8,610	4,495	4,199	2,096
1943.....	125,300	14,080	3,808	7	10,271	7,199	118,120	90,921	27,199	4,598	2,720	60
1943-Jan.....	120,004	12,056	2,878	6	9,172	5,913	107,991	84,699	23,292	4,277	2,335	61
Feb.....	112,851	12,597	2,888	5	9,704	5,821	100,047	77,079	22,968	4,275	2,333	72
Mar.....	118,087	12,802	2,792	6	10,010	5,877	105,275	79,403	25,872	4,290	2,408	78
Apr.....	126,043	13,002	3,201	6	9,795	5,800	112,241	87,441	24,800	4,363	2,428	76
May.....	134,672	13,813	3,389	6	10,424	5,424	121,259	95,825	25,434	4,680	2,607	74
June.....	135,380	14,080	3,402	7	10,671	5,389	121,299	94,440	26,859	4,592	2,724	68
July.....	140,238	14,204	3,131	7	11,066	5,194	126,034	97,188	28,846	4,709	2,915	71
Aug.....	142,721	15,038	3,125	7	11,907	5,090	127,684	97,794	30,890	4,729	3,071	73
Sept.....	157,093	15,474	3,144	7	12,327	4,888	141,619	104,735	36,884	4,760	3,224	77
Oct.....	163,589	15,041	3,166	7	11,875	5,305	148,514	102,479	46,035	4,113	3,520	120
Nov.....	164,761	15,047	3,162	7	12,878	10,878	148,883	101,474	47,409	4,195	3,695	124
Dec.....	164,508	15,423	3,193	7	12,230	11,440	149,278	99,508	49,770	4,225	3,695	125
1944-Jan.....	167,043	16,604	3,190	7	13,413	11,905	150,630	99,495	51,135	4,269	3,790	126

Source: (1) Total amounts outstanding: Daily Treasury Statements; (2) Securities held by U. S. Government agencies and trust funds; Reports of the agencies and accounts with the Treasury; (3) Securities held by Federal Reserve Banks: Federal Reserve System; (4) Private investors: (a) Less than \$500,000.

1/ Includes interest securities and obligations sold directly to the Treasury. 2/ Includes Exchange Stabilization Fund. 3/ The total amount of securities held by private investors is calculated by subtracting from the total amount of securities outstanding the securities held by U. S. Government agencies and trust funds and by Federal Reserve Banks.

Net Market Purchases or Sales of Government Securities for Treasury Investment Accounts 1/

(In millions of dollars)

	Net market purchases or sales (-)											
	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1937.....	14.4	5.7	119.6	11.8	3.8	26.4	4.8	18.5	8.9	3.7	8.8	-13.4
1938.....	-12.0	-3.0	23.3	8.3	-4.5	1.8	1.8	-3.5	38.5	1.5	1.4	4.9
1939.....	1.6	1.1	-12.5	-37.1	-40.4	3.6	3.6	3.3	71.8	-1.8	-6.8	-2.8
1940.....	-9.5	-40.8	-5.7	-1.6	1.4	1.4	1.4	1.4	-1.3	-4.4	-1.3	-4.1
1941.....	-2.8	12.8	-	-1.7	-1.8	1.4	1.4	1.4	1.4	-1.4	-1.4	-1.4
1942.....	-5.5	30.0	2.8	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3
1943.....	-14.5	-90.3	-70.8	1.4	-35.2	-10.8	-27.4	-12.5	-4.7	-	-	8.2
1944.....	-5.3	-	-	-	-	-	-	-	-	-	-	-

1/ Less than \$500,000. 2/ Details of purchases or sales made by the Treasury. Treasury investment accounts comprise (1) trust funds which by law are under the control of the Secretary of the Treasury or of the Treasurer of the United States, and (2) accounts under the control of certain

U. S. Government agencies whose investments are handled through the facilities of the Treasury Department. This table also includes purchases under Section 23 of the Second Liberty Bond Act, as amended, and includes the Exchange Stabilization Fund.

Regraded Unclassified

Summary Data from Treasury Survey of Ownership of Securities
Issued or Guaranteed by the United States, December 31, 1943 - (Continued)

Table II.- Distribution of Ownership for Each Issue Outstanding

PART A - PAR VALUES IN MILLIONS OF DOLLARS

PUBLIC securities interest-bearing securities 1/													
Issue, classified by tax-exemption provision	Total amount out- standing	Sold by banks and insurance companies covered in Treasury survey										Sold to U. S. Government, Agencies, and Trust Funds, and Federal Reserve banks 2/	Sold to all other investors
		Total	U. S. Govt. bonds			1942 Insurance companies			1942 Life, accident, and marine insurance companies				
			Total	5,730 bonds	510 bonds	Total	1942 life, accident, and marine insurance companies	1942 life, accident, and marine insurance companies	1942 life, accident, and marine insurance companies				
I. Wholly exempt from Federal income taxes 4/													
Treasury bills													
1-4 March 1944	515	129	119	118	1	7	*	7			81	228	
1-4 June 1944	412	113	106	105	*	7	*	2			40	266	
1-4 September 1944	283	31	29	28	*	7	*	2			30	253	
1-4 December 1944	714	222	208	205	1	17	*	15			30	684	
Total Treasury bills	1,924	480	462	456	3	33	3	30			181	1,743	
Bonds													
Postal savings	117	13	13	13	*	*	*	*			34	83	
War Bonds	50	1	1	1	*	*	*	*			10	40	
Treasury bonds	29	1	1	1	*	*	*	*			10	19	
Total bonds	196	15	15	15	*	*	*	*			54	142	
Total wholly exempt from Federal income taxes	2,120	500	477	471	3	34	3	31			235	1,785	
II. Partially exempt from Federal income taxes 3/													
Treasury bills													
1-4 April 1944-45	1,533	771	524	521	31	14	135	35			267	362	
1-4 June 1944-45	1,527	594	488	487	10	108	125	111			329	362	
1-4 September 1944-45	1,214	763	590	589	34	171	162	89			166	679	
1-4 December 1944-45	581	415	367	366	10	47	21	26			13	307	
1-4 March 1945-46	549	318	221	220	17	38	24	14			71	336	
1-4 June 1945-46	1,034	530	471	469	10	164	137	31			80	894	
1-4 September 1945-46	819	441	354	353	31	127	104	22			36	682	
1-4 December 1945-46	720	406	318	317	28	73	33	30			10	610	
1-4 March 1946-47	701	408	349	347	8	31	8	1			1	33	
1-4 June 1946-47	1,201	595	521	519	34	131	97	36			161	1,040	
1-4 September 1946-47	951	594	504	503	14	71	34	16			10	851	
1-4 December 1946-47	512	473	447	445	4	24	5	21			34	478	
1-4 March 1947-48	841	574	511	509	22	80	57	26			41	70	
1-4 June 1947-48	1,781	1,118	1,059	1,057	17	126	111	64			118	860	
1-4 September 1947-48	1,180	593	478	476	42	119	64	29			87	693	
1-4 December 1947-48	1,427	1,421	1,390	1,387	67	500	254	57			169	1,258	
1-4 March 1948-49	799	567	480	478	22	87	59	27			40	709	
1-4 June 1948-49	1,117	509	460	458	16	47	17	31			110	99	
1-4 September 1948-49	129	84	621	624	1	39	2	17			8	89	
1-4 December 1948-49	581	541	557	554	11	34	2	17			3	57	
1-4 March 1949-50	8,611	1,477	1,299	1,295	105	378	250	126			261	773	
1-4 June 1949-50	387	580	540	537	33	226	156	59			125	373	
1-4 September 1949-50	519	327	304	302	41	114	59	28			59	410	
1-4 December 1949-50	1,440	1,060	710	707	38	390	243	107			126	1,313	
Total Treasury bills	24,736	15,517	13,618	13,598	780	3,741	2,709	1,032			2,607	5,092	
Government bonds 5/													
Federal Farm Mortgage Corporation													
1-4 March 1944-45	95	59	33	32	5	28	28	1			8	66	
1-4 June 1944-45	432	387	400	404	6	28	10	0			0	221	
Federal Housing Administration													
1-4 March 1944-45	20	20	8	7	1	12	12	*			1	1	
New General Loan Corporation													
1-4 April 1944-45	773	489	443	440	13	65	50	8			38	735	
1-4 June 1944-45	752	573	533	530	4	56	37	8			38	725	
Federal Public Housing Authority													
1-4 February 1944	114	82	80	80	*	7	*	*			*	38	
Total government bonds	2,400	1,935	1,867	1,854	29	242	226	29			73	613	
Total partially exempt from Federal income taxes	27,136	17,452	15,485	15,453	809	3,983	2,935	1,061			2,680	5,705	

(Continued on following page)

February 1944

Summary Data from Treasury Survey of Ownership of Securities
Issued or Guaranteed by the United States, December 31, 1943 - (Continued)

Table II.- Distribution of Ownership for Each Issue Outstanding - (Continued)

PART A - PAR VALUES IN MILLIONS OF DOLLARS - (Continued)

Issue, classified by tax-exemption provision	Total amount out- standing	Public securities interest-bearing securities 1/										Sold to U. S. Government, Agencies, and Trust Funds, and Federal Reserve banks 2/	Sold to all other investors		
		Sold by banks and insurance companies covered in Treasury survey													
		Total	5,730 bonds	510 bonds	510 bonds	510 bonds	510 bonds	510 bonds	510 bonds	510 bonds	510 bonds			510 bonds	510 bonds
III. Subject to Federal income taxes															
Treasury bills	13,272	4,800	4,728	4,715	13	79	64	1				6,748	1,456		
Certificates of Indebtedness															
1-4 February 1944	2,251	1,438	1,399	1,379	16	27	13	25				278	501		
1-4 April 1944	1,251	773	745	744	47	118	75	35				1,429	1,429		
1-4 June 1944	1,153	1,149	1,149	1,149	5	18	2	290				170	170		
1-4 August 1944	2,240	1,408	1,383	1,383	19	18	1	17				246	246		
1-4 September 1944	4,120	2,771	2,751	2,751	103	113	83	13				1,057	1,057		
1-4 October 1944	1,523	8,543	8,517	8,500	18	24	19	11				363	734		
1-4 December 1944	1,240	2,500	2,442	2,443	15	39	28	11				363	734		
Total certificates of Indebtedness	22,463	12,277	12,210	12,204	226	367	180	207				2,517	1,390		
Treasury notes															
1-4 September 1944	530	488	460	462	5	22	22	6				166	166		
1-4 November 1944	1,456	1,119	1,119	1,119	21	21	21	166				879	879		
1-4 December 1944	936	936	936	936	13	30	20	2				23	23		
1-4 March 1945	505	452	452	452	10	20	14	1				73	73		
1-4 June 1945	1,261	1,261	1,261	1,261	19	19	19	1				73	73		
1-4 September 1945	1,261	1,261	1,261	1,261	19	19	19	1				73	73		
Total Treasury notes	6,463	7,371	7,129	7,129	201	242	134	96				494	1,375		
Treasury bonds															
1-4 March 1944-45	1,115	899	880	880	111	419	145	23				79	137		
1-4 June 1944-45	1,066	2,495	2,496	2,497	77	212	118	43				7	360		
1-4 September 1944-45	1,024	554	540	540	56	132	118	14				8	80		
1-4 December 1944-45	1,392	1,142	1,013	1,013	89	134	149	10				17	118		
1-4 March 1945-46	2,096	1,790	1,598	1,598	129	212	212	22				17	333		
1-4 June 1945-46	1,963	1,809	1,571	1,571	180	238	238	22				50	104		
1-4 September 1945-46	4,433	1,445	1,279	1,279	49	607	740	67				114	1,260		
1-4 December 1945-46	7,346	4,387	4,047	4,047	107	940	779	140				241	2,460		
1-4 March 1946-47	510	409	379	375	80	75	28	5				18	87		
1-4 June 1946-47	1,096	734	594	594	140	128	128	13				64	222		
1-4 September 1946-47	1,201	1,866	1,612	1,612	309	345	345	26				74	295		
1-4 December 1946-47	1,466	1,068	939	939	262	313	313	24				54	309		
1-4 March 1947-48	2,118	1,594	1,498	1,498	136	1,305	1,260	44				200	416		
1-4 June 1947-48	2,401	1,866	1,612	1,612	309	345	1,333	36				265	709		
1-4 September 1947-48	1,777	1,777	1,777	1,777	309	345	1,533	36				340	1,198		
1-4 December 1947-48	1,777	1,777	1,777	1,777	309	345	1,533	36				340	1,198		
1-4 March 1948-49	1,777	1,777	1,777	1,777	309	345	1,533	36				340	1,198		
1-4 June 1948-49	1,777	1,777	1,777	1,777	309	345	1,533	36				340	1,198		
1-4 September 1948-49	1,777	1,777	1,777	1,777	309	345	1,533	36				340	1,198		
1-4 December 1948-49	1,777	1,777	1,777	1,777	309	345	1,533	36				340	1,198		
Total Treasury bonds	43,218	30,180	25,137	25,137	4,891	10,044	9,407	642				2,476	10,450		
Government bonds 5/															
Quantity Survey Corporation															
1-4 February 1944	412	361	358	358	6	26	21	4				4	46		
Demographic Finance Corporation															
1-4 April 1944	371	310	301	307	4	1	1	11				11	50		
1-4 January 1945	371	310	301	307	4	1	1	11				11	50		
Total government bonds	1,400	871	859	865	10	28	22	152				15	96		
Total subject to Federal income taxes	29,796	20,469	18,335	18,335	1,941	5,128	4,889	980				18,770	30,947		
IV. Grand total	118,290	78,498	68,521	68,521	2,920	9,877	9,293	1,417				11,457	37,145		

(Continued on following page)

February 1944

Summary Data from Treasury Survey of Ownership of Securities Issued or Guaranteed by the United States, December 31, 1943 - (Continued)

Table II.- Distribution of Ownership for Each Issue Outstanding - (Continued)

PART B - PERCENTAGE DISTRIBUTION BY GROUPS OF INVESTORS

Public securities interest-bearing securities 1/														
Issue, classified by tax-exemption provision		Total amount out- standing	Sold by banks and insurance companies as shown in Treasury survey						Sold by U. S. Government agencies and Trust Funds, and Federal Reserve Banks 2/		Sold by all other investors			
			6,750 banks		750 insurance companies		250 life insurance companies		250 fire, marine, and motor insurance companies					
I. Wholly exempt from Federal income taxes 3/														
Treasury notes														
15 April 1944	100.0	26.3	22.0	22.0	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15/8 June 1944	100.0	26.3	22.0	22.0	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15 September 1944	100.0	26.3	22.0	22.0	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15/8 March 1945	100.0	26.3	22.0	22.0	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
Total Treasury notes	100.0	26.3	22.0	22.0	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
Postal savings														
15 April 1944	100.0	11.1	10.7	10.7	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15/8 June 1944	100.0	11.1	10.7	10.7	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15 September 1944	100.0	11.1	10.7	10.7	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15/8 March 1945	100.0	11.1	10.7	10.7	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
Total Postal savings	100.0	11.1	10.7	10.7	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
Government bonds														
15 April 1944	100.0	2.1	1.9	1.9	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15/8 June 1944	100.0	2.1	1.9	1.9	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15 September 1944	100.0	2.1	1.9	1.9	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
15/8 March 1945	100.0	2.1	1.9	1.9	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
Total Government bonds	100.0	2.1	1.9	1.9	1.1	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
Total wholly exempt from Federal income taxes	100.0	39.5	34.6	34.6	4.4	3.3	3.3	3.3	3.3	3.3	34.4	117.0		
II. Partially exempt from Federal income taxes 3/														
Treasury notes														
1-1/8 April 1944-45	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1944-45	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1944-45	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1945-46	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1945-46	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1945-46	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1946-47	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1946-47	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1946-47	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1947-48	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1947-48	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1947-48	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1948-49	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1948-49	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1948-49	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1949-50	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1949-50	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1949-50	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1950-51	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1950-51	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1950-51	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1951-52	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1951-52	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1951-52	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1952-53	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1952-53	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1952-53	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1953-54	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1953-54	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1953-54	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1954-55	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1954-55	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1954-55	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1955-56	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1955-56	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1955-56	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1956-57	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1956-57	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1956-57	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1957-58	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1957-58	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1957-58	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1958-59	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1958-59	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1958-59	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1959-60	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1959-60	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1959-60	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1960-61	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1960-61	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1960-61	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1961-62	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1961-62	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1961-62	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1962-63	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1962-63	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1962-63	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1963-64	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1963-64	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1963-64	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1964-65	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1964-65	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1964-65	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1965-66	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1965-66	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1965-66	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1966-67	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1966-67	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1966-67	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1967-68	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1967-68	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1967-68	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1968-69	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1968-69	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1968-69	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1969-70	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 June 1969-70	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 September 1969-70	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1	1.1	1.1	17.2	58.5		
1-1/8 March 1970-71	100.0	20.7	18.4	18.4	2.2	1.1	1.1	1.1						

Over-the-Counter Closing Quotations on Public Marketable Securities Issued by the
United States Government and by Federal Agencies
January 31, 1944

Table 1.- Securities Issued or Guaranteed by the United States Government

PART A - TAXABLE BONDS, NOTES, AND CERTIFICATES

Amount out- standing (\$100,000)	Description	Price data (Price decimals are thirty-sixths)			Yield data 1/ Change in yield from Dec. 31, 1943			Date of issue	Price range since first traded 2/ (Price decimals are thirty-sixths)				(36)-th price range 3/ (Price decimals are thirty-sixths)								
		Bid	Ask	Mean	Yield 1/ 3/	Change in yield from Dec. 31, 1943	Auto- stop yield		High		Low		High		Low						
									Price	Date	Price	Date	Price	Date	Price	Date					
Issued by U. S. Government																					
Treasury notes																					
12,135	28	-	7/15/43-50	101.09	101.11	101.10	-0.01	1.525	+0.05	1.675	3/15/41	100.00	8/1/41	100.27	8/29/41	100.07	8/16/41	100.08	1/2/42		
1,060	1-3/4	-	8/1/43	101.08	101.10	101.09	.00	1.65	.00	-	12/1/42	101.12	8/12/42	100.05	12/1/42	101.18	8/12/42	100.08	1/2/42		
1,218	28	-	8/15/43-51	101.17	101.19	101.18	+0.01	1.69	-0.01	1.77	1/15/42	100.20	1/15/42	100.05	8/1/42	100.20	1/2/42	100.08	1/2/42		
1,261	28	-	8/15/43-51	101.11	101.13	101.12	.00	1.79	-0.01	1.81	8/15/42	100.15	3/1/43	100.05	12/1/42	100.15	1/2/42	100.08	1/2/42		
2,098	28	-	12/15/43-51	101.09	101.11	101.10	.00	1.76	-0.01	1.80	7/15/42	100.18	7/15/42	100.05	8/1/42	100.12	7/15/42	100.08	1/2/42		
1,651	28	-	3/15/50-52	101.03	101.05	101.04	+0.02	1.83	-0.01	1.85	10/15/42	100.16	7/15/42	100.05	11/2/42	100.06	7/15/42	100.08	1/2/42		
1,571	28	-	8/15/50-52	100.96	100.98	100.97	+0.02	1.87	-0.01	1.90	8/15/42	100.05	7/15/42	100.05	8/1/42	100.05	7/15/42	100.08	1/2/42		
7.385	28	-	8/15/51-53	100.07	100.09	100.08	+0.02	1.96	-0.01	1.97	8/15/42	100.05	1/2/42	100.05	8/1/42	100.05	7/15/42	100.08	1/2/42		
1.512	28	-	12/15/51-55	100.10	100.12	100.11	+0.03	1.99	-0.01	1.97	12/1/42	100.05	1/2/42	100.05	8/1/42	100.05	7/15/42	100.08	1/2/42		
1.604	2-1/2	-	3/15/50-54	100.00	100.02	100.01	.00	1.90	-0.02	1.95	3/15/41	100.15	8/1/41	100.05	8/1/41	100.15	12/1/41	100.08	1/2/42		
1.501	2-1/4	-	8/15/50-55	101.19	101.21	101.20	.00	2.04	.00	2.09	8/15/42	100.14	7/15/42	100.16	8/1/42	100.14	7/15/42	100.08	1/2/42		
1.641	2-1/2	-	3/15/50-56	101.09	101.11	101.10	.00	2.00	+0.01	2.04	8/1/41	100.08	11/5/41	100.10	12/1/41	100.18	7/15/42	100.08	1/2/42		
2.118	2-1/2	-	8/15/50-57	100.08	100.10	100.09	.00	2.06	+0.01	2.08	5/5/42	100.05	5/5/42	100.05	8/1/42	100.05	7/15/42	100.08	1/2/42		
1.631	2-1/2	-	12/15/51-56	100.00	100.02	100.01	.00	2.00	+0.01	2.04	12/1/42	100.05	1/2/42	100.05	8/1/42	100.05	7/15/42	100.08	1/2/42		
3.762	2-1/2	-	8/15/50-59	100.00	100.02	100.01	.00	2.00	.00	2.00	8/15/42	100.05	6/2/42	100.05	1/2/42	100.05	7/15/42	100.08	1/2/42		
1.438	2-1/2	-	12/15/50-59	100.00	100.02	100.01	.00	2.00	.00	2.00	3/15/41	100.05	10/15/41	100.05	1/2/42	100.05	7/15/42	100.08	1/2/42		
2.714	2-1/2	-	8/15/51-73	100.10	100.12	100.11	.00	2.04	.00	2.08	12/20/41	100.15	11/5/41	100.05	7/15/42	100.11	7/15/42	100.08	1/2/42		
Treasury notes																					
515	1-3/4	2	-	3/15/43	99.31	100.00	100.00	.00	-	.75	.00	-	1/1/41	100.25	8/1/41	99.11	12/1/41	100.07	5/29/41	99.21	1/9/42
1.005	1-1/2	2	-	3/15/43	99.68	100.00	100.00	.00	-	.88	.00	-	8/1/41	100.05	8/1/41	99.68	1/2/41	100.00	1/2/41	99.68	1/9/42
1,005	1-1/2	2	-	7/15/43	100.13	100.13	100.13	.00	.85	.00	-	9/8/42	100.20	7/7/43	100.00	10/30/42	100.00	7/7/43	100.00	1/9/42	
515	1-3/4	2	-	12/15/43	99.29	99.29	99.29	-0.01	.90	.00	-	12/15/42	100.18	9/9/42	99.29	10/30/42	99.29	7/7/43	99.29	1/9/42	
503	1 1/4	2	-	3/15/43	100.00	100.00	100.00	.00	.90	.00	-	12/15/42	100.18	9/9/42	100.00	10/30/42	100.00	7/7/43	100.00	1/9/42	
503	1 1/4	2	-	12/15/43	100.00	100.00	100.00	.00	1.21	.00	-	8/9/42	100.25	8/1/43	100.01	1/2/43	100.00	7/7/43	100.00	1/9/42	
2,707	1-1/2	2	-	8/15/47	100.15	100.00	100.00	-0.03	1.32	+0.02	-	7/12/43	100.00	7/13/43	100.15	10/15/43	100.00	7/7/43	100.00	1/9/42	
Certificates of Indebtedness																					
2,701	7/8	4	-	8/1/44 1/2	3/	3/	3/	-	-	-	3/	3/1/43	100.00	1/21/44	99.58	7/25/43	100.00	1/21/44	99.58	1/25/43	
6,291	7/8	4	-	8/1/44	3/4	3/4	3/4	-0.05	-	-	-	8/15/43	100.00	1/21/44	99.58	7/25/43	100.00	1/21/44	99.58	1/25/43	
2,705	7/8	4	-	8/1/44	3/4	3/4	3/4	-0.04	-	-	-	5/1/43	100.00	1/8/44	99.58	7/25/43	100.00	1/21/44	99.58	1/25/43	
2,545	7/8	4	-	8/1/44	3/4	3/4	3/4	-0.05	-	-	-	8/1/43	100.00	1/8/44	99.58	7/25/43	100.00	1/21/44	99.58	1/25/43	
6,127	7/8	4	-	8/1/44	3/4	3/4	3/4	-0.05	-	-	-	8/1/43	100.00	1/8/44	99.58	7/25/43	100.00	1/21/44	99.58	1/25/43	
1,518	7/8	4	-	10/1/44	3/4	3/4	3/4	-0.04	-	-	-	10/1/43	100.00	1/8/44	99.58	7/25/43	100.00	1/21/44	99.58	1/25/43	
1,540	7/8	4	-	10/1/44	3/4	3/4	3/4	-0.05	-	-	-	10/1/43	100.00	1/8/44	99.58	7/25/43	100.00	1/21/44	99.58	1/25/43	

February 1944

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Over-the-Counter Closing Quotations on Public Marketable Securities Issued by the
United States Government and by Federal Agencies
January 31, 1944 - (Continued)

Table I. - Securities Issued or Guaranteed by the United States Government - (Continued)

PART I - TAX-EXEMPT BONDS AND NOTES

PAGE 2 - TAX-EXEMPT BONDS AND NOTES															
Amount out- stand- ing (Mil- lions)	Description	Price data (Price includes one thirty-sixths)			Yield data %		Price range (Price includes one thirty-sixths)		Date of issue		Price range (Price includes one thirty-sixths)		Date of issue		
		Bid	Ask	Mean	Yield	High	Low	High	Low	High	Low	High	Low		
Issued by U. S. Government															
Treasury bonds															
81,519	3-1/4% - 4/15/44-45	100.10	100.15	100.12	-	4/15/44	100.15	100.10	4/15/44	100.15	100.10	100.10	4/15/44	100.15	
3,937	4% - 12/15/44-45	100.10	100.15	100.12	-	12/15/44	100.15	100.10	12/15/44	100.15	100.10	100.10	12/15/44	100.15	
1,034	3-1/4% - 3/15/45-46	100.07	100.12	100.09	-	3/15/45	100.12	100.07	3/15/45	100.12	100.07	100.07	3/15/45	100.12	
941	3-1/4% - 12/15/44-45	100.08	100.13	100.10	-	12/15/44	100.13	100.08	12/15/44	100.13	100.08	100.08	12/15/44	100.13	
1,489	3-1/4% - 3/15/45-46	100.08	100.13	100.10	-	3/15/45	100.13	100.08	3/15/45	100.13	100.08	100.08	3/15/45	100.13	
1,014	3% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
810	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
739	3-1/4% - 10/15/44-45	100.05	100.10	100.07	-	10/15/44	100.10	100.05	10/15/44	100.10	100.05	100.05	10/15/44	100.10	
705	3% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
1,193	3-1/4% - 3/15/45-46	100.05	100.10	100.07	-	3/15/45	100.10	100.05	3/15/45	100.10	100.05	100.05	3/15/45	100.10	
493	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
271	3% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
911	3-1/4% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
1,786	3-1/4% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
1,186	3-1/4% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
1,637	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
705	3% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
712	3-1/4% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
661	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
1,611	3-1/4% - 3/15/45-46	100.05	100.10	100.07	-	3/15/45	100.10	100.05	3/15/45	100.10	100.05	100.05	3/15/45	100.10	
882	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
1,119	3-1/4% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
1,440	3-1/4% - 12/15/44-45	100.05	100.10	100.07	-	12/15/44	100.10	100.05	12/15/44	100.10	100.05	100.05	12/15/44	100.10	
Other bonds															
14	3% Corporation - 1/1/44	100.05	100.10	100.07	-	1/1/44	100.10	100.05	1/1/44	100.10	100.05	100.05	1/1/44	100.10	
13	3% Corporation - 1/1/44	100.05	100.10	100.07	-	1/1/44	100.10	100.05	1/1/44	100.10	100.05	100.05	1/1/44	100.10	
36	3% Finance Bond - 8/1/41	100.05	100.10	100.07	-	8/1/41	100.10	100.05	8/1/41	100.10	100.05	100.05	8/1/41	100.10	
Treasury notes															
219	3% - 3/15/44-45	100.05	100.10	100.07	-	3/15/44	100.10	100.05	3/15/44	100.10	100.05	100.05	3/15/44	100.10	
412	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10	
281	3% - 3/15/44-45	100.05	100.10	100.07	-	3/15/44	100.10	100.05	3/15/44	100.10	100.05	100.05	3/15/44	100.10	
718	3-1/4% - 3/15/44-45	100.05	100.10	100.07	-	3/15/44	100.10	100.05	3/15/44	100.10	100.05	100.05	3/15/44	100.10	

Guaranteed by U. S. Government

819	3-1/4% - 3/15/44-45	100.10	100.15	100.12	-	3/15/44	100.15	100.10	3/15/44	100.15	100.10	100.10	3/15/44	100.15
831	3-1/4% - 3/15/44-45	100.10	100.15	100.12	-	3/15/44	100.15	100.10	3/15/44	100.15	100.10	100.10	3/15/44	100.15
779	3% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10
755	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10
114	3-1/4% - 6/15/44-45	100.05	100.10	100.07	-	6/15/44	100.10	100.05	6/15/44	100.10	100.05	100.05	6/15/44	100.10

- 1/ When the price of a security is such as to result in a negative yield, the excess of price over new yield is given in the field column in thirty-sixths.
- 2/ Prices represent the mean of closing bid and ask quotations in the over-the-counter market except that prices of Treasury, Federal Farm Mortgage Corporation, and Home Owners' Loan Corporation bonds for the period prior to October 1, 1939 represent closing prices on the New York Stock Exchange. When Treasury prices are indicated beginning October 1, 1939, these of high and low, in case of overruns, are the latest data.
- 3/ Computed on mean price to call date when mean price is above par and the maturity date when mean price is below par.
- 4/ Included in average of long-term Treasury bonds shown later in this chapter.
- 5/ Security is not callable prior to maturity (maturity date shown).
- 6/ After issue date.
- 7/ This security was issued in the amount of \$2,186,000,000 on February 1, 1944.
- 8/ Based on field basis.
- 9/ From January 1 through January 25, 1944, quotations are on basis of new field price prevailing per thousand dollars. The price history ends on January 25, 1944. From January 26 through January 31, 1944, this security was quoted on a price basis.
- 10/ Not quoted.
- 11/ Includes Federal Housing Administration debentures and bonds sold solely by Government agencies.
- 12/ Called on December 12, 1943, for redemption on April 1, 1944.
- 13/ Included in average of long-term Treasury bonds shown later in this chapter.
- 14/ Includes postal savings bonds.

Over-the-Counter Closing Quotations on Public Marketable Securities Issued by the
United States Government and by Federal Agencies
January 31, 1944 - (Continued)

Table II. - Securities Issued by Federal Agencies but not Guaranteed by the United States

PART A - ISSUES QUOTED ON A PRICE BASIS

Amount outstanding (Millions)	Description	Price data (Price includes one thirty-sixths)			Yield data %		Date of issue	Price range (Price includes one thirty-sixths)		1943-44 price range % (Price includes one thirty-sixths)					
		Bid	Ask	Mean	Change in weekly price Dec. 1, 1943	Yield from Dec. 1, 1943		High	Low	High	Low				
Federal Land bank 1/															
116	3% - 7/1/44-45	101.10	101.15	101.12	-10	3.76	0.098	3.278	7/1/39	101.15	101.10	7/1/40	101.15	101.10	7/1/40
71	3% - 7/1/44-45	101.10	101.15	101.12	-10	3.76	0.098	3.278	7/1/39	101.15	101.10	7/1/40	101.15	101.10	7/1/40
107	3-1/4% - 7/1/45-50	101.08	101.14	101.11	-11	-10	-1.10	0.90	7/1/39	101.14	101.08	7/1/40	101.14	101.08	7/1/40
290	3% - 7/1/44-45	101.13	101.18	101.15	-10	-53	0.00	0.00	7/1/39	101.18	101.13	7/1/40	101.18	101.13	7/1/40
171	3% - 1/1/46-48	101.16	101.20	101.18	-19	-53	1.02	0.94	1/1/39	101.20	101.16	7/1/40	101.20	101.16	7/1/40
170	3% - 7/1/44-45	101.18	101.20	101.19	-12	-45	0.07	0.94	5/1/39	101.20	101.18	8/1/37	101.20	101.18	8/1/37

PART B - ISSUES QUOTED ON A YIELD BASIS

Amount outstanding (in millions)	Description	Date of issue	Yield			
			Bid	Ask	Mean	Change to new from December 31, 1943
	Federal Home Loan Bank 1/					
414	7% 4 - 4/15/44	12/1/43	7.00	7.00	7.00	.00
	Federal Intermediate Credit Bank 2/					
22	7% - 2/1/44	5/2/43	.60	-	.60	.00
31	7% - 2/1/44	8/2/43	.60	-	.60	.00
29	7% - 2/1/44	6/2/43	.70	-	.70	.00
27	7% - 2/1/44	7/2/43	.75	-	.75	.00
25	5/4% - 4/1/44	12/2/43	.75	-	.75	.00
23	7% - 5/1/44	8/2/43	.75	-	.75	.00
17	5/4% - 2/1/44	10/20/43	.75	-	.75	-
15	7% - 6/1/44	12/2/43	.80	-	.80	.00
13	7% - 6/1/44	12/2/43	.80	-	.80	.00
11	7% - 7/1/44	10/2/43	.85	-	.85	.00
9	7/8% - 8/2/44	11/2/43	.875	-	.875	.00
7	9% - 5/1/44	12/2/43	.90	-	.90	.00
5	9% - 10/2/44	1/2/44	.95	-	.95	-
3	9% - 11/2/44	11/1/43	.95	-	.95	.00

- 1/ When the price of a security is such as to result in a negative yield, the excess of price over new yield is given in the field column in thirty-sixths.
- 2/ Prices represent the mean of closing bid and ask quotations in the over-the-counter market. When Treasury prices are indicated beginning December 1, 1943, these of high and low, in case of overruns, are the latest data.

- 3/ When the price of a security is such as to result in a negative yield, the excess of price over new yield is given in the field column in thirty-sixths.
- 4/ Computed on mean price to call date when mean price is above par and the maturity date when mean price is below par.
- 5/ Includes issues completely held by Farm Credit Administration agencies.
- 6/ Taxable issues.

Based on Mean of Closing Bid and Asked Quotations

Available to all investors

- Fixed maturity issues (except notes at a discount)
- Notes at a discount
- Callable issues

Available to investors except commercial banks

- Callable bonds

Available to all investors:

- ☐ Notes
- ☒ Collable bonds
- ☐ Fixed maturity bonds

Exclusions: The prices represent prices in full and when prices are shown per unit, it represents price when prices are shown in dollars. The weight of the various ranges of prices are shown in the column for which the average of the two most likely values is shown in the column for the number of units.

Inventory Report

57

(Barrows) per annum.

basis of completion: (1) Treasury bond yields are computed on the basis of the mean of bid and ask quotations in the over-the-counter market, beginning September 2, 1941; previously, closing prices on the New York Stock Exchange were used on days when bid and ask quotations on the Exchange in a particular issue and the mean of closing bid and ask quotations on the New York Stock Exchange were used on days when no sales took place; (2) Corporate bond yields are computed on the basis of closing prices on the New York Stock Exchange and the New York Bond Exchange; on days when no sales took place, the price of the last preceding sale is used.

Source: Figures from "Treasury Bulletin" for July 1942, pages 25-26, and subsequent issues.

heads and United States savings bonds issued before March 1, 1961 is exempt from the surtax rates of the Federal Income tax. Average of taxable bonds issued earlier has no taxable surtax twice over. Bonds which are not to be held by all classes of investors (the 2-1/2% of 5/25/50-55, the 3-1/2% of 12/15/55-59, the 4-1/2% of 12/15/60-69, and the 5-1/2% of 12/15/70-79) are excluded from the average. Franklin bonds are those the latest on which is subject to both the normal and surtax rates of the Federal Income tax. This average commenced October 25, 1960.

Age structure (volume 2), 1941.

For discussion of composition of high-grade corporate bond averages, see "Treasury Bulletin" for April 1951, page 61.

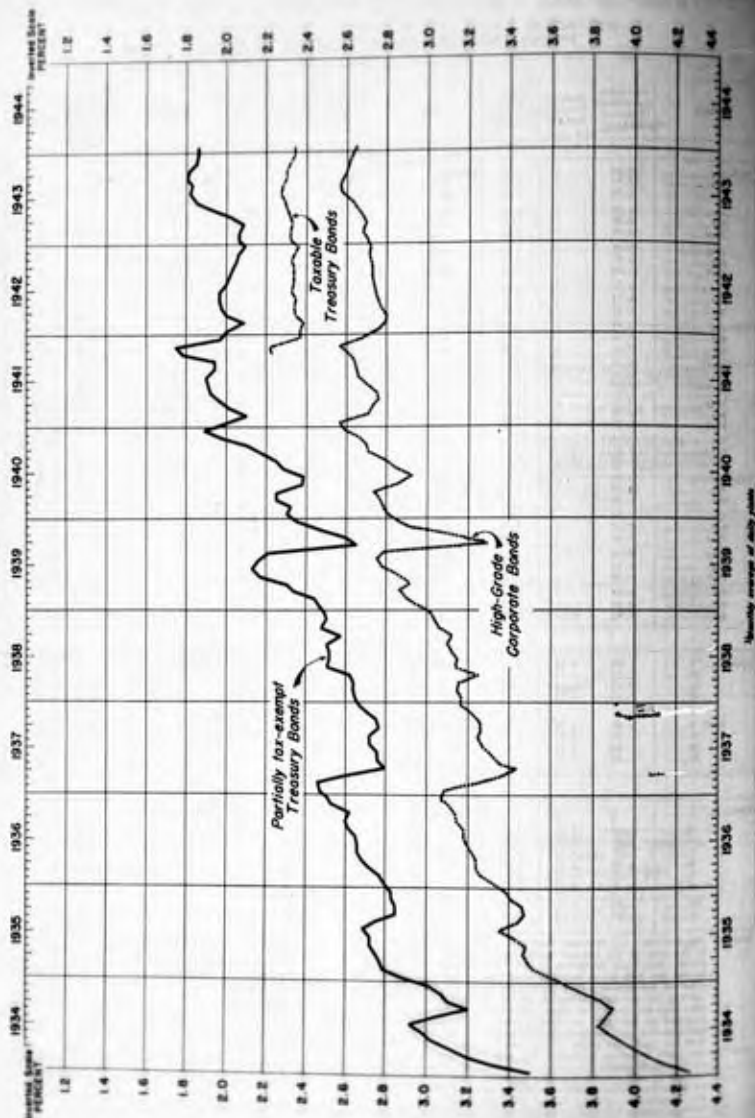
Monthly averages of daily figures. Refer to April 1, 1950, corporate bonds are averages of monthly figures.

In days when the averages are closed, the date and prices of the previous day are used.

Regraded Unclassified

AVERAGE YIELDS OF LONG-TERM TREASURY AND CORPORATE BONDS

Monthly Series¹



GOVERNMENT CORPORATIONS AND CREDIT AGENCIES OF THE UNITED STATES

Assets and Liabilities of Government Corporations and Credit Agencies
December 31, 1943

136 2013-04-04 08:00:00

Corporation or Agency	Assets										Liabilities		
	Total	Cash	Fed- eral capital stock, etc.	Dep 1/	Investments			Accounts and other receivables 2/	Real estate and other business property	Intergovernmental assets			
					U. S. Government securities	Securiti- ties guaranteed by United States	Other			Due from Federal Government agencies	Capital, stock and surplus-2 1/2	Other assets	
United States Marine Hospital	111.1	275.2	-	29.1	33.8	-	36.1	2.0	-	-	-	-	
United States Marine Hospital	1,174.1	309.3	-	-	-	-	-	447.7	21.2	-	-	1,095.1	
United States Marine Hospital	80.8	2.7	-	-	-	-	-	16.5	-	1.5	-	-	
Export-Import Bank of Washington	196.5	195.8	-	1.4	-	-	-	37.1	-	-	-	-	
Farm Credit Administration	413.4	296.2	-	10.0	-	-	-	1.0	-	-	176.0	21.2	
Farm Security Administration	528.1	456.7	-	-	-	-	-	33.7	1.0	76.7	-	-	
Federal Crop Insurance Corporation	29.1	-	-	1.1	-	-	-	-	-	-	-	-	
Federal Deposit Insurance Corporation 2/	1,106.2	90.2	-	634.1	-	-	-	-	1.1	-	-	3.3	
Federal Farm Mortgage Corporation	1,106.2	409.3	-	6.9	-	190.0	438.1	20.3	-	3.8	-	14.2	
Federal Home Loan Banks	29.1	110.3	-	16.3	-	-	-	-	-	-	-	-	
Federal Housing Administration	128.5	-	-	20.6	-	-	-	41.5	1.2	-	-	6.7	
Federal Intermediate credit banks	424.6	245.3	-	30.7	-	-	-	2.7	-	109.6	-	-	
Federal land banks 2/	1,980.5	1,957.9	-	42.8	229.6	168.8	37.0	127.7	5.1	7.0	-	19.6	
Federal National Mortgage Association	67.3	68.4	-	-	-	-	-	1.5	-	-	-	6.1	
Federal Prison Industries, Inc.	54.7	-	-	7.6	-	-	-	6.5	-	-	-	-	
Federal Public Housing Authority	950.8	316.4	-	37.9	7.2	-	-	4.6	182.5	-	-	-	
Federal Reserve Bank of New York	146.8	-	-	1.2	140.1	1.3	-	-	-	-	-	-	
Federal Security Agency - student loan	3.4	3.1	-	-	-	-	-	-	-	-	-	-	
Federal Works Agency	72.4	70.4	-	-	-	-	-	-	-	-	-	-	
Public Works Administration	1.7	1.7	-	-	-	-	-	-	-	-	-	-	
War Relocation Authority	1,643.2	1,336.1	-	53.1	36.0	19.2	25.0	-	2.6	100.0	-	99.4	
War Relocation Authority	28.9	-	-	-	-	-	-	-	16.2	-	-	-	
Interior Department (Indian Loans)	2.6	0.6	-	-	-	-	-	-	-	-	-	-	
United States National Bank	127.5	-	-	12.8	22.5	-	-	-	-	3.1	-	-	
Production credit corporations	21.9	6.0	-	3.1	-	-	-	-	-	-	-	-	
Public Works Administration	5,479.3	1,303.8	-	338.3	3.3 1/2	68.3	-	6.1	10.6 2/	7,065.3	350.1	12.8	
Reconstruction Finance Corporation	68.1	30.0	-	30.4	-	-	-	-	-	-	-	-	
Regional agricultural credit corporations	118.6	301.5	-	-	-	-	-	-	6.6	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	12.0	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	679.7	2.2	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-	-	-	-	-	-	-	
Small Business Administration	118.6	301.5	-	-	-	-	-	-	-	-	-	-	
Small Business Administration	207.7	347.2	-	-	-	-	-	-	-	-	-	-	
Seacoast Valley Authority	596.5	-	-	14.7	-	-							

(Continued on following page)

Assets and Liabilities of Government Corporations and Credit Agencies
December 31, 1943 - (Continued)

(in millions of dollars)

Corporation or Agency	Liabilities and Reserve						Proprietary Interest					
	Total	Liabilities		Due to Government corporations and agencies	Re- sources	House of senators (Total proprietor- ship in- terest)	Pri- vately owned	Owned by United States ^{11/}				
		Guaranteed by United States (includes guaranteed interest)	Not guaranteed by United States					Total	Capital stock	Surplus	Re- serves	
				Treasury	Other							
Banks for cooperatives.....	122.7	-	17.8	-	105.2	1.3	204.7	7.7	200.9	176.8	26.9	-
Community Credit Corporations.....	1,719.4	621.7	287.2	-	800.0	-	29.0	-	29.0	100.8	-78.6	-
Crescent Loan Corporation.....	.1	-	.1	-	-	-	10.7	-	10.7	-	-3.3	-
Export-Import Bank of Washington.....	1.4	-	2	-	1.2	-	193.0	-	193.0	175.0	18.0	-
Farm Credit Administration.....	211.2	-	5.3	-	211.0	-	202.2	-	202.2	202.2	-	202.2
Farm Security Administration.....	257.2	-	5.3	-	211.0	-	100.9	-	100.9	-	-	100.9
Federal Crop Insurance Corporation.....	17.4	-	10.8	-	7.0	-	11.7	-	11.7	30.0	-68.7	-
Federal Deposit Insurance Corporation ^{12/}	436.2	-	1.7	-	431.9	399.3	179.3	-	130.0	170.0	-	-
Federal Farm Mortgage Corporation.....	1,064.4	236.6	0.7	-	99.4	1,046.6	-	108.7	100.0	8.8	-	-
Federal loan banks.....	99.2	-	94.3	-	.7	199.0	79.8	-	129.2	129.7	-	-
Federal Housing Administration.....	27.2	22.9	3.8	-	4	121.7	-	122.7	-	-	101.7	-
Federal intermediate credit banks.....	329.9	-	14.2	-	-	89.5	-	89.5	80.0	9.5	-	-
Federal land banks ^{13/}	1,501.1	-	1,400.3	-	1.4	79.3	479.9	216.9	262.2	106.3	146.0	-
Federal National Mortgage Association.....	43.0	-	1.6	-	40.0	-	75.4	-	75.4	11.0	34.0	-
Federal Prison Industries, Inc.....	.3	-	.3	-	-	-	71.9	-	71.9	-	11.3	6.7
Federal Public Housing Authority.....	408.8	114.8	-	293.0	-	11.0	142.0	-	142.0	1.0	341.0	-
Federal Savings and Loan Insurance Corporation.....	2.0	-	2.2	-	-	144.6	-	144.6	100.0	44.6	-	-
Federal Security Agency - student war loans ^{14/}	-	-	-	-	-	3.8	-	3.8	-	.1	3.7	-
Federal Works Agency:	-	-	-	-	-	-	-	-	-	-	-	-
Public Works Administration.....	-	-	-	-	-	72.4	-	72.4	-	-	72.4	-
Public Works - community facilities.....	-	-	-	-	-	3.7	-	3.7	-	-	3.7	-
Home Owners' Loan Corporation.....	1,409.5	1,544.8	36.8	-	2	34.0	71.2	-	207.0	-126.0	-	-
United Waterways Corporation ^{15/}	1.3	-	.9	-	-	23.2	-	23.2	12.0	11.2	-	-
Interior Department (Indian loans).....	-	-	-	-	-	6.6	-	6.6	-	-	6.6	-
Passenger Railroad Corporation ^{16/}	14.6	-	10.2	-	.3	4.1	96.7	-	96.7	7.0	51.7	-
Production credit corporations.....	.3	-	-	-	.3	127.8	-	127.8	100.0	7.2	-	-
Puerto Rico Reconstruction Administration.....	-	-	-	-	-	21.8	-	21.8	-	-	21.8	-
Reconstruction Finance Corporation ^{17/}	8,548.2	1,210.8 ^{18/}	580.2 ^{19/}	6,739.6	88.8	125.0	731.7	-	731.7	806.7 ^{20/}	-	-
Rural agricultural credit corporations.....	2.0	-	1.6	-	-	.3	55.0	-	55.0	12.5	-	-
SEC Mortgage Corp., Inc.....	88.1	-	3.1	-	84.9	-	27.9	-	27.9	25.0	8.5	-
Rural Electrification Administration.....	236.4	-	-	-	236.4	-	12.1	-	12.1	-	-	131.1
Tennessee Valley Authority.....	236.6	-	17.9	97.0	2.6	6.3	115.0	-	115.0	-	65.0	-
Tennessee Valley Associated Corpora- tion, Inc.....	-	-	-	-	-	-	-	-	-	-	-	-
Live Stock, Inc.....	-	-	-	-	-	.3	-	.3	-	-	.3	-
United States Marine Commodities War corporations and activities (World War I) ^{21/}	1,315.1	-	1,304.6	-	1.1	29.5	1,309.3	-	1,304.3	-	-	5,349.3
War corporations (World War II) ^{22/}	.2	-	.1	-	.1	.6	-	-	.6	25.4	-26.0	2.3
War corporations (World War II) ^{23/}	8,693.5	-	8,029.2	-	6,631.7	5	1,465.2	-	1,465.2	146.8	546.0	26.3
War Shipping Administration.....	393.7	-	100.8	-	1.0	295.9	523.3	-	523.3	-	-	519.3
Other Government agencies ^{24/}	216.0	-	-	-	216.0	-	7,875.6	-	7,875.6	6.9	-	7,666.7
Grand total.....	27,204.7	4,255.0	6,157.1	7,478.6	7,632.6	1,080.4	17,805.3	938.8	17,367.1	2,132.6	-15.6	25,291.8
Adjustment to eliminate interagency interests.....	-18,512.8	-	-	-3,879.6	-7,039.6	-	-696.7	-	-894.7	-433.7	-1.0	-
Net total.....	11,290.5	4,255.0	6,157.1	8	8	1,080.4	17,110.5	938.8	16,732.2	1,707.4	-16.6	25,291.8

Source: Daily Freeman Statement

* Less than \$50,000.

✓ **Swisher suspended sale**

1 Includes negative with 1

2) *Staphylococcus aureus* (Staph.)

2. Represents liability from
any one lending source

the positive correlation

professionals and others, as

lowest? Finally which flow
also is more uniform?

Figure 1 shows the results of the analysis. The results show that the mean number of correct responses was significantly higher than the mean number of incorrect responses, $t(10) = 10.0, p < .001$. The mean number of correct responses was significantly higher than the mean number of incorrect responses, $t(10) = 10.0, p < .001$.

Figures 2 and 3 are the
illustrative line graphs and

Leinster/11a and Leinster/11b

Continued on p. 10

10. **Define the concept of**

THE UNIVERSITY OF CHICAGO

tion by Executive order effective October 22, 1942.

Adjusted for interagency time and items in transit.

Comprises Navy Department (sale of surplus supplies)

Vergröberung, U. S. National Administration and U. S. National Commission.

Smoothed Catfish, etc., Yellow-bellied Snake Charmer.

Supervision, Defense Supplies Corporation, Inc.

European Affairs, Institute of Inter-European Trade

Maritime Educational Foundation, Inc., 1000-100th Ave.,
 Brooklyn, N.Y. 11230

Cooperation: Michele Marzotto, Giuseppe, Fabrizio, Irene
Tullio, Benedetto, Giovanni, Silvio, Giorgio, Leo

Florida Department of Transportation, 3331 University Avenue, SW, Tallahassee, FL 32309-0001, U.S.A.

edition.

Department of Energy Resources and other Government

NOTE TO THE READER:

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Regraded Un

Regraded UI

Source of Funds of Certain Government Corporations and Credit Agencies
for the First Six Months, Fiscal Year 1944

Corporation or agency	Appropriations from General Fund of the Treasury ^{1/}	Allocations, re-discounts, and loans from other government corporations and credit agencies (est)	Sale of obligations to Treasury (est)	Sale of obligations to the market (est)	Sale of stock to other agencies
Central Bank for Cooperatives.....	\$ 1,500,000	\$ 66,250,000	-	-	\$99,750
Commodity Credit Corporation.....	-	-	\$-1,150,000,000	\$ -5,007,500	-
Disaster Loan Corporation.....	-	-	-	-	-
Export-Import Bank of Washington.....	-	2,000,000	-	-	-
Federal Deposit Insurance Corporation.....	-	-177	-	-	-
Federal Farm Mortgage Corporation.....	-	-	-	-	-
Federal Home Loan Bank.....	-	-	-	25,300,000	-
Federal National Mortgage Association.....	-	45,354,750	-	\$5,405,000	-
Federal Public Housing Authority.....	5,360,517	-	-	-	-
Federal Savings and Loan Insurance Corporation.....	-	-	-	-	-
Home Owners' Loan Corporation.....	-	-	-156,000,000	-	-
Reconstruction Finance Corporation ^{2/}	-	-	2,001,393,000	-346,648,000	-
RFC Mortgage Company, Inc.....	-	3,502,596	-	-	-
Rural Electrification Administration.....	2,394,666	1,543,594	-	-	-
War corporations ^{3/}	4,000,000	1,690,685,476	-	-	100,000
Total.....	\$13,355,583	\$1,613,808,461	\$ 695,393,000	\$-357,048,500	\$99,850

Corporation or agency	Sale of other property acquired	Repayment of loans ^{1/}	Interest, dividends, assessments, and property income	Other receipts	Total, source of funds
Central Bank for Cooperatives.....	-	\$ 93,635,195	\$ 449,783	\$ 19,252	\$ 162,955,630
Commodity Credit Corporation.....	\$1,823,800,612	707,093	-230,597	-6,836,407	\$61,251,089
Disaster Loan Corporation.....	19,058	946,336	58,818	-4,076	1,000,746
Export-Import Bank of Washington.....	-	55,936,368	7,668,935	-	63,605,303
Federal Deposit Insurance Corporation.....	-	13,135,627	46,156,546	4,302,680	\$5,598,471
Federal Farm Mortgage Corporation.....	5,429,436	72,964,938	25,106,105	2,435,155	105,935,634
Federal Home Loan Bank.....	-	84,966,095	2,469,210	3,500,149	120,935,454
Federal National Mortgage Association.....	169,821	100,631,439	9,462,835	-98,953,588	2,078,667
Federal Public Housing Authority.....	-	1,005,826	5,333,877	26,546	11,097,199
Federal Savings and Loan Insurance Corporation.....	-	-	3,656,658	28,880	3,685,538
Home Owners' Loan Corporation.....	46,233,513	119,713,184	37,960,007	-2,823,996	3,069,714
Reconstruction Finance Corporation ^{2/}	2,547,908	216,457,545	94,829,932	11,799,100	1,355,495,864
RFC Mortgage Company, Inc.....	80,480	19,690,568	9,181,960	951,666	26,093,665
Rural Electrification Administration.....	-	6,665,137	5,898,137	-8	12,563,274
War corporations ^{3/}	109,438,358	-27,368,543	8,694,102	946,193,877	3,065,048,387
Total.....	\$2,623,501,128	\$714,180,265	\$126,704,337	\$609,036,490	\$6,667,340,799

Source: ^{1/} Reports received from the corporations and agencies.
^{2/} Data in this column are the only ones in this statement which constitute a charge against the Federal Budget. They represent amounts of funds from available appropriations.
^{3/} Includes the Service Loan and Farm Authority, which was transferred for purposes of liquidation to the Reconstruction Finance Corporation by Executive Order effective October 11, 1940.
^{4/} Includes Savings, Incorporated, Defense Home Corporation, Defense Plant Corporation, Defense Supplies Corporation.

Includes of Inter-American Affairs, Institute of Inter-American Transportation, Inter-American Educational Foundation, Inc., Inter-American Navigation Corporation, Puerto Rican Savings Corporation, Petroleum Reserve Corporation, Rural Electrification Administration, Defense Home Corporation, Defense Plant Corporation, Defense Supplies Corporation, Defense Plant Corporation, Defense Supplies Corporation.

^{5/} Includes from the sale of property acquired by liquidation of loans are shown as "Sale of other property received."

Uses of Funds of Certain Government Corporations and Credit Agencies
for the First Six Months, Fiscal Year 1944

Corporation or agency	Expenses		Interest and payment of principal (est)	Loans	Repayment of principal and interest on loans to other agencies ^{1/}
	Administrative	Operating			
Central Bank for Cooperatives.....	\$ 76,462	-	-	\$131,432,224	-
Commodity Credit Corporation.....	2,734,062	-	\$1,919,711,780	139,155,668	-
Disaster Loan Corporation.....	166,181	\$ 3,900	-	139,155,668	-
Export-Import Bank of Washington.....	125,738	21	-	25,940,130	-
Federal Deposit Insurance Corporation.....	2,041,632	-	-	4,062,126	-
Federal Farm Mortgage Corporation.....	3,957,136	-	1,015,332	12,715,560	-
Federal Home Loan Bank.....	594,336	-	-	104,044,297	-
Federal National Mortgage Association.....	490,198	285,680	-	209,194	-
Federal Public Housing Authority.....	1,811,883	218,876	3,082,561	2,495,951	-
Federal Savings and Loan Insurance Corporation.....	138,725	12,735	-	-	-
Home Owners' Loan Corporation.....	4,491,941	8,975,865	752,969	1,386,436	\$1,494,450
Reconstruction Finance Corporation ^{2/}	4,478,174	-52,846	-	134,947,942	-
RFC Mortgage Company, Inc.....	428,467	512,635	-57,143	23,375,196	-
Rural Electrification Administration.....	1,273,509	-	-	5,545,507	-
War corporations ^{3/}	3,506,998	126,033,435	2,451,785,362	-13,626,725	-
Total.....	\$6,689,216	\$139,795,301	\$4,367,495,115	\$646,800,000	\$1,494,450

Corporation or agency	Investments (est)	Allocations, re-discounts, and loans to other government corporations and credit agencies (est)	Interest and dividends paid	Other expenditures	Total, uses of funds
Central Bank for Cooperatives.....	\$ -4,356,712	-	\$ 162,810	\$ 750	\$ 179,795,959
Commodity Credit Corporation.....	-	\$ -119,915,330	5,946,395	35,950,671	1,907,399,251
Disaster Loan Corporation.....	-	695,107	-	257	1,000,746
Export-Import Bank of Washington.....	-	-13,800,000	10,812,069	-	20,719,339
Federal Deposit Insurance Corporation.....	85,099,967	-	-	1,183,946	72,964,938
Federal Farm Mortgage Corporation.....	10,300,000	-	14,467,537	1,551,741	105,907,708
Federal Home Loan Bank.....	-3,049,182	-	1,057,044	340,900	105,743,033
Federal National Mortgage Association.....	-	-	1,103,595	-17,390	2,078,667
Federal Public Housing Authority.....	-	-	756,178	5,360,517	19,679,400
Federal Savings and Loan Insurance Corporation.....	4,000,000	-	-	-599,606 ^{1/}	3,400,394
Home Owners' Loan Corporation.....	-15,058,110	-	17,616,831	77,447	85,023,789
Reconstruction Finance Corporation ^{2/}	-2,000,000	1,742,023,568	30,564,174	-128,770	1,949,807,946
RFC Mortgage Company, Inc.....	-	-	1,240,792	297,138	26,093,665
Rural Electrification Administration.....	-	-	5,331,501	-	13,563,274
War corporations ^{3/}	88,433	74,802,757	687,276	466,812,000	3,112,659,780
Total.....	\$19,366,396	\$1,668,366,100	\$47,406,828	\$951,872,089	\$7,537,317,204

Source: ^{1/} Reports received from the corporations and agencies. Data in table of source (same).
^{2/} Includes from the repayment of mortgage loans appear under "Repayment of loans" in the statement of source of funds.
^{3/} Includes the Service Loan and Farm Authority, which was transferred for purposes of liquidation to the Reconstruction Finance Corporation by Executive Order effective October 11, 1940.
^{4/} Includes Savings, Incorporated, Defense Home Corporation, Defense Plant Corporation, Defense Supplies Corporation, Defense Plant Corporation, Defense Supplies Corporation.

Includes of Inter-American Affairs, Institute of Inter-American Transportation, Inter-American Educational Foundation, Inc., Inter-American Navigation Corporation, Puerto Rican Savings Corporation, Petroleum Reserve Corporation, Rural Electrification Administration, Defense Home Corporation, Defense Plant Corporation, Defense Supplies Corporation, Defense Plant Corporation, Defense Supplies Corporation.

Summary of Internal Revenue Collections 1

The thousands of dollars

Fiscal year or month	Total	Income and profits taxes				Employment taxes 2/			
		Total	Individual 2/	Corporation income and profits 3/	Manufacturers' income tax 4/	Total	Federal Insurance Contributions Act (FICA) (insurance)	Federal Unemployment Tax Act (FUTA) (insurance)	Sections' Voting Act of 1937
1934.....	2,672,279	815,064	415,909	707,014	6,531	-	-	-	-
1935.....	2,881,794	1,104,784	587,111	518,115	6,560	-	-	-	-
1936.....	3,094,130	1,487,446	674,415	714,505	14,509	48	207,189	34,111	48
1937.....	4,556,304	2,175,887	1,051,761	1,064,504	32,114	267,723	503,613	50,867	149,476
1938.....	5,643,434	2,849,015	1,286,314	1,269,454	46,784	746,660	503,613	50,867	149,476
1939.....	5,146,395	2,149,109	1,034,474	1,110,231	13,740	740,427	503,613	101,147	109,407
1940.....	4,322,764	2,120,604	982,017	1,139,579	47,010	873,561	503,613	101,147	109,407
1941.....	7,551,533	3,471,189	1,417,609	2,054,299	37,172	869,494	503,613	101,147	109,407
1942.....	13,029,563	5,006,880	2,404,800	4,487,929	56,461	1,112,366	503,613	101,147	109,407
1943-January.....	297,187	296,097	71,410	217,544	5,319	129,646	129,646	30,496	501
February.....	1,064,502	431,793	149,299	264,540	3,771	294,330	149,299	41,741	28,270
March.....	5,712,441	4,664,290	1,974,909	2,872,516	20,180	26,214	503,613	5,819	28,534
April.....	1,472,129	1,007,599	461,617	529,150	634	120,094	107,038	5,860	7,167
May.....	1,304,980	753,477	331,407	299,147	2,493	214,110	873,561	1,047	28,413
June.....	4,343,440	4,006,934	1,613,944	2,366,504	7,340	27,747	503,613	1,140	23,568
July.....	1,594,440	1,251,442	472,410	347,316	10,447	115,426	109,433	4,444	1,447
August.....	1,612,213	1,213,577	452,077	349,186	2,474	283,723	109,433	4,444	1,447
September.....	4,613,790	4,131,774	1,644,410	2,484,140	14,574	27,463	503,613	1,140	23,568
October.....	2,179,567	1,615,519	1,085,441	544,424	4,713	114,561	109,433	4,444	1,447
November.....	2,049,229	1,470,890	1,147,594	507,579	15,717	462,827	107,021	4,444	1,447
December.....	5,017,254	4,590,615	2,175,569	2,410,116	4,834	34,950	1,494	1,047	28,413
1944-January.....	2,048,446	1,504,390	1,235,535	534,653	6,208	122,143	84,530	16,499	794

INTERNAL REVENUE STATISTICS

Fiscal year or month	Miscellaneous Internal Revenue								Agricultural adjustment taxes
	Total	Capital stock tax	Debate and gifts taxes	Alcoholic beverage taxes	Tobacco taxes	Stamp taxes	Manufacturers' and retailers' excise taxes 5/	Mineral-lease taxes 6/	
1934.....	1,441,160	40,164	115,134	294,913	445,169	66,980	190,038	147,155	371,483
1935.....	1,069,782	31,508	212,112	410,526	494,775	45,133	142,879	91,054	266,222
1936.....	2,024,914	94,943	178,840	329,443	500,145	64,990	271,940	76,172	44,383
1937.....	2,184,775	117,499	309,544	491,710	569,423	149,494	449,494	80,140	-
1938.....	2,872,154	139,343	414,474	567,430	567,777	44,233	414,794	117,901	-
1939.....	2,436,821	127,203	360,713	587,605	579,744	41,043	346,491	141,940	-
1940.....	2,393,041	132,739	360,671	604,044	504,072	36,461	347,088	148,404	-
1941.....	2,354,933	166,611	407,594	614,809	497,712	39,067	617,773	206,471	-
1942.....	3,437,470	268,904	434,540	1,044,155	781,794	41,754	894,044	300,501	-
1943-January.....	4,271,132	368,795	467,494	1,243,441	943,877	45,155	870,465	734,333	-
February.....	374,504	303	46,739	134,476	80,565	3,776	64,427	41,912	-
March.....	330,409	214	28,413	114,299	64,467	3,491	41,499	40,440	-
April.....	374,504	303	46,739	134,476	80,565	3,776	64,427	41,912	-
May.....	374,504	303	46,739	134,476	80,565	3,776	64,427	41,912	-
June.....	374,504	303	46,739	134,476	80,565	3,776	64,427	41,912	-
July.....	651,613	135,643	47,310	124,164	86,771	4,041	29,449	191,614	-
August.....	594,217	127,474	46,497	124,164	86,771	4,041	29,449	191,614	-
September.....	293,608	24,434	24,434	24,434	24,434	24,434	24,434	24,434	-
October.....	441,148	20,463	40,714	122,374	90,013	3,910	24,434	40,714	-
November.....	275,552	342	46,497	117,303	93,028	3,434	24,434	40,714	-
December.....	349,493	342	46,497	120,194	87,101	3,999	24,434	40,714	-
1944-January.....	381,613	39	54,146	107,444	77,411	4,475	64,049	74,409	-

Source: Reports of collections.

1/ Revised.

2/ Excludes collections for credit to certain trust accounts for territories and insular possessions, etc. (except for the fiscal years 1935 through 1937, when they aggregated less than \$1 million a year).

3/ Includes victory bond collections and collections under the Bureau Tax Payment Act of 1935.

4/ Excludes profits tax imposed under the Internal Revenue Act of 1940, as amended.

5/ Dealers of the declared value excess profits tax, the profit limiting provisions of the Tax Act, and the tax on war-risk enrichment.

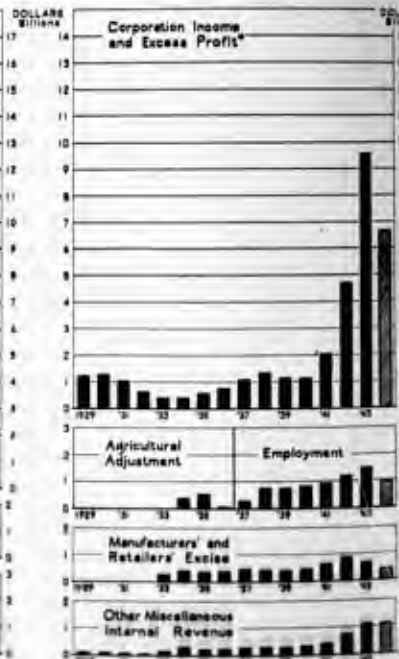
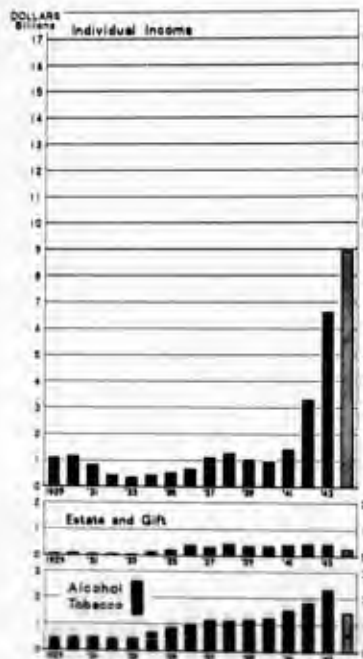
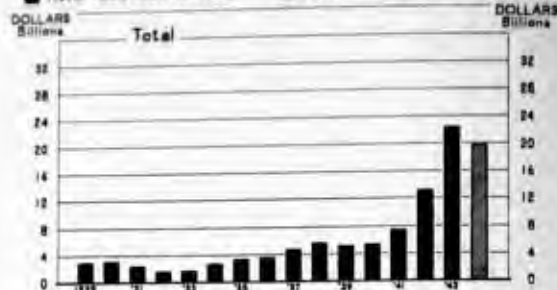
6/ For the period prior to September 1939 the sale in the nationwide entitled Federal Insurance Contributions Act and Federal Unemployment Tax Act represent collections under Titles VIII and IX, respectively, of the Social Security Act.

7/ Includes the collections under the Sugar Act of 1917 and under the Distilled Spirits Tax imposed by the Act of June 12, 1933.

COLLECTIONS OF INTERNAL REVENUE

Fiscal Year 1929 to 1943

First 7 Months Fiscal Year 1944



* Including manufacturing profits taxes.

Detailed Analysis of Current Internal Revenue Collections*

(In thousands of dollars)

Source of revenue	January 1944	First 7 months 1944	January 1944	First 7 months 1944
Source of revenue	January 1944	First 7 months 1944	Source of revenue	January 1944
Taxes and profits taxes:			Miscellaneous internal revenue (continued):	
Individual:			Stock issues:	
Withheld by employers (Current Tax Payment Act of 1943) ¹	604,540	6,737,379	Bonds, issues of capital stock, bonds of corporations, etc.	2,139
Winery tax (Revenue Act of 1940) ²	1,308	94	Transfers of capital stock and similar	1,990
Other:			Interest sales:	6,661
Current 1/2	396,810	5,717,367	Playing cards:	6,170
Back:	13,409	74,807	Silver bullion value of transfers:	2
Corporate:			Total stock issues:	8,277
Current 1/2	15,763	2,422,196	Manufacturers' and retailers' excise taxes:	
Back:	173,663	350,707	Lubricating oils:	17,047
Success profits taxes (Revised Revenue Act of 1940 as amended):	351,489	3,420,402	Gasoline:	171,902
Miscellaneous profits taxes:			Tires and tubes:	8,678
Declared value:	6,097	67,590	Floor taxes on tires and tubes:	158
Taxes Act:	109	1,750	Automobile trucks and buses:	1,362
Trust enrichment:			Other automobiles and motorcycles:	2,907
Total taxes and profits taxes:	964,790	15,326,791	Parts and accessories for automobiles:	11,702
Excise taxes:			Electrical equipment:	4,309
Federal Taxation Contributions Act (GSA-Insurance):	64,536	736,527	Electric, gas, and oil appliances:	922
Federal Unemployment Tax Act (Unemployment Insurance):	16,870	66,106	Electric light bulbs and tubes:	300
Total Social Security taxes:	121,399	802,633	Electric signs (reported as of 12/1/43):	62
Carriers' Taxing Act of 1937:	794	123,109	Bulk sets, phonographs, components, etc.	877
Total excise taxes:	122,183	929,539	Photograph records:	1,025
Miscellaneous internal revenue:			Marine instruments:	7
Capital stock tax:	30	325,740	Refrigerators, air-conditioners, etc.	6
Rebate tax:	50,904	270,785	Refrigerators:	64
Gift tax:	1,897	5,965	Floor taxes on machines:	1
Alcohol and beverage taxes:			Business and other machines:	127
Distilled spirits (imported, excise):	25,081	131,337	Tire - retailers' excise:	2,139
Distilled spirits (domestic, excise):	42,049	208,048	Jewelry - retailers' excise:	17,046
Distilled spirits (refined, excise):	1,824	10,959	Leggins:	307
Wine, cordials, etc. (imported, excise):	129	1,510	Optical equipment (reported as of 12/1/43):	837
Wine, cordials, etc. (domestic, excise):	2,139	15,364	Photographic apparatus:	130
Ready-made for fortifying sweet wine (reported as of July 1, 1940):			Rubber articles (reported as of 12/1/43):	6,313
Wine in distilled spirits (special taxes):	100	5,380	Sporting goods:	1,008
Wine for distilled spirits intended for export:	-15	1	Toilet preparations - retailers' excise:	19,129
Gas stamps for distilled spirits bottled in bond:	210	895	Working machines (reported as of 12/1/43):	1
Distilled spirits:	603	7,070	Trunks, shells and suitcases:	1
Floor taxes:	137	25,541	Pistols and revolvers:	19,129
Personal mail liquor:	37,400	313,473	Repealed taxes not listed above:	4
Trunks, shells and suitcases:	30	2,400	Total manufacturers' and retailers' excise taxes:	58,090
Total alcohol and beverage taxes:	107,696	477,790	Miscellaneous taxes:	
Tobacco taxes:			Stamps Act of 1937:	4,000
Cigars (large):	2,304	12,132	Stamp Act of 1937:	4,000
Cigars (small):	1	1	Postage, telegraph, radio and mail:	13,950
Cigarettes (large):	70,304	503,651	Local wireless service:	1,904
Cigarettes (small):	663	4,185	Transportation of mail by plane:	1,094
Tobacco (chewing and smoking):	1,409	29,880	Transportation of persons, goods, vehicles:	10,551
Tobacco papers and tubes:	131	718	Transportation of property (effective 12/1/43):	17,908
Leaf tobacco (processing, etc.):	1	1	Use of motor vehicles (effective 8/1/42):	179
Cigarette and cigar floor taxes:	1	1	Use of boats (effective 8/1/42):	1
Total tobacco taxes:	77,211	610,471	Leases of self-storage boxes:	507
Source:			Advertisements to theaters, museums, etc.	16,195
Source of collections:			Club dues and initiation fees:	62,102
Less than \$100:			Amusement, including amusements and sports:	1,174
Between \$100 and \$1,000:			Swimming, bathing, etc. (effective 8/1/42):	303
Over \$1,000:			Swimming, bathing, etc. (effective 8/1/42):	303
Source of collections:			Swimming, bathing, etc. (effective 8/1/42):	303
Source of collections:			Swimming, bathing, etc. (effective 8/1/42):	303

* Includes collections for credits to certain trusts amounts for territories and insular possessions, etc.

¹ Includes help of the collections under the Internal Revenue Act of 1943 for which revenue has been filed with the Collector of Internal Revenue. Collections are shown in Daily Treasury Statement under the heading "Deposited to Governmental Department".

² Includes help of the collections under the Internal Revenue Act of 1943 for which revenue has been filed with the Collector of Internal Revenue. Collections are shown in Daily Treasury Statement under the heading "Deposited to Governmental Department".

GOLD AND SILVER STATISTICS

70

February 1944

71

Gold Assets and Liabilities of the Treasury

(In millions of dollars)

End of calendar year or month	Gold assets	Liabilities			
		Gold certificates 1/	Gold Reserve against U. S. notes, etc. 2/	Exchange Stabilization Fund 3/	Gold in foreign funds
1938.....	8,228.4	8,228.4	156.0	1,800.0	1,000.0
1939.....	10,179.8	10,179.8	156.0	1,800.0	1,000.0
1940.....	11,297.4	11,297.4	156.0	1,800.0	1,000.0
1941.....	12,746.3	12,746.3	156.0	1,800.0	1,000.0
1942.....	14,511.2	14,511.2	156.0	1,800.0	1,000.0
1943.....	17,463.4	17,463.4	156.0	1,800.0	1,000.0
1944.....	21,099.5	21,099.5	156.0	1,800.0	1,000.0
1945.....	22,726.1	22,726.1	156.0	1,800.0	1,000.0
1946.....	22,785.1	22,785.1	156.0	1,800.0	1,000.0
1947.....	21,337.8	21,337.8	156.0	1,800.0	1,000.0
1948-January.....	22,543.0	22,543.0	156.0	1,800.0	1,000.0
February.....	22,543.0	22,543.0	156.0	1,800.0	1,000.0
March.....	22,575.7	22,575.7	156.0	1,800.0	1,000.0
April.....	22,472.7	22,472.7	156.0	1,800.0	1,000.0
May.....	22,426.4	22,426.4	156.0	1,800.0	1,000.0
June.....	22,387.5	22,387.5	156.0	1,800.0	1,000.0
July.....	22,356.4	22,356.4	156.0	1,800.0	1,000.0
August.....	22,342.8	22,342.8	156.0	1,800.0	1,000.0
September.....	22,175.0	22,175.0	156.0	1,800.0	1,000.0
October.....	22,115.7	22,115.7	156.0	1,800.0	1,000.0
November.....	22,056.7	22,056.7	156.0	1,800.0	1,000.0
December.....	21,337.8	21,337.8	156.0	1,800.0	1,000.0
1944-January.....	21,328.1	21,328.1	156.0	1,800.0	1,000.0

Source: Daily Treasury Statements.

1/ Comptroller (1) gold certificates held by the public and in Federal Reserve Banks; and (2) gold certificate credits to (a) the

Gold Certificate Fund - Board of Governors, Federal Reserve System, and (b) the Exchange Fund - Federal Reserve notes. Reserves against United States notes and Treasury notes of 1935. Excludes gold in active portions of Exchange Stabilization Fund.

Treasury Gold Receipts

(In millions of dollars at \$20 per fine ounce)

	Receipts from domestic sources	Gold received by Treasury or released for exportation (-) 1/	Mineral leases 2/	Total
1938 - Jan.-Mar.....	34.23	-7.67	1.43	28.00
Apr.-June.....	40.49	124.59	3.04	168.12
July-Sept.....	47.22	701.54	3.29	751.05
Oct.-Dec.....	59.12	701.00	1.75	761.87
1939 - Jan.-Mar.....	44.40	699.30	1.31	744.01
Apr.-June.....	43.69	804.56	1.11	849.36
July-Sept.....	55.34	749.95	3.24	808.53
Oct.-Dec.....	53.62	697.47	2.84	753.93
1940 - Jan.-Mar.....	46.77	739.64	2.53	788.94
Apr.-June.....	46.37	1,480.79	3.14	1,529.30
July-Sept.....	52.27	1,095.88	3.16	1,149.31
Oct.-Dec.....	73.63	674.04	2.50	750.17
1941 - Jan.-Mar.....	49.67	330.20	2.59	382.46
Apr.-June.....	50.95	226.76	1.60	279.31
July-Sept.....	47.05	76.11	3.47	126.63
Oct.-Dec.....	44.30	-79.91	2.31	-33.30
1942 - Jan.-Mar.....	36.49	-47.04	1.85	-10.70
Apr.-June.....	30.03	17.62	1.43	49.08
July-Sept.....	32.25	12.25	1.62	46.12
Oct.-Dec.....	32.23	-43.17	1.33	-10.61
1943 - Jan.-Mar.....	1.24	-152.40	.65	-150.51
Apr.-June.....	-1.01 1/	-187.03	1.77	-186.27
July-Sept.....	6.66	-219.42	.75	-212.01
Oct.-Dec.....	-3.43 3/	-194.93	.74	-197.62

1/ Includes gold released from account or gold placed under contract. Comprises domestic coin, secondary gold, etc. Source of value of gold to domestic industry over receipts of newly-minted domestic gold.

Monetary Stocks of Gold and Silver

(In millions of dollars)

	Gold (100 per fine ounce)	Silver (100 per fine ounce)	Ratio of silver to gold and silver in monetary stock
1938.....	1,095.2	896.2	10.3
1939.....	1,115.5	1,043.1	11.8
1940.....	11,408.4	2,469.5	17.5
1941.....	12,318.3	2,950.1	17.8
1942.....	12,363.0	3,066.4	18.1
1943.....	16,112.3	3,609.8	18.1
1944.....	19,345.1	3,777.4	18.5
1945.....	22,546.8	4,144.7	18.5
1946.....	22,736.7	4,306.3	18.9
1947.....	22,387.5	4,298.5	18.1
1948-January.....	22,543.0	4,314.6	18.0
February.....	22,543.0	4,313.0	18.0
March.....	22,575.7	4,306.4	18.0
April.....	22,472.7	4,309.9	18.1
May.....	22,426.4	4,298.9	18.1
June.....	22,387.5	4,298.5	18.1
July.....	22,356.4	4,299.4	18.1
August.....	22,342.8	4,271.0	18.0
September.....	22,175.0	4,253.1	18.0
October.....	22,115.7	4,253.7	18.0
November.....	22,056.7	4,252.7	18.0
December.....	21,337.8	4,207.3	18.1
1944-January.....	21,328.1	4,172.5	18.0

Source: Daily Treasury Statement and Circulation Statement of United States Money.

2/ Preliminary.

Regraded Unclassified

Components of Silver Monetary Stock

(In millions of dollars)

End of calendar year or month	Silver held in Treasury					Silver outside Treasury		Total silver at \$1.29 per ounce
	Seignior silver certificates ^{1/}		In General Fund			Treasury		
	Silver million	Silver billion	Subsidiary coin ^{2/}	Billions for coinage ^{3/}	Billions at cost	Silver billion ^{4/}	Subsidiary coin ^{5/}	
1934	211.4	308.4	4.8	6.8	85.3	35.2	305.3	1,170.1
1935	236.4	304.7	4.8	-	85.3	35.2	305.3	1,170.1
1936	279.9	306.7	5.7	-	247.7	41.1	328.8	1,268.3
1937	326.4	303.7	5.8	-	426.4	41.4	377.8	1,365.3
1938	1,127.4	306.7	3.5	-	535.3	44.4	579.7	1,747.1
1939	1,199.2	309.0	5.3	-	616.0	44.1	660.1	1,790.3
1940	1,194.1	306.4	2.3	-	697.4	42.8	740.2	1,903.0
1941	1,435.1	346.1	3.5	-	684.3	55.0	739.3	2,174.4
1942	1,566.2	345.3	3.8	-	528.2	78.4	606.7	2,241.1
1943	1,509.0	300.4	14.4	13.1	551.4	96.8	648.3	2,157.3
1943-January	1,505.7	307.8	13.5	-	521.1	73.4	594.5	2,124.6
February	1,505.3	306.8	30.3	-	521.0	80.3	601.3	2,125.6
March	1,505.8	306.0	35.9	-	508.0	81.6	589.6	2,125.4
April	1,507.9	303.6	36.0	-	500.0	85.0	585.0	2,122.9
May	1,508.4	304.7	42.2	-	493.5	86.3	580.0	2,128.2
June	1,509.7	303.3	38.9	-	492.1	85.7	577.8	2,129.5
July	1,510.7	305.0	35.5	-	486.1	87.5	573.6	2,134.8
August	1,510.7	309.0	36.8	-	484.9	88.8	573.7	2,139.5
September	1,510.7	306.5	27.2	-	503.3	90.7	594.0	2,135.1
October	1,510.7	309.0	26.5	3.4	500.7	92.3	593.0	2,137.7
November	1,520.0	310.3	21.7	14.6	553.4	94.0	647.4	2,167.4
December	1,520.0	300.4	14.4	19.3	551.4	94.8	646.2	2,156.4
1944-January	1,500.0	304.6	17.3	18.4	538.8	95.8	648.4	2,139.5

Source: Daily Treasury Statement and Circulation Statement of United States Money.
^{1/} Preliminary.

^{2/} Less than \$50,000.
^{3/} Tainted at \$1.29 per ounce.
^{4/} Tainted at \$1.29 per ounce.

Silver Production in the United States and Silver Acquisition by Mints and Assay Offices ^{1/}

(In millions of ounces or dollars)

Calendar year or month	Silver production in United States		Silver acquired by mints and assay offices						Total	
	Ounces	Dollars	Seignior silver ^{2/}	Unrefined silver ^{3/}	Foreign silver ^{4/}		Total		Ounces	Dollars
	Ounces	Dollars	Ounces	Dollars	Ounces	Dollars	Ounces	Dollars	Ounces	Dollars
1934	32.5	21.4	14.1	110.6	35.3	137.5	49.4	304.9	105.9	345.5
1935	45.8	18.0	27.2	210.0	1.0	694.4	314.2	514.1	157.8	364.5
1936	63.4	61.1	47.7	-	-	271.9	150.3	319.6	157.8	364.5
1937	71.7	70.6	68.0	-	-	291.5	166.7	359.5	163.3	364.5
1938	80.7	61.6	42.4	-	-	355.4	156.9	417.8	199.1	364.5
1939	61.3	60.7	40.1	-	-	287.4	120.5	347.5	180.6	364.5
1940	67.0	64.3	44.5	-	-	139.4	50.9	208.0	73.4	364.5
1941	66.1	70.5	60.1	-	-	79.4	27.1	145.3	77.3	364.5
1942	66.5	47.9	34.0	-	-	14.3	6.0	64.3	46.0	364.5
1943	49.3	5.5	3.9	-	-	-	-	5.5	3.9	364.5
1943-January	3.4	-	-	-	-	-	-	-	-	-
February	3.4	-	-	-	-	-	-	-	-	-
March	3.4	-	-	-	-	-	-	-	-	-
April	3.4	1.6	1.1	-	-	-	-	1.6	1.1	-
May	3.4	1.7	-	-	-	-	-	1.7	-	-
June	3.4	1.8	-	-	-	-	-	1.8	-	-
July	4.4	-	-	-	-	-	-	-	-	-
August	4.4	-	-	-	-	-	-	-	-	-
September	4.4	-	-	-	-	-	-	-	-	-
October	4.4	-	-	-	-	-	-	-	-	-
November	4.4	-	-	-	-	-	-	-	-	-
December	4.4	-	-	-	-	-	-	-	-	-
1944-January	5.1	-	-	-	-	-	-	-	-	-

Source: Silver production: annual Reports of the Director of the Mint. For annual figures through 1939; releases of American Bureau of Metal Statistics for all later figures.

^{1/} The figures in this column are not cumulative; as the amount of bullion held changes, the potential seigniorage therein changes. Increase due principally to cumulative adjustment in computing average cost per ounce.

February 1944

Seigniorage on Silver

(Cumulative from January 1, 1934 - In millions of dollars)

End of calendar year or month	Increase of seigniorage on silver bullion retained ^{1/}						Potential seigniorage on silver bullion as sold in General Fund ^{2/}
	Seigniorage on silver held since issue	Net silver (incl. silver bullion held June 14, 1934)	Seignior silver (Nov. 15, 1933)	Seignior silver (last July 6, 1933)	Silver Production Act of June 15, 1934	Unrefined silver (Nov. 15, 1933)	
1934	4.9	48.7	-	-	51.1	88.5	122.7
1935	14.5	48.7	14.4	-	105.2	34.5	122.7
1936	45.7	48.7	36.0	-	105.2	34.7	122.7
1937	45.7	48.7	58.0	-	105.2	34.7	122.7
1938	69.3	48.7	74.9	-	105.2	34.7	122.7
1939	101.7	48.7	87.3	4.2	105.2	34.7	122.7
1940	180.9	48.7	87.3	87.3	105.2	34.7	122.7
1941	182.1	48.7	87.3	87.3	105.2	34.7	122.7
1942	182.1	48.7	87.3	87.3	105.2	34.7	122.7
1943	182.1	48.7	87.3	87.3	105.2	34.7	122.7
1943-January	182.1	48.7	87.3	87.3	105.2	34.7	122.7
February	182.1	48.7	87.3	87.3	105.2	34.7	122.7
March	182.1	48.7	87.3	87.3	105.2	34.7	122.7
April	182.1	48.7	87.3	87.3	105.2	34.7	122.7
May	182.1	48.7	87.3	87.3	105.2	34.7	122.7
June	182.1	48.7	87.3	87.3	105.2	34.7	122.7
July	182.1	48.7	87.3	87.3	105.2	34.7	122.7
August	182.1	48.7	87.3	87.3	105.2	34.7	122.7
September	182.1	48.7	87.3	87.3	105.2	34.7	122.7
October	182.1	48.7	87.3	87.3	105.2	34.7	122.7
November	182.1	48.7	87.3	87.3	105.2	34.7	122.7
December	182.1	48.7	87.3	87.3	105.2	34.7	122.7
1944-January	182.1	48.7	87.3	87.3	105.2	34.7	122.7

Source: Daily Treasury Statements.

^{1/} These items represent the difference between the cost value and the secondary value of silver bullion retained and held to secure silver certificates.

^{2/} The figures in this column are not cumulative; as the amount of bullion held changes, the potential seigniorage therein changes. Increase due principally to cumulative adjustment in computing average cost per ounce.

OTHER TREASURY STATISTICS

February 1944

75

Net Capital Movement to the United States, 1935 Through November 1943

In thousands of dollars. Net capital inflow (-)

Period	Net capital movement	Analysis of net capital movement			
		Movement in short-term banking funds	Movement in brokerage balances	Movement in transactions in domestic securities	Movement in transactions in foreign securities
Calendar year:					
1935 (Jan. 2, 1935-Dec. 1, 1935)	1,412,446	964,609	6,039	116,660	129,138
1936 (Jan. 2, 1936-Dec. 30, 1936)	1,195,929	397,942	6,411	600,663	191,075
1937 (Jan. 31, 1937-Dec. 29, 1937)	851,515	295,596	34,687	200,628	287,008
1938 (Jan. 30, 1938-Dec. 28, 1938)	415,956	111,456	94	57,156	26,156
1939 (Dec. 29, 1939-Jan. 3, 1940)	1,195,635	1,134,343	32,990	-49,447	115,649
1940 (Jan. 4, 1940-Dec. 31, 1940)	706,380	893,908	20,798	-245,062	78,146
1941 (Jan. 1, 1941-Dec. 31, 1941)	-496,923	-285,622	-449	-211,995	51,153
1942 (Jan. 1, 1942-Dec. 31, 1942)	604,321	951,373	3,513	16,599	-7,154
1943 (Jan. 1, 1943-Nov. 30, 1943)	1,194,399	1,109,207	10,363	36,775	81,608
Total (Jan. 2, 1935-Nov. 30, 1943)	7,073,591	5,318,308	115,372	710,106	349,013
Month:					
1942-November	66,606	57,558	-90	6,726	2,738
December	73,376	57,139	347	12,138	3,176
1943-January	72,790	151,809	2,698	5,206	-86,922
February	107,179	119,643	-600	-2,903	-9,509
March	130,152	61,909	2,134	9,881	58,439
April	65,856	58,889	822	6,937	-942
May	70,330	74,321	-1,027	-189	-2,540
June	223,795	226,845	3,644	-4,537	-179
July	49,992	58,720	420	4,382	-13,940
August	170,942	59,027	1,698	-5,883	114,900
September	45,011	1,903	565	21,044	21,499
October	131,857	125,679	-717	-647	-978
November	186,779	153,436	1,304	2,715	1,524

Bank figures: Monthly data for the period January 1941 through June 1942 may be found in the "Treasury Bulletin" for September 1943, page 73.

ESTIMATED CASH POSITION AND SUGGESTED FINANCING PROGRAM

(In millions of dollars)

Month	New Financing				Total new financing	Balance at end of month
	Drive sales ^{1/}	Savings bonds and notes	Bill program	Certificates of Indebtedness		
<u>1944</u>						
Jan.-Feb.	\$17,350	-	-	-	\$17,350	\$17,300
March	-	\$ 950	-	-	950	14,400
April	-	1,200	\$ 400	-	1,600	10,400
May	-	1,200	400	\$2,000	3,600	7,900
June-July	18,000	-	1,800	-	19,800	16,000
August	-	1,200	1,000	1,000	3,200	13,700
September	-	1,200	800	-	2,000	11,100
October	-	1,200	800	-	2,000	6,500
Nov.-Dec.	17,000	-	1,800	-	18,800	16,000
	\$52,350	\$6,950	\$7,000	\$3,000	\$69,300	\$16,000

^{1/} Includes sales to banks for account of time deposits.

Note: 1. If deferred payments are permitted for three months following each of the Fifth and Sixth Drives, then the amounts shown to be raised in each of such Drives would be reduced and the reduction spread over subsequent months and balances adjusted accordingly. 2. Sales of Savings Bonds and Notes during months of Drives are included in Drive totals.

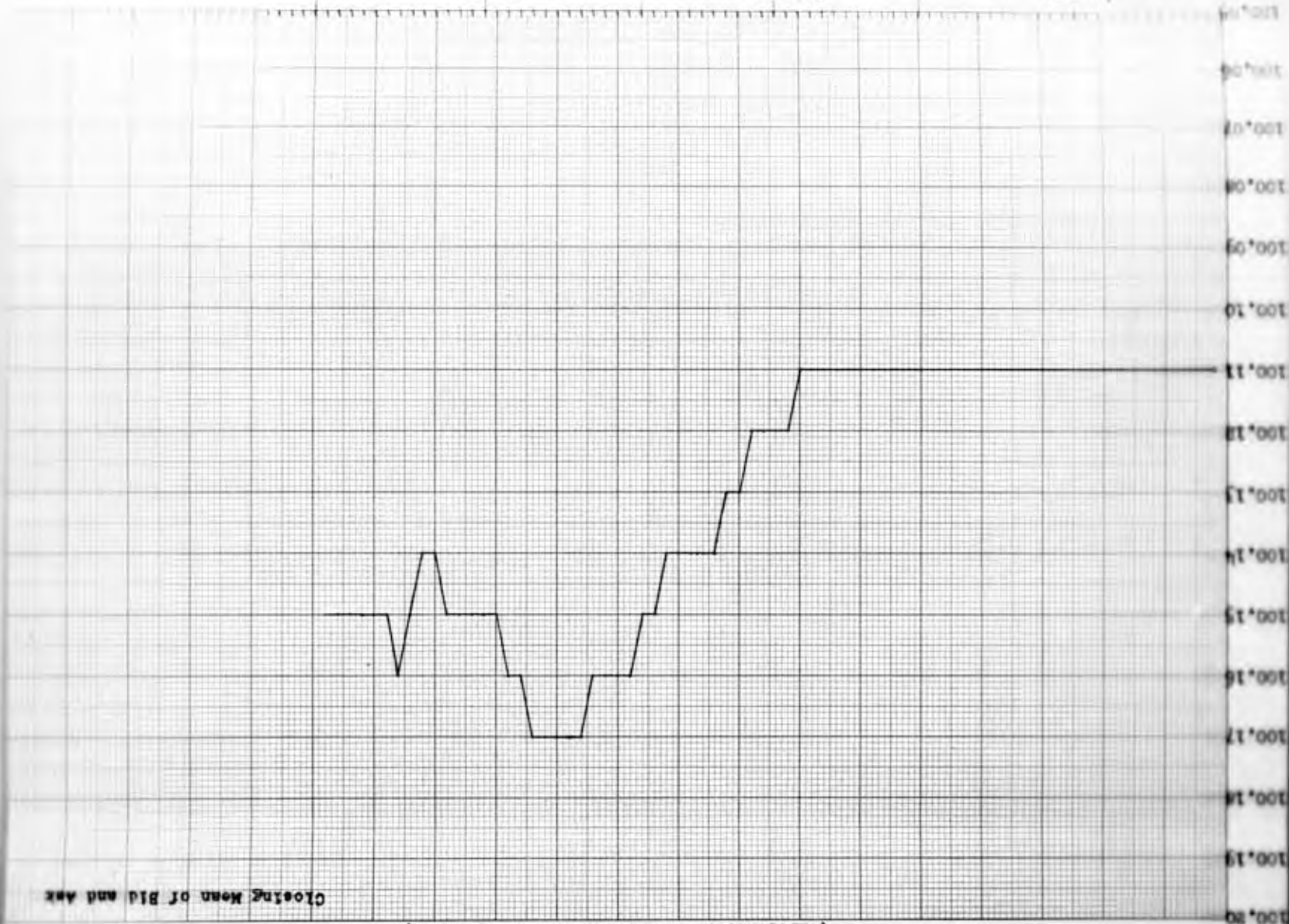
March 25, 1944

Regraded Unclassified

(Decimals
are in 32nds)

2-1/2% Bond, September 15, 1967-72
(Unrestricted -- Sold Before Pearl Harbor)

Closing Men of Bid and Ask



March

February

Lawrence R.

(Points are in 32nds)

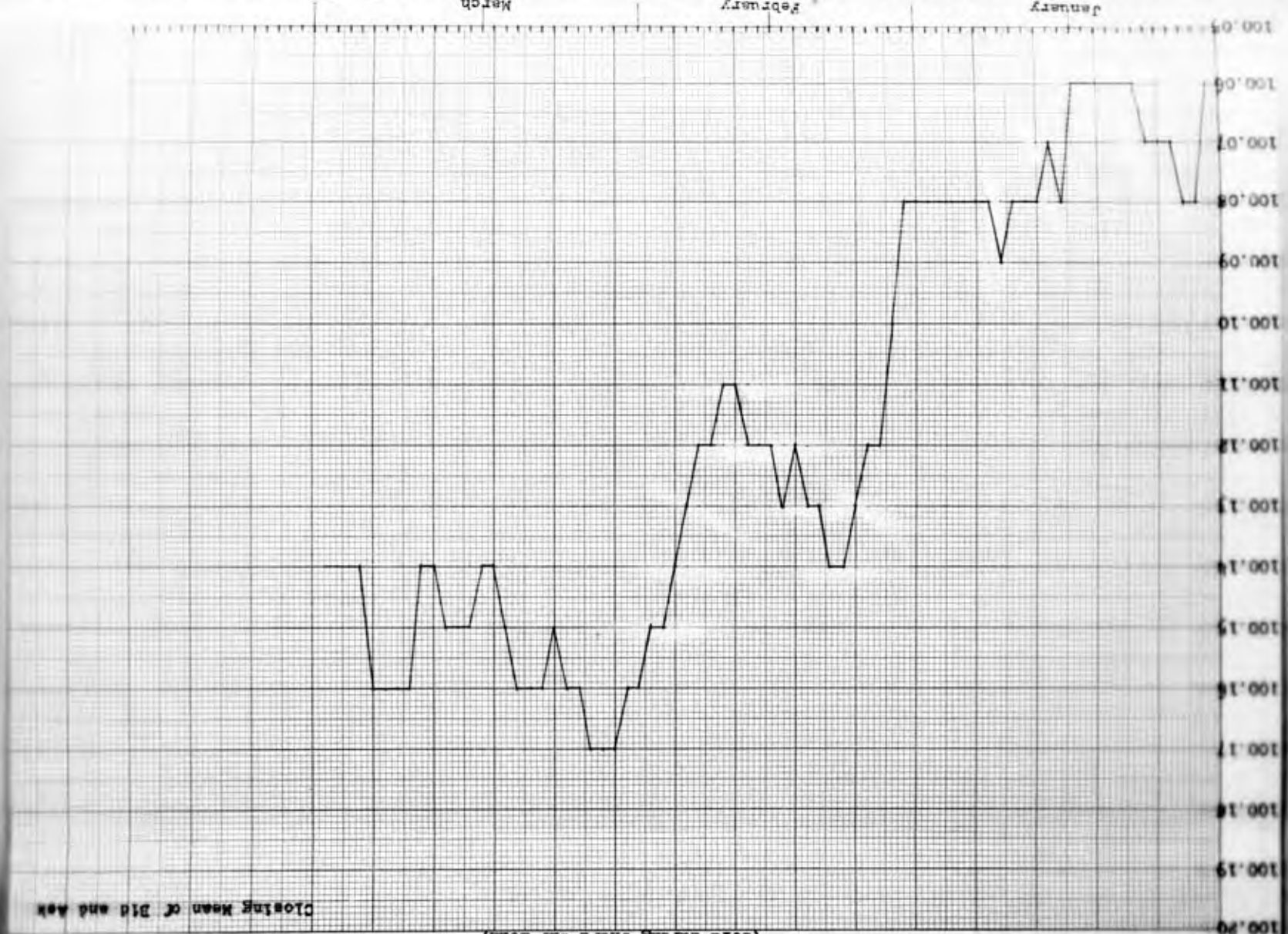
35
2 1/2 Bond, September 15, 1951-53
(Sold during Third War Loan)

Closing Mean of Bid and Ask

CODING BOOK COMPANY, INC., NORWOOD, MASSACHUSETTS
PRINTED IN U.S.A.



(4)

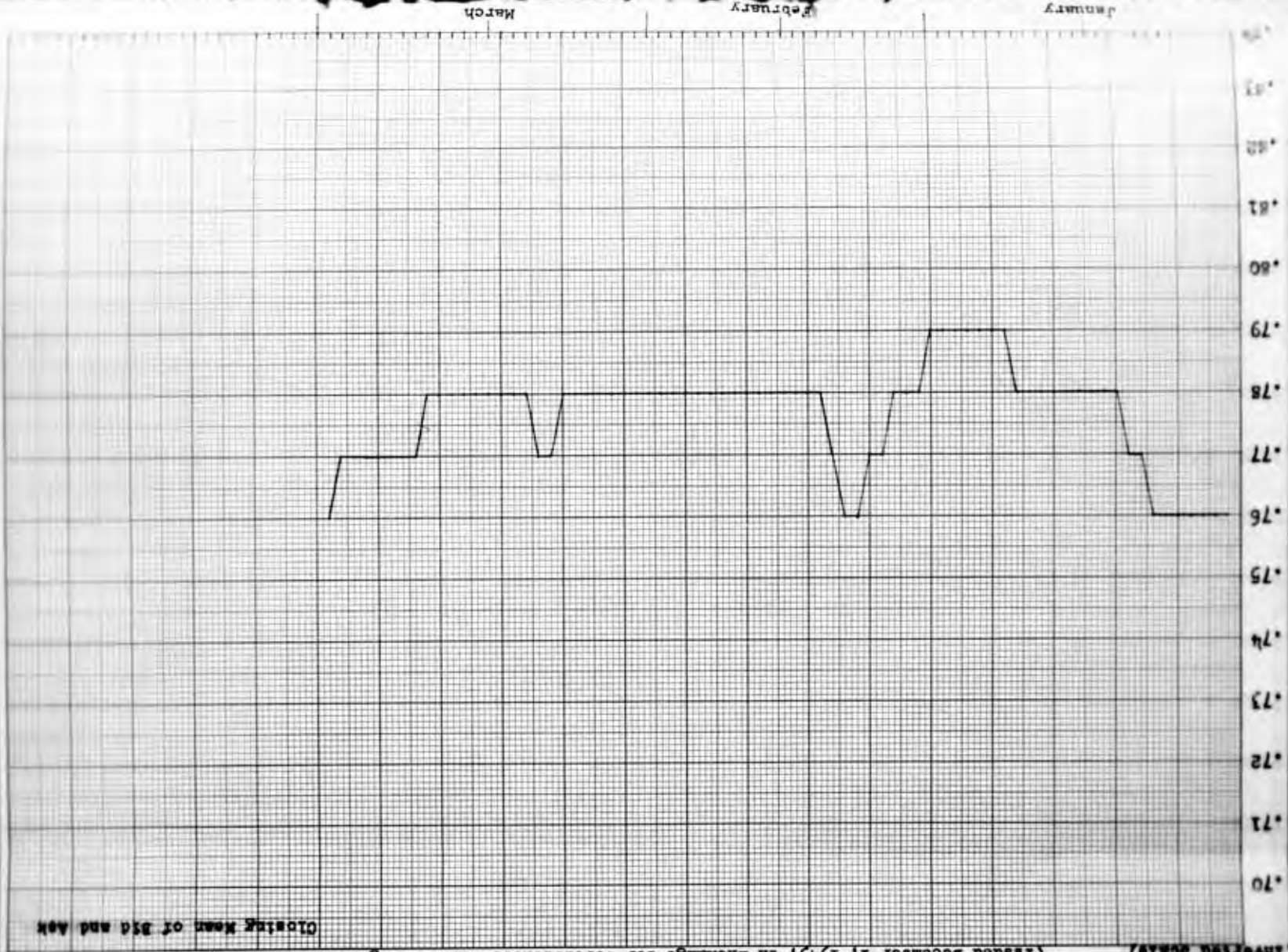




Percent
(Inverted Scale)

7/8% Certificate, December 1, 1944
(Issued December 1, 1943, in exchange for Certificates sold during First War Loan)

Closing Mean of Bid and Ask



(Decimals
are in 32nds)

2-1/2% Bond, March 15, 1955-70
(Sold during Fourth War Loan)

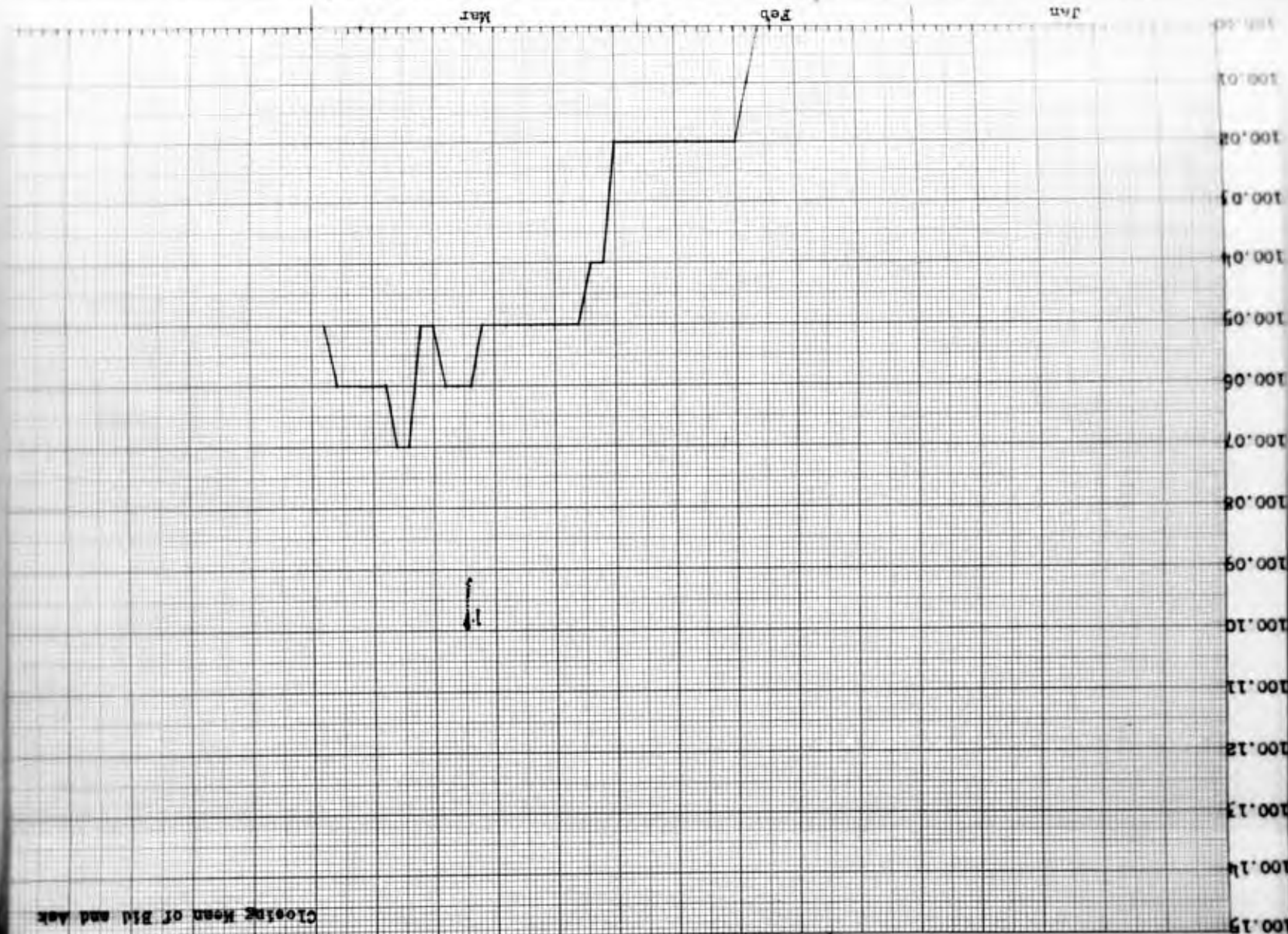
COBEX BOOK COMPANY, INC., NORWOOD, MASSACHUSETTS.
PRINTED IN U.S.A.



37

(4)

Closing Mean of Bid and Ask



(Details
are in 32nd)

2-1/4 Bond, September 15, 1956-59
(Sold during Fourth War Loan)

Closing Mean of Bid and Ask

100.00
100.01
100.02
100.03
100.04
100.05
100.06
100.07
100.08
100.09
100.10
100.11
100.12
100.13
100.14
100.15

Jan

Feb

Mar



7/8% Certificates, Reissued, 1945
(Sold during Fourth War Loan)

Plotting Means of Bid and Ask

Percent
(Inverted Scale)

.70
.71
.72
.73
.74
.75
.76
.77
.78
.79
.80
.81
.82
.83
.84
.85

Jan

Feb

Mar



(Deductions
are in cents)

NO. 328, 20 DIVISIONS PER INCH, 1/2" WAYS, 200 DIVISIONS.

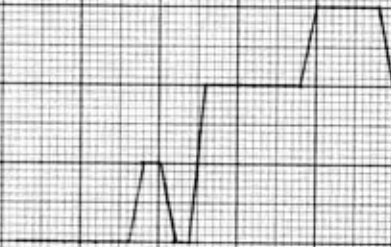


CODEX BOOK COMPANY, INC., NORWOOD, MASSACHUSETTS
PRINTED IN U.S.A.

1-1/2% Note, September 19, 1948
(Issued in Refunding Operation this Month)

Closing Means of Bid and Ask

100.15
100.14
100.13
100.12
100.11
100.10
100.09
100.08
100.07
100.06
100.05
100.04
100.03
100.02
100.01
100.00



Month

January

February

41
Over-the-Counter Listing Quotations on Public Marketable Securities Issued by the
United States Government and by Federal Agencies

I. Securities issued or guaranteed by the United States Government

A. Taxable bonds, notes, and certificates

Date: March 27, 1944

Index	Amount Outstanding (Millions)	Description	Price (Decimals are thirty-seconds)				Yield 1/	Change in yield	Matur- ity yield	Index
			Bid	Ask	Mean	Change				
ISSUED BY U. S. GOVERNMENT										
Treasury bonds										
B 1	\$1,115	2 1/2 - 3-15 48-50	101.31	102.01	102.00	-.01	1.48%	+.01%	1.65%	B 1
B 2	7,062	1-3/4 - 6-15 48	101.06	101.08	101.07	.00	1.45	.00	--	B 2
B 3	1,014	2 - 6-15 49-51	101.18+	101.20+	101.19	-.01	1.68	+.01	1.76	B 3
B 4	1,292	2 - 9-15 49-51	101.14+	101.16+	101.15	-.01	1.72	+.01	1.79	B 4
B 5	2,098	2 - 12-15 49-51	101.11	101.13	101.12	-.01	1.75	+.01	1.81	B 5
B 6	1,963	2 - 3-15 50-52	101.04	101.06	101.05	-.02	1.79	+.01	1.84	B 6
B 7	4,939	2 - 9-15 50-52	100.26+	100.28+	100.27	-.02	1.86	+.01	1.89	B 7
B 8	7,986	2 - 9-15 51-53	100.14	100.15	100.14	-.02	1.94	+.01	1.95	B 8
B 9	510	2 - 12-15 51-55	100.19	100.21	100.20	-.01	1.91	.00	1.94	B 9
B 10	1,024	2-1/2 - 3-15 52-54	104.02	104.04	104.03	-.01	1.94	.00	2.04	B 10
B 11	1,501	2-1/4 - 6-15 52-55	102.01	102.03	102.02	-.01	1.98	+.01	2.04	B 11
B 12	1,449	2-1/2 - 3-15 56-58	103.20	103.22	103.21	-.01	2.15	.00	2.19	B 12
B 13	3,818	2-1/4 - 9-15 56-59	100.03	100.05	100.04	-.01	2.24	.00	2.24	B 13
B 14	2,118	2-1/2 - 6-15 62-67 2/	100.20	100.22	100.21	.00	2.46	.00	2.46	B 14
B 15	2,831	2-1/2 - 12-15 63-68 2/	100.06	100.08	100.07	-.01	2.49	+.01	2.49	B 15
B 16	3,762	2-1/2 - 6-15 64-69 2/	100.03	100.05	100.04	.00	2.49	.00	2.49	B 16
B 17	3,838	2-1/2 - 12-15 64-69 2/	100.03	100.05	100.04	.00	2.49	.00	2.49	B 17
B 18	2,287	2-1/2 - 3-15 65-70 2/	100.05	100.07	100.06	.00	2.49	.00	2.49	B 18
B 19	2,716	2-1/2 - 9-15 67-72 2/	100.14	100.16	100.15	.00	2.47	.00	2.48	B 19
Treasury notes										
N 1	635	3/4 D - 9-15 44	99.31+	100.00+	100.00	.00	.75	.00	--	N 1
N 2	2,127	.90 D - 3-1 45 3/	.83%	.81%	.82%	.00%	--	--	--	N 2
N 3	1,606	1-1/4 C - 3-15 45	100.12+	100.13+	100.13	.00	.83	.00	--	N 3
N 4	531	3/4 B - 12-15 45	99.26+	99.27+	99.27	.00	.84	.00	--	N 4
N 5	503	1 A - 3-15 46	100.00+	100.02+	100.01	.00	.98	.00	--	N 5
N 6	3,261	1-1/2 B - 12-15 46	100.24	100.25	100.24	-.01	1.22	+.01	--	N 6
N 7	2,707	1-1/2 A - 9-15 47	100.17	100.18	100.18	.00	1.33	.00	--	N 7
N 8	1,743	1-1/2 A - 9-15 48	100.07+	100.08+	100.08	.00	1.44	.00	--	N 8
Certificates of indebtedness 3/										
C 1	7/8 B - 4-1 44	.30%	--	.30%	.00%	--	--	--	--	C 1
C 2	7/8 C - 5-1 44	.34%	.26%	.30%	-.01%	--	--	--	--	C 2
C 3	7/8 D - 8-1 44	.68%	.65%	.66%	.00%	--	--	--	--	C 3
C 4	7/8 E - 9-1 44	.74%	.72%	.73%	.00%	--	--	--	--	C 4
C 5	7/8 F - 10-1 44	.75%	.73%	.74%	.00%	--	--	--	--	C 5
C 6	7/8 G - 12-1 44	.78%	.76%	.77%	.00%	--	--	--	--	C 6
C 7	7/8 A - 2-1 45	.81%	.79%	.80%	.00%	--	--	--	--	C 7
C 8	7/8 B - 4-1 45	.85%	.83%	.84%	.00%	--	--	--	--	C 8
GUARANTEED BY U. S. GOVERNMENT 4/										
G 1	000 1-1/8 G - 2-15 45	100.06	100.08	100.07	.00	.88	.00	--	G 1	
G 2	RFC 1 W - 4-15 44	100.00	--	100.00	.00	1.00	.00	--	G 2	
COMPARISON OF AVERAGE YIELDS										
Taxable Treasury bonds 5/							1.48	.00		
Partially-exempt Treasury bonds 5/							1.44	+.01		
High-grade corporate bonds 6/							1.50	.06		

of the Secretary of the Treasury, Division of Research and Statistics.

quoted as open price to call date when prices are above par; to maturity date when prices are below par.

quoted as long-term average of taxable Treasury bonds.

quoted as a yield basis.

includes Federal Housing Administration adventures and issues held entirely by Government agencies.

average of yields of bonds not due or callable for fifteen years.

average of yields of five bonds.

B. Tax-exempt bonds and notes

March 27, 1944

Description	Price (Decimals are thirty-seconds)				Yield %	Change in yield	Maturity date	Index
	Bid	Ask	Mean	Change				
U. S. GOVERNMENT								
Treasury bonds								
1-1/4 - 1-15 44-46**	100.04	--	100.04	.00	.70%	-.13%	--	B 101
1-1/4 - 1-15 44-50	102.13	102.20	102.20	.00	.33	-.01	3.70%	B 102
1-1/4 - 1-15 45-47	103.06	103.08	103.07	.00	.54	.00	1.79	B 103
1-1/2 - 1-15 45	103.10	103.12	103.11	.00	.54	.00	--	B 104
1-3/4 - 1-15 46-56	105.77	105.29	105.28	.00	.73	-.01	3.16	B 105
3 - 1-15 46-48	104.28	104.30	104.29	-.01	.76	+.01	1.79	B 106
3-1/8 - 1-15 46-49	105.04	105.06	105.05	-.01	.77	+.01	2.08	B 107
4-1/4 - 1-15 47-52	111.15	111.17	111.16	.00	.95	.00	2.73	B 108
2 - 1-15 47	104.07	104.09	104.08	.00	.84	.00	--	B 109
2-3/4 - 1-15 48-51	106.25	106.27	106.26	-.01	.99	.00	1.71	B 110
2-1/2 - 1-15 48	106.20	106.22	106.21	.00	.97	.00	--	B 111
2 - 1-15 48-50	104.21	104.23	104.22	.00	.98	.00	1.27	B 112
3-1/8 - 1-15 49-52	110.18	110.20	110.19	-.01	1.20	.00	1.81	B 113
2-1/2 - 1-15 49-53	106.28	106.30	106.29	-.02	1.24	+.01	1.73	B 114
2-1/2 - 1-15 50-52	107.14	107.16	107.15	-.02	1.29	+.01	1.56	B 115
2-3/4 - 1-15 51-54	109.12	109.14	109.13	-.02	1.38	+.01	1.74	B 116
2 - 1-15 51-55	111.08	111.10	111.09	-.02	1.40	.00	1.90	B 117
2-1/4 - 1-15 51-53	106.22	106.24	106.23	-.02	1.33	+.01	1.50	B 118
2 - 1-15 53-55	105.13	105.15	105.14	-.02	1.37	+.01	1.47	B 119
2-1/4 - 1-15 54-56	107.13	107.15	107.14	-.02	1.46	.00	1.58	B 120
2-7/8 - 1-15 55-60	111.29	111.31	111.30	-.01	1.68	.00	2.00	B 121
2-3/4 - 1-15 56-59	111.10	111.12	111.11	-.03	1.73	.00	1.90	B 122
2-3/4 - 1-15 58-63	111.10	111.12	111.11	-.03	1.84	+.01	2.03	B 123
2-3/4 - 1-15 60-65 2/	111.16	111.18	111.17	-.03	1.94	+.01	2.09	B 124
Other bonds 3/								
1/2 Conversion - 1-1 46	104.08	104.16	104.12	.00	.50	-.01	--	B 125
1/2 Conversion - 1-1 47	106.20	107.00	106.26	.00	.51	-.01	--	B 126
1/2 Panama Canal - 6-1 61	132.00	133.16	132.24	.00	.94	.00	--	B 127
Treasury notes								
3/4 A - 6-15 44	100.01+	--	100.01	-.01	.60	+.14	--	N 101
1 C - 9-15 44	100.12+	100.13+	100.13	.00	.13	.00	--	N 102
3/4 A - 3-15 45	100.18	100.20	100.19	-.01	.13	+.03	--	N 103
GUARANTEED BY U. S. GOVERNMENT 4/								
FFMC 3/4 - 5-15 44-49 5/	100.10	--	100.10	.00	.62	-.05	--	G 101
BOLC 3 A - 5-1 44-52 5/	100.07	--	100.07	.00	.65	-.06	--	G 102
BOLC 1-1/2 M - 6-1 45-47	101.01	101.03	101.02	.00	.59	-.01	1.16	G 103

of the Secretary of the Treasury, Division of Research and Statistics.

Computed on basis price to call date when prices are above par; to maturity date when prices are below par.

Included is long-term average of partially tax-exempt Treasury bonds. See page 1.

Excludes postal savings bonds.

Excludes Federal Housing Administration debentures.

Quoted as of March 2, 1944, for redemption on next coupon date.

Quoted as of December 12, 1943, for redemption on April 15, 1944.

Over-the-Counter Quotations on Public Marketable Securities Issued by the
United States Government and by Federal Agencies - (Continued - 3)

I. Securities issued or guaranteed by the United States Government - (Continued)

C. Taxable Treasury Bills

Date: March 27, 1944

Amount outstanding (Millions)	Original offering date		Maturity date	Quotations			
	Date of issue	Average rate 1/2		Bid	Ask	Mean	Change
	12-30-43	.375%	3-30-44	.37%	.20%	.28%	.00%
	1-6-44	.373	4-6-44	.37	.20	.28	.00
	1-13-44	.374	4-13-44	.37	.20	.28	.00
	1-20-44	.374	4-20-44	.37	.20	.28	.00
	1-27-44	.374	4-27-44	.37	.20	.28	.00
	2-3-44	.374	5-4-44	.37	.30	.34	.00
	2-10-44	.374	5-11-44	.37	.30	.34	.00
	2-17-44	.375	5-18-44	.37	.30	.34	.00
	2-24-44	.375	5-25-44	.37	.30	.34	.00
	3-2-44	.376	6-1-44	.37	.34	.36	.00
	3-9-44	.375	6-8-44	.37	.34	.36	.00
	3-16-44	.375	6-15-44	.37	.34	.36	.00
	3-23-44	.375	6-22-44	.37	.34	.36	.00
	3-30-44	--	6-29-44	--	--	--	--

II. Securities issued by Federal Agencies but not guaranteed by United States Government

A. Taxable issues of Federal Intermediate Credit Banks

Amount outstanding (Millions)	Description (Issue dates in parentheses)	Yield		Amount outstanding (Millions)	Description (Issue dates in parentheses)	Yield	
		Bid	Change			Bid	Change
\$25	.80% - 4-1 44 (7-1-43)	.65%	.00%	\$15	3/4% - 7-1 44 (2-1-44)	.80%	.00%
25	3/4 - 4-1 44 (12-1-43)	.65	.00	28	7/8 - 8-1 44 (11-1-43)	.85	.00
24	.80 - 5-1 44 (8-2-43)	.70	.00	23	.90 - 9-1 44 (12-1-43)	.85	.00
17	3/4 - 5-1 44 (12-30-43)	.70	.00	32	.90 - 10-2 44 (1-3-44)	.90	.00
15	.80 - 6-1 44 (9-1-43)	.75	.00	29	.95 - 11-1 44 (11-1-43)	.90	.00
17	.80 - 6-1 44 (12-1-43)	.75	.00	16	.90 - 11-1 44 (2-1-44)	.90	.00
14	.85 - 7-1 44 (10-1-43)	.80	.00	25	.90 - 12-1 44 (3-1-44)	.90	.00

B. Issues of other Agencies (Taxable issues indicated by T)

Amount outstanding (Millions)	Description	Price (Decimals are thirty-seconds)				Yield 2/	Change in yield	Matur- ity yield
		Bid	Ask	Mean	Change			
\$ 44	Federal Home Loan Banks (Quoted on a yield basis) T .85% A - 6-15 44	.90%	.75%	.82%	.00%	--	--	--
10	Federal Land Banks 3/ 4% - 7-1 44-46	100.28	101.00	100.64	.00	.32%	-.04%	3.56%
11	4 - 7-15 44-46	101.08	101.05	101.04	.00	.37	-.04	3.58%
11	3-1/4 - 5-1 45-55	103.00	104.00	103.50	.00	.37	-.00	3.58%
10	3 - 7-1 45-55	103.06	103.10	103.08	.01	.36	+.02	3.58%
10	3 - 7-1 45-55	104.10	104.10	104.10	.01	.36	+.02	3.58%
10	3 - 7-1 45-55	105.14	105.10	105.12	.01	.36	+.02	3.58%

Price of the Secretary of the Treasury, Division of Research and Statistics.

Ask Quotations

Computed on basis price to call date when prices are above par, to maturity date when prices are below par.

Includes issues completely held by Farm Credit Administration agencies.

Note: Prices of some bills amount outstanding is in 1/2 and trading in on "when issued" basis.

March 1944

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**Maturity Schedule of Interest-Bearing Public Marketable Securities
Issued or Guaranteed by the United States ^{1/}
As of February 20, 1944**

(In millions of dollars)

Date	Description of security ^{2/}	Detailed annual maturities			Total annual maturities	
		Fixed-maturity issues	Callable issues classified by year of:		Fixed-maturity issues plus callable issues classified by year of first call	Fixed-maturity issues plus callable issues classified by year of final maturity
			First call	Final maturity		
1944	Treasury bills.....	13,112				
Mar	1% Treasury note B - 3/15/44.....	515				
Mar	1-1/4% FFMC bond - 3/15/44-54.....		95			
Apr	7/8% Ctf. of indebt. B - 4/1/44.....	5,251				
Apr	1% RFC note V - 4/15/44.....	571				
Apr	1-1/4% Treasury bond - 4/15/44-46.....	1,519				
May	7/8% Ctf. of indebt. C - 5/1/44.....	1,655				
May	3% NOLC bond A - 5/1/44-52.....		779			
May	3% FFMC bond - 5/15/44-49.....		835			
June	1/4% Treasury note A - 6/15/44.....	416				
Aug	7/8% Ctf. of indebt. D - 8/1/44.....	2,545				
Sept	7/8% Ctf. of indebt. E - 9/1/44.....	4,122				
Sept	1% Treasury note C - 9/15/44.....	283				
Sept	1/4% Treasury note D - 9/15/44.....	635				
Oct	7/8% Ctf. of indebt. F - 10/1/44.....	3,519				
Oct	7/8% Ctf. of indebt. G - 12/1/44.....	3,540				
Dec	1% Treasury bond - 12/15/44-54.....		1,037			
	Total.....	37,683	2,745		40,428	37,683
1945	1% RFC note I-A - 1/1/45.....	300				
Jan	1% RFC note I-B - 1/1/45.....	170				
Jan	1% RFC note I-C - 1/1/45.....	100				
Feb	7/8% Ctf. of indebt. A - 2/1/45.....	5,048				
Feb	1-1/4% CFC note Q - 2/15/45.....	412				
Mar	1/4% Treasury note D - 3/1/45.....	2,127				
Mar	1/4% Treasury note A - 3/15/45.....	718				
Mar	1-1/4% Treasury note C - 3/15/45.....	1,606				
June	1-1/4% NOLC bond M - 6/1/45-47.....		755			
Sept	2-1/4% Treasury bond - 9/15/45-47.....		1,214			
Dec	2-1/4% Treasury bond - 12/15/45.....	541				
Dec	1/4% Treasury note B - 12/15/45.....	531				
	Total.....	11,552	1,969		13,522	11,552
1946	1% Conversion bond - 1/1/46.....	16				
Mar	1% Treasury note A - 3/15/46.....	503				
Mar	1-1/4% Treasury bond - 3/15/46-56.....		489			
June	1% Treasury bond - 6/15/46-48.....		1,036			
June	1-1/4% Treasury bond - 6/15/46-49.....		819			
Dec	1-1/4% Treasury note B - 12/15/46.....	3,261				
	Total.....	3,779	2,344		6,123	3,779
1947	1% Conversion bond - 1/1/47.....	13				
June	1-1/4% NOLC bond M - 6/1/47-47.....		755			
Sept	2-1/4% Treasury bond - 9/15/47-47.....		1,214			
Sept	1-1/4% Treasury note A - 9/15/47.....	2,707				
Oct	4-1/4% Treasury bond - 10/15/47-52.....		759			
Dec	2% Treasury bond - 12/15/47.....	701				
	Total.....	3,421	759	1,969	4,180	5,391
1948	2% Treasury bond - 3/15/48-50.....		1,115			
Mar	2-1/4% Treasury bond - 3/15/48-51.....		1,223			
June	1% Treasury bond - 6/15/48-48.....		1,036			
June	1-1/4% Treasury bond - 6/15/48.....	3,062				
Sept	2-1/4% Treasury bond - 9/15/48.....	451				
Dec	2% Treasury bond - 12/15/48-50.....		571			
	Total.....	3,513	2,910	1,036	6,423	4,549

(Continued on following page)

Regraded Unclassified

**Maturity Schedule of Interest-Bearing Public Marketable Securities
Issued or Guaranteed by the United States ^{1/}
As of February 29, 1944 - (Continued)**

(In millions of dollars)

Description of security ^{2/}			Detailed annual maturities		Total annual maturities	
			Fixed-maturity issues	Callable issues classified by year of:	Fixed-maturity issues plus callable issues classified by year of first call	Fixed-maturity issues plus callable issues classified by year of final maturity
				First call Final maturity		
1% FPMC bond	-	5/15/44-49	.....	.....	835	
1-1/8% Treasury bond	-	6/15/46-49	.....	.....	819	
2% Treasury bond	-	6/15/49-51	.....	1,014	.....	
2% Treasury bond	-	9/15/49-51	.....	1,292	.....	
3-1/8% Treasury bond	-	12/15/49-52	.....	491	.....	
2-1/2% Treasury bond	-	12/15/49-53	.....	1,786	.....	
2% Treasury bond	-	12/15/49-51	.....	2,098	.....	
Total.....				6,682	1,654	6,682
2% Treasury bond	-	3/15/48-50	.....	.....	1,115	
2% Treasury bond	-	3/15/50-52	.....	1,953	.....	
2-1/2% Treasury bond	-	9/15/50-52	.....	1,186	.....	
2% Treasury bond	-	9/15/50-52	.....	4,939	.....	
2% Treasury bond	-	12/15/48-50	.....	.....	571	
Total.....				8,088	1,687	8,088
2-1/4% Treasury bond	-	3/15/48-51	.....	.....	1,223	
2% Treasury bond	-	6/15/49-51	.....	.....	1,014	
2-1/4% Treasury bond	-	6/15/51-54	.....	1,627	.....	
2% Treasury bond	-	9/15/49-51	.....	.....	1,292	
2% Treasury bond	-	9/15/51-53	.....	7,986	.....	
1% Treasury bond	-	9/15/51-55	.....	755	.....	
2-1/4% Treasury bond	-	12/15/51-53	.....	1,118	.....	
2% Treasury bond	-	12/15/51-55	.....	510	.....	
2% Treasury bond	-	12/15/49-51	.....	.....	2,098	
Total.....				11,996	5,628	11,996
2-1/2% Treasury bond	-	3/15/52-54	.....	1,024	.....	
2% Treasury bond	-	3/15/50-52	.....	.....	1,953	
1% HOLC bond	A	5/1/44-52	.....	.....	779	
2-1/4% Treasury bond	-	6/15/52-55	.....	1,501	.....	
2-1/2% Treasury bond	-	9/15/50-52	.....	.....	1,186	
2% Treasury bond	-	9/15/50-52	.....	.....	4,939	
4-1/4% Treasury bond	-	10/15/47-52	.....	.....	759	
3-1/8% Treasury bond	-	12/15/49-52	.....	.....	491	
Total.....				2,524	10,117	2,524
2% Treasury bond	-	6/15/53-55	.....	725	.....	
2% Treasury bond	-	9/15/51-53	.....	.....	7,986	
2-1/2% Treasury bond	-	12/15/49-53	.....	.....	1,786	
2-1/4% Treasury bond	-	12/15/51-53	.....	.....	1,118	
Total.....				725	10,890	725
2-1/2% Treasury bond	-	3/15/52-54	.....	.....	1,024	
2-3/4% Treasury bond	-	6/15/51-54	.....	.....	1,627	
2-1/4% Treasury bond	-	6/15/54-56	.....	681	.....	
4% Treasury bond	-	12/15/44-54	.....	.....	1,037	
Total.....				681	3,687	681
2-7/8% Treasury bond	-	3/15/55-58	.....	2,611	.....	
2-1/4% Treasury bond	-	6/15/52-55	.....	.....	1,501	
2% Treasury bond	-	6/15/53-55	.....	.....	725	
2% Treasury bond	-	9/15/51-55	.....	.....	755	
2% Treasury bond	-	12/15/51-55	.....	.....	510	
Total.....				2,611	3,491	2,611

(Continued on following page)

Regraded Unclassified

**Maturity Schedule of Interest-Bearing Public Marketable Securities
Issued or Guaranteed by the United States ^{1/}
As of February 29, 1944 - (Continued)**

(In millions of dollars)

Description of security ^{2/}	Detailed annual maturities			Total annual maturities	
	Fixed-maturity issues	Callable issues classified by year of:		First-maturity issues plus callable issues classified by year of first call	Fixed-maturity issues plus callable issues classified by year of final maturity
		First call	Final maturity		
1-3/4% Treasury bond - 3/15/46-56.....			489		
2-1/2% Treasury bond - 3/15/56-58.....		1,449			
4-1/4% Treasury bond - 6/15/54-56.....			681		
2-1/4% Treasury bond - 9/15/56-59.....		982			
3-1/4% Treasury bond - 9/15/56-59.....		3,725			
Total.....		6,155	1,170	6,155	1,170
2-1/2% Treasury bond - 3/15/56-58.....			1,449		
2-3/4% Treasury bond - 6/15/58-63.....		919			
Total.....		919	1,449	919	1,449
2-1/4% Treasury bond - 9/15/56-59.....			982		
2-1/4% Treasury bond - 9/15/56-59.....			3,725		
Total.....			4,707		4,707
2-1/2% Treasury bond - 3/15/55-60.....			2,611		
2-1/4% Treasury bond - 12/15/60-65.....		1,485			
Total.....		1,485	2,611	1,485	2,611
4% Panama Canal bond - 6/1/61.....	50			50	50
2-1/2% Treasury bond - 6/15/62-67.....		2,118		2,118	
2-1/4% Treasury bond - 6/15/58-63.....			919		
2-1/4% Treasury bond - 12/15/63-68.....		2,831		2,831	919
Total.....		2,831	919	2,831	919
3-1/4% FVFC bond - 3/15/44-64.....			95		
2-1/2% Treasury bond - 6/15/64-69.....		3,762			
2-1/4% Treasury bond - 12/15/64-69.....		3,838			
Total.....		7,600	95	7,600	95
2-1/4% Treasury bond - 12/15/60-65.....			1,485		
2-1/4% Treasury bond - 3/15/65-70.....		2,213		2,213	1,485
Total.....		2,213	1,485	2,213	1,485
2-1/2% Treasury bond - 6/15/62-67.....			2,118		
2-1/2% Treasury bond - 9/15/67-72.....		2,716		2,716	2,118
Total.....		2,716	2,118	2,716	2,118
2-1/2% Treasury bond - 12/15/63-68.....			2,831		2,831
2-1/2% Treasury bond - 6/15/64-69.....			3,762		
2-1/2% Treasury bond - 12/15/64-69.....			3,838		
Total.....			7,600		7,600
2-1/2% Treasury bond - 3/15/65-70.....			2,213		2,213
2-1/2% Treasury bond - 9/15/67-72.....			2,716		2,716

^{1/} Daily Treasury Statement, and reports to the Treasury.
^{2/} Includes postal savings bonds and Federal Housing Administration debentures.
It should be noted that callable issues appear twice in this column, once in the year of first call and again in the year of final maturity. Callable issues with respect to which a

definite notice of call has been made, however, are listed as fixed maturities. The abbreviations refer to the following corporations: Home Owners' Loan Corporation, Reconstruction Finance Corporation, Commodity Credit Corporation, Federal Farm Mortgage Corporation, and Federal Public Housing Authority.

Regraded Unclassified

March 28, 1944
10:55 a.m.

HMJr: Hello.

Operator: Mr. McCloy.

HMJr: Hello.

Operator: Go ahead.

Jack
McCloy: Hello.

HMJr: Morgenthau speaking.

M: Good morning.

HMJr: How are you?

M: Fine.

HMJr: Bell is sitting here with me.

M: Yes.

HMJr: And he told me about your call about Paul.

M: Yes, it just crossed my mind that he might be available and good. I just asked him to check up with you as to what you thought about it.

HMJr: Well, there's no question about the man's ability and no question about his integrity.

M: Yeah.

HMJr: But if General -- if General Eisenhower wants the outstanding tax advisor in the country, that's Paul.

M: Yeah. Well, he's not quite looking for that.

HMJr: He isn't?

M: No. I think somebody will take care of his income tax return for him, but he -- what we're looking -- what we're really looking for is somebody that knows something about -- uh -- who has a broad enough knowledge of matters of finance to include some judgements on some fiscal problems and currency problems, but not to be expert at it, and at the same time serve as a sort of a member of an advisory Board of

- 2 -

M:
Cont'd:

Directors there, that can be useful in solving some very complicated and difficult civil affairs and political problems that are going to come up, but his chief contribution being on the economic and financial fields.

HMJr: Well, I've got a very high regard for Paul but my interest comes in the war first.

M: Yes.

HMJr: And I can't let there be any conflict.

M: Sure.

HMJr: And while, as I say, my interest in the war is so great that -- that I've got to say if -- I wouldn't pick Paul for that place.

M: Well, that's all -- that's all I want. I'm not pressing you. I just....

HMJr: But if you said to me, "Well, we want Paul"-- I mean I -- do I....

M: No. I don't go that -- I -- mine was just to get a slant on it to see what your thought was.

HMJr: But do I make myself clear?

M: Perfectly. Perfectly.

HMJr: I wouldn't want General Eisenhower or you or anybody to say, "This is what we want. Why do you send a tax expert?"

M: Sure. Sure. Sure. Well, I don't know enough about him. It just occurred to me that he might be -- he might have the background and the mind that -- I knew him slightly. I knew him slightly in New York.

HMJr: There's no question....

M: But always in tax matters.

HMJr: There's no question about his ability nor his integrity.

- 3 -

N: Yeah.

HMJr: But his field is more or less limited to taxes.

N: Yeah. Yeah. Well, that's all I -- that's --
that's enough for me.

HMJr: All right.

N: Thanks very much.

HMJr: You're welcome.

March 26, 1944
11:24 a.m.

HMJr: Hello.

Operator: I have Mr. Hancock. Baruch is in New York.

HMJr: All right.

Operator: Go ahead.

HMJr: Hello.

John Hancock: Good morning, Henry.

HMJr: How are you?

H: I'm still intact in spite of the abrasion of Washington.

HMJr: What's that?

H: I say I'm still intact in spite of all the abrasion of Washington.

HMJr: You sound as though you were in New York.

H: Nope.

HMJr: You sound very....

H: We have a bad connection here then.

HMJr: What?

H: Maybe we have a bad connection.

HMJr: Oh. Well, what I'm calling up about is this, I wondered whether you and Baruch and I couldn't get together, maybe this week, and reexamine this whole question of the disposal of surplus property.

H: Well, I -- I'm sure we can.

HMJr: Yeah.

H: My only difficulty is that the only date I can see is around about Friday.

HMJr: Friday?

- 2 -

This thing is moving pretty fast.

Yeah. Well, I mean when it's -- you mean on the Hill?

Yeah.

Well, how fast is it moving?

Well, I think there'll be a report of this last draft that you people have seen -- I think Lynch was the man in on the last draft.

Who -- who sent in?

Lynch.

Lynch?

I think both Lynch and Bob McConnell were in the last draft, or this draft, I'll say.

Yeah.

But the hope was that by Thursday we could take this draft and go to Capitol Hill -- the George Committee -- on Thursday morning and say that the big six Agencies have drawn it -- War and Navy, yourselves, R.F.C. and F.E.A. could say "We're in accord with this bill in principle."

Yeah. Well, I want to see you before that happens myself. Hello.

Yeah. I'm just looking on my calendar to see what we can do here. (Pause) (Speaks aside)

Hello?

Just a second here and I'll give you something. (Pause)

Hello?

Well, about four o'clock, Henry, is the best I can see.

Today?

Yeah.

- 3 -

HMJr: Well, today is a bad day for me.

H: Yeah, well, tomorrow is a worse day for me, I'm afraid.

HMJr: You mean -- are you -- are you all tied up at nine o'clock in the morning?

H: I've got a board meeting on this Contract Termination Board at ten o'clock, and I ordinarily prepare in the morning before the meeting, but I'll make your convenience. Can we get through in a half an hour?

HMJr: I can easily get through in a half an hour.

H: All right. I'll come by your corner at nine o'clock.

HMJr: At nine o'clock.

H: All right.

HMJr: Will Mr. Baruch be in town?

H: I think possibly. I'm not certain.

HMJr: Do you want to tell him that....

H: I'll get word to him.

HMJr:that I've had some doubts about this?

H: What parts of it?

HMJr: Well, our end of it.

H: I see.

HMJr: I mean what I'm -- I'm -- I'm questioning the same thing that you're questioning originally.

H: Yeah. I'll be glad to talk about it.

HMJr: Whether this is something that the Treasury should do. Hello?

H: Yeah.

HMJr: I'm....

Well, my only difficulty at the moment is the law -- that the law proposed doesn't provide any using of the Treasury at all.

HMJr: Doesn't provide for what?

H: Doesn't -- does not include the Treasury at all as a specific agent of the surplus disposal.

HMJr: It does not?

H: No.

HMJr: Well, I just felt that....

H: We've been setting up Bill Clayton to handle it.

HMJr: Yeah.

H: He can delegate it where he likes.

HMJr: Well, do you want -- do you want Clayton to come along?

H: Just as you like. I don't know what your plans are and what you'd like to do.

HMJr: Well, I just want to -- I'm going back to where -- more or less where you were originally.

H: Yeah.

HMJr: And -- I mean I just -- and I feel that I want to tell you where I stand and what my doubts are.

H: Yes.

HMJr: Now, if you think Clayton should be here or whether he's taking his direction from Baruch and you, I don't know.

H: He's taking them from Byrnes.

HMJr: From Byrnes?

H: Yeah. Well, he talks with us a lot, too, but....

HMJr: What do you think?

H:his only direction comes from Byrnes.

- 5 -

HMJr: Do you think Clayton should be here?

H: It's very advisable. It might save some time, I think.

HMJr: Well, then, will you tell him or should I?

H: Well, you'd better, hadn't you?

HMJr: All right. Nine o'clock.

H: I'll be available and....

HMJr: Will you tell Mr. Baruch about it?

H: I will.

HMJr: If he wants to come, of course, I'd be delighted, but I'll promist to keep it to thirty minutes.

H: All right. Fine.

HMJr: Fine.

March 28, 1944
11:30 a.m.

DISPOSAL OF SURPLUS PROPERTY

Present: Mr. Gaston
Mr. Smith
Mr. O'Connell
Mr. McConnell
Mr. Lynch
Mrs. Klotz

H.M.JR: John can't do it. I am all for John, but he can't do it. He has had his chance for months. He hasn't been able to get an organization.

(The Secretary holds a telephone conversation with Mr. Will Clayton, as follows:)

March 28, 1944
11:34 a.m.

HMJr: Hello.

Operator: Mr. Clayton.

HMJr: All right.

Operator: Go ahead.

HMJr: Hello.

William Clayton: Hello, Mr. Secretary. How are you?

HMJr: How are you?

C: Pretty well, thanks. I hope you're feeling well.

HMJr: How would you like to go out and ride the range right now?

C: Oh, my. (Laughs) Oh, goodness, how I would love about two or three weeks of it.

HMJr: Right.

C: But no chance.

HMJr: No. Now, look, what I'm calling you up about is this -- I just called up John Hancock. I tried to get Baruch and he's out of town.

C: Yes.

HMJr: And I realize that this is the eleventh hour and all the rest of that but I want to re-examine the Treasury's position in the question of the disposal of this surplus war material.

C: Uh huh.

HMJr: And I know it's late but sometime one's hindsight is better than one's foresight.

C: Yeah.

HMJr: So Hancock said that he'd be over here at nine o'clock tomorrow morning. I promised not to keep him more than thirty minutes and I wondered if you could drop in at nine?

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C: Just a minute -- let me look at my calendar.
I'll make it if I -- but I got a....

HMJr: Can you do it?

C: Yeah, just a minute -- let me look at my calendar.
Well, I've got a fellow coming in at 9:30 but I'll
fix it. Yes, I'll be there at nine o'clock.

HMJr: Yeah, well....

C: At your office?

HMJr: At my office. I just want to take another look
at these as I've still got time.

C: Yeah. All right.

HMJr: Although....

C: I'll be there at nine o'clock.

HMJr: Yeah.

C: Wednesday morning.

HMJr: Tomorrow morning.

C: All right. Thank you, sir.

HMJr: Good bye.

C: Good bye.

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H.M.JR: I just talked to John Hancock. Baruch wasn't in town. I said, "I know it is a little late" - and so forth and so on - "but I want to take another look at the question of the Treasury position."

He said, "It is awfully late, but there is a bill going up." He has been working with McConnell and Lynch.

I don't know what this bill is, but you better give me a summary.

MR. O'CONNELL: The bill is an over-all bill covering contract termination. It has a short title in it relating to the disposition of surplus property. It sets up an office in the Office of War Mobilization and Demobilization, which is created under the rest of the bill. It sets up a man in charge of surplus property, authorizes him to prepare programs for the disposition of surplus property, and to designate agencies to handle the disposition. Under that bill he can designate any agency or agencies that he wants.

H.M.JR: The Treasury isn't mentioned?

MR. O'CONNELL: No, no agency is mentioned other than the over-all agency created in the bill. It wouldn't affect this situation at all. Whatever you decided to do can be done within the framework of that bill.

Now, the Patman bill, the one Hancock testified on last week, would have resolved your problem by definitely taking the RFC as the agency to dispose of all surplus. That would have taken Procurement out of it. But that bill, I believe, is dead.

I believe that the bill Hancock mentioned will be introduced shortly.

H.M.JR: Is it a short bill?

MR. O'CONNELL: Well, I can get a copy of it. It is a very long bill.

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MR. McCONNELL: Do you have this morning's draft? I have it on my desk.

MR. O'CONNELL: The part of it on surplus property is only a few pages.

H.M.JR: Get it to Mrs. Klotz by two o'clock, will you - that part which I should read so I can prepare myself for the thing tomorrow morning?

MR. O'CONNELL: What is on tomorrow morning?

H.M.JR: Tomorrow morning, Hancock and maybe Baruch; but Will Clayton will be here. I said I would keep the thing. I made up my mind. I am not going to - you fellows might just as well get ready to move, but there is no longer eighty percent - if I can get out from under this question of surplus property, I want to get out from under. They can call me any names, if anybody wants to say anything, they can say it; they can put it wholly on me. I would rather have a few red faces around here, and so forth, and have somebody say maybe I am welshing, and all the rest of the stuff. I would rather do it now and get out from under than - well, I don't want to take it.

I am not going to say that to these fellows. I am going to be noble and say I think it would be much better - if you are willing to follow suit - much better to have this all in one department than have this thing split, see? And I have had some contacts with the Army. The Army may be willing to have me say that. As a matter of fact, I talked off the record with them. They say they don't know now where to put the thing.

I mean, I would much rather say it would be much better for the President, and everything else, to have it in one place.

MR. McCONNELL: To divide it, you have to go through a list of a good many thousand items.

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H.M.JR: I am not going to say to them that I don't want to take the criticism, but that on thinking the thing over, it seems to me it would be much better to have the thing in one place. Leave Procurement as a little agency doing odds and ends for the Government. We will leave it that way. If they say, "We need the machinery," we will take a look at that.

MR. McCONNELL: That will involve an Executive Order. There was an Executive Order creating the Surplus Property Administrator.

MR. O'CONNELL: That is all it did. It created his office and gave him general disposition over disposition of surplus property and indicated generally that the Division would handle the consumers' goods.

Now, it seems to me that mechanically what they ought to expect us, and be willing to do, would be to have a collective order signed by the President, transferring the disposal function from the Procurement Division, and the appropriation for disposition of property, and the personnel attached to that work, to the agency that is going to do the whole job.

Otherwise, we have got the money, equipment, and an organization - or some people in it.

H.M.JR: You have an amendment to the Executive Order ready by nine o'clock tomorrow morning transferring--

MR. O'CONNELL: It will be a brand new Executive Order; it won't be an amendment. It will be just an order transferring the Procurement Division function in disposition to the Reconstruction Finance Corporation. There have been a number of those. It is the general authority the President has.

H.M.JR: Have it here so in case Hancock says, "How would you do it?" - or Clayton says that.

You (Lynch) be here at nine o'clock tomorrow.

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MR. LYNCH: All right.

H.M.JR: We can say, "That is easy; this is the way you can do it."

I am not going to argue about it any more. I have made up my mind what is right, and if anybody has to say anything - you or anybody else - well, I will say it.

After all, a person can have the privilege of changing his mind. I have that privilege.

MR. McCONNELL: How soon do you think that bill would pass?

MR. LYNCH: It is anybody's guess. I think they are shooting, as the most hopeful thing, toward, say, three weeks or so. But there are some contingencies.

MR. O'CONNELL: I don't think there is a chance.

H.M.JR: Hancock says it has to be settled by Thursday.

MR. LYNCH: By Thursday, as I understand it, Mr. Secretary, it is to be settled with Senator Gorge and his Committee, and what they intend to do is bring it out on the Floor of the Senate by Thursday.

H.M.JR: But the thing that you people have to think about is this, to take care of Morgenthau, see? So how can we say to them - I mean, at the same time, I want to be able to say that this is my initiative, that they are doing this at my request.

MR. SMITH: I think you should have a statement, which I will work on this afternoon.

H.M.JR: You are doing this thing at my request. I think I ought to get a clearance from this group tomorrow morning, that I can say this. I want to be able to say, "Well, on second thought, in the interest of efficiency

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and simplification" and so forth and so on, "I am doing it" - that this isn't something that somebody is operating on me about.

Can do?

MR. SMITH: Sure.

MR. McCONNELL: It is very important to get that statement.

H.M.JR: You fellows ought to write it, all of you here.

MR. SMITH: We will work on it this afternoon.

H.M.JR: I will tell John about it.

But if we agree amongst ourselves what the statement should be, so if the fellows say tomorrow - well, I want to make a statement like this. Do you feel badly about it?

MR. McCONNELL: Not a bit, sir.

H.M.JR: Very much let down?

MR. McCONNELL: No, sir. I feel good about it. I haven't changed my mind since last August.

H.M.JR: Do you feel I am letting you down?

MR. McCONNELL: Not a bit.

MR. O'CONNELL: The guy you are going to talk to is the one who is going to feel bad.

H.M.JR: You heard what I said yesterday. He had his chance. In this war business, at the speed with which you are going, every fellow is entitled to one chance. I don't expect more than one chance from the President. If the President gives me a chance to

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finance the war and I don't make good, I am not asking for two chances. Nobody is entitled to two chances while we are at war.

(The Secretary holds a telephone conversation with Mr. Sullivan, as follows:)

March 25, 1944
11:45 a.m.

John
3:11:45:

Hello, Mr. Secretary.

HNJr:

John, there are other people in the room but you are not on the air.

S:

Aye, aye, sir.

HNJr:

And I'm just through talking with Hancock. See?

S:

Yes.

HNJr:

And he's coming in tomorrow morning. Baruch is coming if he can get him here at nine o'clock, and also Clayton. And I told them that the purpose of my asking them to come in was that -- because I've got some doubts about wanting the Treasury to handle this surplus sales. Hello?

S:

Yes.

HNJr:

And they're coming in at nine tomorrow morning. Now, I've got here Smith and McConnell and O'Connell and Lynch and I've asked them to do two things for me this after -- today. 1. So that if they say, "Well, how about the Executive Order?" -- they can have the Executive Order ready for the President which would relieve us of the responsibility of handling military surplus sales, and also they're going to draft the statement for me which they will consult with you about. But I've made up my mind. I don't want surplus sales. Hello?

S:

Yes.

HNJr:

I don't want -- I don't want to handle it. And it's just the question of -- whatever handling these people, both publicly and privately and so forth, I want to do it. I mean so that if there's any blame, I'll take it. If there's anything publicly or within the Administration, I'll handle it. Good or bad, I'll take it, but I want your advice. I know you don't agree with me.

Well, when are you planning on making some statement?

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- HMJr: Well, I don't know. It depends upon the time, but I want something ready so if tomorrow morning -- so, I mean, I don't want it to appear publicly that this is being taken away from us, so I want to make a....
- S: Oh, I think I'll probably want to make a public statement myself at the same time.
- HMJr: You do?
- S: Well, I don't know. I want to think it over.
- HMJr: Well, whatever I want to say will be shown to you in advance. And I will consult with you on it. What will you want to say?
- S: Well, I -- I think it is pretty evident that there's no place in Treasury for me now.
- HMJr: Why?
- S: Well, this is the job I'm given to do. Everybody thinks the Treasury is the first -- crowd that's best equipped to do it and now that's being taken out from under me. I think probably it would be better if I were not in Treasury at the time that were announced.
- HMJr: Oh, I think you're all wrong.
- S: Well, I don't think so. This is the second time it has happened to me.
- HMJr: No, I think you're all wrong.
- S: Well, I....
- HMJr: I don't think that the public knows that you're handling this. I don't think there's one person in a hundred thousand.
- S: Well, I -- I do. I know they know.
- HMJr: Well, the attitude that I'm taking toward these people, I think it's better to have it in one Department. I'm not saying anything about Procurement, whether they're well organized or badly organized or anything else. I'm not saying a word to these people. I'm just going back to the original position of Hancock who thought it would be better in one place.

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S: I don't know that Hancock ever had that position.

HMJr: Oh, yes. There's no question about that.

S: Well, he was wrong if he did have it.

HMJr: Well, there's no question about it and for you to make any move would just be bringing something on yourself that nobody else would think of. I certainly didn't.

S: Oh, it isn't a question of bringing it on myself. It's a question of getting out of a situation in which I'm being put into.

HMJr: How do you mean?

S: Well, I mean I -- I've taken on this job and after we get just what we want in the whole set-up, we then do an about-face and say, "No, we're not going to handle it."

HMJr: Well, I mean, who outside of two or three people or a handful of people -- half a dozen people at the most -- know anything about this?

S: Every Trade Association in the country.

HMJr: Well, they don't know it's you.

S: Yes, they do.

HMJr: How?

S: Why, my goodness gracious, one of them had two hundred and fifty thousand reprints of my Manchester speech distributed. Every Trade Journal in the country carried excerpts from that talk. Editorials and newspapers around the country....

HMJr: Well, I -- I don't -- I mean, -- of course, I wasn't aware of that.

S: Yeah.

HMJr: I don't even know if I saw your Manchester talk.

S: All right, I'll have my girl send one in to....

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HMJr: I don't -- I don't think I ever saw it. I mean, I don't -- I'm thinking -- well, you'd better -- we'd better talk together, because the last thing in the world I want to do is to do anything to hurt you personally.

S: Well, I don't think -- if I get out the day before, it won't hurt me personally.

HMJr: Well, that's something I hadn't figured on. It never occurred to me. I didn't think that your reputation or integrity was at stake in this thing.

S: Oh, I think it's very definitely so, sir.

HMJr: Well, we can talk about it some more.

S: All right, sir.

HMJr: Okay.

S: Right.

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H.M.JR: He said he wants to resign the day before. He said if I do anything like this, he wants to resign.

MR. O'CONNELL: Well, John definitely feels, of course, that he is out on a limb. He has made two or three speeches in New Hampshire addressed generally to the problem of disposition of surplus property.

MRS. KLOTZ: I can't see the connection at all.

H.M.JR: He said every trade association in the United States knows about it, or him.

MR. SMITH: Couldn't he be kept as an adviser wherever it goes?

MR. O'CONNELL: Tom wrote me a little note saying make John Deputy Administrator of Clayton's organization if he thinks his reputation is at stake. In having a place in the disposition of surplus property, why that would be one possible way of doing it. But that wouldn't be satisfactory.

MR. McCONNELL: He already has a Deputy.

H.M.JR: Who?

MR. McCONNELL: Clayton.

MR. O'CONNELL: That wouldn't be satisfactory to John, I shouldn't think. John is thinking that regardless of how you dress it up, that it is going to become generally thought that the move was made because the Division wasn't adequate to handle the job, and he will be tarred.

MRS. KLOTZ: I think that is purely in his mind.

MR. O'CONNELL: It is not entirely so. Wright Patman would probably say, and Crawford, on the Hill, would probably say that this is a result - at least they would

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probably take part of the credit - that their picking the devil with the Procurement was probably responsible for the movement. John is thinking of that sort of thing.

MR. SMITH: We worked with Patman the other day and he is an all right guy.

MR. O'CONNELL: At the first hearing Patman was highly critical of the Procurement Division. The last meeting Crawford did more of the criticizing and Patman's theme was more coordination.

H.M.JR: Wait a minute. I didn't know that this thing was going to take this turn, but it is just as good.

(The Secretary sends for Mr. Gaston)

H.M.JR: All right, let's face this thing. Should I try to save John Sullivan's face and let's say he is adamant, that if I go through with this, he is going to resign. All right, should I keep Procurement because I don't want John Sullivan to resign? That is what it gets down to.

I don't know whether you people want to advise me on that thing or not, but that is what it gets down to. Now, if I weigh this thing cold-bloodedly, John Sullivan had his chance to build this thing up and build an organization. He hasn't built an organization, and there is no organization there. Let's be cold-blooded about this thing. He has had his chance. He has brought in a Professor from Amherst to make a study.

(Mr. Gaston enters the conference)

H.M.JR: Herbert, this thing on Procurement has taken a new turn and I need your advice. I sent for Hancock and Will Clayton and told them that I was reconsidering whether I want this thing in the Treasury. I called up

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John Sullivan and told him that this meeting was tomorrow morning. I meant to tell him that I wanted him present. John's attitude is that if I go forward with this thing, he wants to resign the day before I say anything - and that this thing is being taken away, and so forth, and so on - and he wants to get out.

Let's assume that we can't change his mind, and he feels that it is his reputation and he wants to get out. Then it gets down to the question of which is more important, the Treasury Procurement - it just gets down to a cold-blooded proposition, that is all. I didn't know that John felt this way. I didn't know, outside of a half dozen people, they knew he was supervising this work.

He said this is the second time this has happened to him. I suppose he means I took the tax thing away from him.

MR. GASTON: I suppose he is thinking of it on the basis you have decided he has made a failure of the preliminary organization of this thing, and therefore you want to throw it up. But I think the decision is being made on different grounds from that. That ought to be explained to him.

H.M.JR: Of course, Sullivan is thinking of himself, which is all right - everybody should. I am thinking of the Treasury and myself. If everything had gone along well, I mean, if Sullivan had done a beautiful job, and had a wonderful organization, I wouldn't be in the position I am today. I don't see why you can't be as cold-blooded about this in Government as you can if you were in private business. If we had a swell-running organization and everything was jake over there, I wouldn't be in the position I am now.

MR. GASTON: We have never had a swell-running organization over there.

(The Secretary holds a telephone conversation with Mr. Sullivan, as follows:)

March 23, 1944
12:04 p.m.

JOHN
Sullivan:

Yes.

HMJr:

I'm sorry to keep bothering you when you're sick.

S:

That's all right.

HMJr:

But the purpose of my call was -- and your telling me about your -- threw me off my feet -- was that I wanted you at this meeting at nine o'clock tomorrow morning.

S:

Well, I'll be there if I am able to, sir.

HMJr:

Well, if you -- but I mean that was the purpose of my call.

S:

Yes.

HMJr:

And then in my discussion I forgot about it. So I just wanted to tell you that and then....

S:

Yes.

HMJr:

....as the day goes along, if you have any ideas I wish you'd call me.

S:

Well, I've been thinking it over, of course, since you called.

HMJr:

Yes.

S:

And there are a lot of things in the picture and if this is going out, I think to protect myself I will have had to have had my resignation on record before the word gets out that this thing is transferred.

HMJr:

Well, I mean, in talking with them -- I mean, under this bill which is going up before George, the Treasury isn't mentioned. So there isn't any such speed necessary. But I think you ought to talk about it with somebody like Gaston or Joe O'Connell or somebody.

S:

Well, of course, this thing that's happened is utterly fantastic. I mean for you to have changed your mind on one of the major operations of the Treasury Department....

Yeah.

....on the basis of the things that you said yesterday morning....

Yeah.

....is -- it's just not comprehensible to me.

Well, I'll be glad to discuss it whenever you want to.

I mean, here I have a whole plan -- the whole thing all worked out. There wasn't any use of my submitting it to you yesterday. You weren't in a mood to listen to anything. We've gone through all this work. We've got a set-up we think will click. And then, bingo! -- out the window.

But you've got no people, John.

Oh, yes, we've got all kinds of prospects lined up. I've talked with people. This Wiebolt -- this fellow that was supposed to be such a great fellow from Chicago. I've had him in the office. I'm completely convinced he'd be of no use to us.

Yeah.

But there are other men around and we've been checking and double-checking on them, and we were to have met this morning at eleven o'clock to have made up a list of people to call in to talk with later in the week. Of course, with this thing hanging over us, that is, the possibility that you were going to abandon it, I certainly wasn't going to call anybody in and ask them to....

Well, what....

....leave their job and come down when there was a possibility....

Yeah, but I mean you've had months to bring them in and you've had a clear -- you've had complete freedom to call anybody in you wanted since February 3rd.

- 3 -

S: That's right and if I had to do it all over again,
I wouldn't have proceeded any faster than I did.

HMJr: Yeah. And -- what's this plan of organization
that you're talking about?

S: It -- it's the set-up.

HMJr: Well, where is the plan? Because....

S: The original is here with my papers in my brief
case now.

HMJr: Well, can you have a Treasury car come out and
get it?

S: Sure.

HMJr: And send it down to me?

S: Sure.

HMJr: I'd like to read it.

S: All right. I'll be glad to send it down.

HMJr: Okay.

S: Good bye.

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H.M.JR: He simply said that he was going to call people in, and so forth and so on. He has a plan, but he felt the way I talked yesterday there was no sense showing it to me yesterday. He has people lined up. He still says the more he thinks about it, the more he wants to resign.

MR. O'CONNELL: Of course, I think Mr. Gaston was making the point that in spite of the fact that this matter developed in your mind because of your doubts about the Procurement Division, the decision you reached might very well have been reached even if you had a good organization; in other words, in your decision that this is not properly or necessarily a job to be done in the Treasury. That decision could be made putting any emphasis on the thing that concerns John so much, and that is the thing that stirred it up.

H.M.JR: That is a nice way to put it. The fact remains, if I had a good organization, or the prospects of a good organization, I would bull this thing through; but feeling that I have no organization - they have had all the time in the world and they haven't done it - and I can't see anything else other than I would have to turn in and do it myself. And I don't want to do it.

Now, I have never done this before, but I haven't got the time to turn in and build an organization like I did in War Bonds. I did it in War Bonds; I practically broke my health, but I did it. I have got one of the finest organizations in the country. I have got one of the finest groups. We started from last July and scrapped the whole thing and started all over again.

MR. McCONNELL: Of course, I don't think, Mr. Secretary, this will take any more of your time than General Aniline did; it is larger, but it isn't any more complicated.

H.M.JR: I agree with you, but in the case of General Aniline, you came in and gave me the list of three or four top men.

MR. McCONNELL: That is right.

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H.M.JR: We threw out German chemists that they said we couldn't replace. We threw them out. They said American chemists couldn't do it. We got them, and we did it. But supposing, at the end of three months, you had nobody. I mean, let's be frank about it. I was certainly frank yesterday.

John asked me - I am not trying to hurt John, I am very fond of John, but the fact is that John has had his opportunity and hasn't made good at it. Now, if he feels he has got to resign - I wasn't directing this thing at John. These things always get down to individuals and to personalities. I am not thinking in terms of personalities. If any of you say to me, "John Sullivan has a plan, if he is left to himself, he can run this thing - he can do a good job" - I would like to hear it.

MR. GASTON: You see, I don't know. I think probably you ought to give a further opportunity to John to tell you exactly what he has got, what his plans are, and how he proposes to organize, and what he has done toward organizing.

H.M.JR: He says he has a plan. He is sending it down by car.

MR. GASTON: But I still think the valid basis of decision on this thing is not primarily on that ground. The valid basis of decision is whether it is a thing that the Treasury ought properly to do, whether it is the logical thing for the Treasury to do - whether it is a more logical thing to be organized somewhere else, in one unit, to handle the whole job - whether it ought to be in connection with Treasury Procurement. That is one thing.

Then the second thing is the other question of whether, if it is left to Treasury Procurement it is going to take too much of your time and energy that ought to be given to things that are indispensable, essential - things that you have to do.

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H.M.JR: What is your answer? What is your advice to me?

MR. GASTON: I would find out a little bit more about what plans John has before making final judgment. What has he done - what has he proposed to do to create a sufficient organization. But that is aside from the main question, which I don't know, and that is whether this thing could be handled better by Will Clayton under a temporary organization.

MR. O'CONNELL: That, it seems to me, all comes down to people, because on paper I think a better argument could be made for having it all in one place.

H.M.JR: I have to stop. Who besides Sullivan knows what the plans are? Does anybody know?

MR. McCONNELL: No, sir.

MR. GASTON: I haven't been in touch with them at all.

MR. O'CONNELL: I certainly don't.

H.M.JR: Who handles Procurement in the General Counsel's office?

MR. O'CONNELL: Me.

H.M.JR: Do you know of any plans?

MR. O'CONNELL: No. I heard of it first this morning. He called me about ten minutes ago. I talked to him on the phone. He called me about five minutes before you called me. In the course of the conversation I asked him - or we were discussing the general situation - and I said that I thought that the weakness of his position was that nobody seemed to know what they were doing. They didn't seem to be doing anything.

He said he had a plan and I said I hadn't seen it.

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He said he had it yesterday but didn't think there was any point in showing it to you.

Frankly, I think both Tom Lynch and I, on occasion, have attempted to give John a pretty good opportunity to use us, or let us know the progress of things, but I haven't been in on anything and I don't think you have - as to whatever plans John has had.

MR. LYNCH: I just don't know of any plans he has had.

MR. GASTON: What he has told me is, and he has told me very little, that he is contemplating having a board of people who would, in effect, supervise the surplus disposal, so it would only nominally come under Cliff Mack's direction.

And I believe this man Frey - I assume that this man Frey is supposed to be charting an organization, isn't he?

MR. O'CONNELL: I assume so, but I didn't know. I only saw him yesterday.

H.M.JR: Well, let's say - certainly we have known about this thing since the middle of December. John has had three full months to do something. He has had since February 3 to date, which makes it practically two months that he has had a free hand to get any money in the United States that he wants. He told me if he had to do it all over again - at the end of this week he was going to have people in. Time is short. If I am going to take a position - the reason I am rushing against the advice of Joe, who tells me to go slow, is because I am being rushed by all this talk about testifying.

John first told me I had to make up my mind by today. He first said today, didn't he?

MR. O'CONNELL: Yes, he said he was going to testify before the Senate Banking Committee today.

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H.M.JR: And he was arguing with you this morning that this thing was as of tomorrow?

MR. O'CONNELL: That is right.

H.M.JR: So he is the fellow who has been telling me there is a hurry. Once the thing goes up, I can't, in the middle of the Hill, change my mind. The longer I wait, the more difficult it is to change my mind.

MR. O'CONNELL: But John was misinformed as to the time element. There is no hearing scheduled for tomorrow, and if there is one, there is no purpose in John's testifying except in answer to testimony of last week. I mean, the bill is a bill which is primarily for the termination of war contracts. There will be a half dozen witnesses before we would logically appear - Hancock, Bob Patterson, Forrestal, and the top people in Procurement, before we would logically appear. The only purpose of John's testimony at the front end is to answer the stuff testified to last week in connection with the other bill. That is pretty cold. That is a week ago. I think maybe we shouldn't even bother to answer that stuff at this point.

H.M.JR: I am sorry if John wants to resign, but I can't help it. I think this thing is too important. I think it is more important than either John or me. This is the sort of thing I have to make up my own mind on. If he wants to resign because he feels that this is a discredit to him, I can't help it, that is all. He had his opportunity. He has had months to do this thing. If he told me he was too busy with Internal Revenue, that would be the most legitimate and justifiable excuse he could give me. Didn't I tell him he could talk to either of you people?

MR. GASTON: All right. See what happens.

MR. O'CONNELL: Then we will get you a draft of an order and Fred will work on the statement and I will send you the bill through Mrs. Klotz.

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H.M.JR: Sure.

MR. GASTON: You have an appointment with these people tomorrow morning?

H.M.JR: Nine o'clock.

MR. McCONNELL: That is exploratory, though.

H.M.JR: Purely. This other stuff is just in case they say, "What do you want to do?" I want to be advised. I said I had some doubts - isn't that what I said?

MR. McCONNELL: After reconsidering, you had some doubts. I would like to get your ideas.

H.M.JR: Their answer was that as far as this bill was concerned, the Treasury isn't mentioned. Maybe they will say we have lots of time. They may say, "No, we want the Treasury to keep it now."

MR. O'CONNELL: It is entirely possible they will say that. That is more or less what Hancock and Clayton said last week in answer to the testimony. The bill they were considering is one which would have taken it away from the Treasury. Both Hancock and Clayton were saying, "We think your Division is all right." They were defending the Executive Order set up which keeps the Treasury in it.

MR. McCONNELL: Wasn't that in the Baruch report, also?

MR. LYNCH: Yes.

H.M.JR: What?

MR. LYNCH: It looks to the division of responsibility between RFC and Treasury.

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H.M.JR: They may say, "Morgenthau, we have thought this thing over; we want you to have it," and I may have to go through with it.

MR. LYNCH: Of course, if the decision is made, Mr. Secretary, to let it go, then this new bill may form a very good peg to launch it more happily than you could otherwise, because the bill looks to legislation which will set up a Director who will be in complete charge.

H.M.JR: The George bill?

MR. LYNCH: Yes, and then that would be a logical place to announce that in connection with that, when it is brought on the Floor, that the Director has decided, or you suggested, that it could be handled more efficiently under one agency and wouldn't have to be RFC or Treasury.

Of course, people would immediately become interested in it, but it could be a major decision of policy to centralize the disposition of surplus property. In keeping with this bill, which we assume will reach the Floor of the Senate, according to present schedule, Thursday or Friday of this week--

H.M.JR: Reach the Floor?

MR. LYNCH: Yes. The plan is a rather involved one. The strategy calls for not having it go through Committee but to have it presented as an amendment to another bill by Senator George with an announcement that it is endorsed by all the departments - six major Procurement Departments.

H.M.JR: We could still be a part of endorsing it, just as long as they understood I had the doubts.

MR. O'CONNELL: Oh, sure. The bill doesn't commit you one way or the other.

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H.M.JR: But I feel honor bound - if I have any doubts, the time to raise them is now.

MR. LYNCH: That is right.

H.M.JR: Because they treated us swell.

MR. LYNCH: Things might be timed--

H.M.JR: I won't say anything to them about it. I think - just have it in your vest pocket, that is all.

MR. LYNCH: Yes, sir.

H.M.JR: Maybe you people can think out some way to save John's face.

MR. GASTON: I think this, if it is likely to come out before these people tomorrow, as it seems to me probable, that we haven't got now an organization which seems satisfactory to you, and that you are in doubt whether we are going to be able to get a satisfactory organization - if that line of thinking is likely to come out, I think that you ought to talk to John, if John is able to get down here today. I think you ought to talk to him today. I think it would be a good idea to talk to him, anyway.

H.M.JR: He is all excited now, but I won't take that. I am going to take the angle that you people advised - I just think maybe it is better that it all be in one place, that this isn't something that the Treasury should have any part of. I am not going to criticize Procurement.

MR. GASTON: That almost inevitably comes in. It is the question of who can do the best job on this.

H.M.JR: No, it is the question of the thing ought to be in one place.

MR. GASTON: Why in one place - simply because it can be better handled in one place.

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H.M.JR: Well, I can assure you I am not going to criticize Procurement to anybody, outside of what I have said here.

MR. McCONNELL: The only angle on that that I have heard is the somewhat broader powers that a Government corporation has over a department. I don't know what they are.

H.M.JR: That is originally Hancock's idea.

MR. McCONNELL: Yes.

MR. GASTON: There is a lot to that independent corporations - RFC, Agriculture, and so forth.

MR. O'CONNELL: They have more freedom, no doubt about that.

H.M.JR: I am not going to say anything. I am not going to tell them tomorrow I am in any way critical of Procurement. But I have been in these tough spots, myself.

Just to take a minute - you talk about giving excuses. In stopping the foreclosure of farm mortgages, one of the really tough jobs of this Administration, I could have sat back and said, "I can't get enough lawyers to clear the titles; I can't get these new mortgages out, I just can't do it." My God! I burnt myself out. We found where the trouble was; we got enough lawyers. I remember one case, we just made those fellows sweat those titles through, and we got the stuff out. I wasn't satisfied to say to the President, "I can't get my titles cleared. They have never cleared more than so many titles." I got the thing done.

It was the same way - why did the President turn to me at that time when the Government bond market was going down? The regular people wouldn't do it; I found a way. I placed fifty million dollars' worth of Government bonds in the hands of Government brokers and stopped the Government bond market from going down. There are ways to do the thing.

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Say you couldn't do the thing because OPA wouldn't give me a price on automobiles; therefore I have the automobiles for three months; that is no excuse. You could give me a hundred cases in business where people find short-cuts and get results. It is the difference between success and failure. Right?

MR. McCONNELL: Yes, sir.

H.M.JR: When you fail you can always find excuses. But I swear, to get into this thing and devote half of my time to doing this thing, I am just not going to do it. And I have crossed that bridge. And there is nobody over there that can do it.

MR. GASTON: I think that is true, certainly not yet.

H.M.JR: Nobody over there can do it, and I am not going to do it.

MR. SMITH: You have no real assurance you can get people in to do it, either.

H.M.JR: Everybody can say, "Morgenthau, you should have thought about that four months ago." And the answer is, "Yes, I should have, but I didn't. I thought Procurement was a good enough organization to take it in its stride."

MRS. KLOTZ: That is why you took this on, because you thought so.

H.M.JR: That is why I told you we could do it. I thought they were good.

MR. McCONNELL: I don't know how much additional work has come on, or is imminent. I don't know how to figure that. Clayton has no power to - there is no power given anyone to force the Services to declare material surplus to their needs.

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Now, the same policy, if they keep holding this material rather than releasing it as surplus - I believe from what I have heard that the Services are anxious to get rid of it and put it on somebody else's shoulders.

H.M.JR: Well, anyway, we will meet again. You all better be here at nine o'clock tomorrow morning and have the stuff in your pocket. I don't think it is up to me to call John again. I told John he could consult with you two people and you might confer on the proposed statement. But you don't know whether there would be any occasion for me to make the statement?

MR. LYNCH: No, I just say that there may be a more adventitious time, say, next week - early next week or the latter part of this week - Thursday or Friday.

H.M.JR: Well, we better have one ready.

MR. SMITH: I think it would be better if it were a letter to Byrnes or Baruch, rather than a public statement.

H.M.JR: Think about it.

MR. O'CONNELL: Of course, ultimately, if they are going to take over the function, it will involve a recommendation to the President for an Executive Order transferring the disposing function to the RFC.

MR. GASTON: It is in an Executive Order now, isn't it?

MR. O'CONNELL: The Executive Order sets up Clayton's shop. We don't have to amend that order except by in-direction. You have an Executive Order transferring the Procurement function to RFC.

MR. GASTON: You can't do it merely by an announcement by Clayton that he is taking this over?

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MR. O'CONNELL: No, no, no.

H.M.JR: Maybe Mr. Jones or Mr. Clayton would be glad to have the services of Mr. Sullivan, because how John can consider throwing up being Assistant Secretary of the Treasury in charge of Internal Revenue on account of this thing, is just beyond me.

MRS. KLOTZ: Maybe he is just hurt, now. His feelings are hurt.

MR. O'CONNELL: He thinks that however you dress it up, that the shift of function to RFC is going to be made to appear as a failure on his part.

H.M.JR: How many people do you think could know about it?

MR. O'CONNELL: A lot of people up in New Hampshire know, because he made a lot of speeches. I don't know that they would draw the same inferences.

MR. GASTON: He made one speech up in New Hampshire, the Manchester speech before the Manchester Chamber of Commerce, which was on the surplus disposal.

MR. O'CONNELL: He made three speeches within a period of four or five days.

MR. GASTON: Yes, but only the one in Manchester was on this subject.

MR. LYNCH: He spoke also before the Pharmaceutical Corporation on surplus property.

MR. GASTON: I will check back.

MR. O'CONNELL: The Manchester speech was devoted to it entirely.

H.M.JR: That, of course, explains it. He did all of this in New Hampshire?

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MR. O'CONNELL: Yes, but his feeling about it is only justified if he is right in his assumption that people will believe that the change is one which will reflect on him. I am not so sure but what the change could be made on the basis that has been discussed here without one person in a million ever thinking of it as reflecting on John Sullivan. There wasn't one person in a million that ever thought that when he was relieved of his tax problem that it was a reflection on him. I think John probably did, but the average fellow - it never occurred to them that that particular change was one which would reflect on him.

It seems to me there is at least a reasonably good chance that the same thing could be done here. Put it on the basis that it is a desirable thing to have all your eggs in one basket; that organizationally, the job can better be handled there. There is an attempt to cut the baby in two. The division of items to be handled by each has been a difficult thing.

You could certainly make a very good case for the move, even assuming John had done a perfect job and we had a good organization. Admittedly, that isn't the fact.

H.M.JR: He called you up, didn't he, this morning? Wouldn't you have an excuse to call him back?

MR. O'CONNELL: I would be glad to.

H.M.JR: Supposing you do.

MR. GASTON: He could make a statement for the New Hampshire newspapers on this philosophy you are talking about and probably get some credit for it.

H.M.JR: I am willing to give him the breaks on it. Seriously, if it is a question - I would be willing to give John the breaks on the thing. Let it be his idea. That would be fair, wouldn't it?

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MR. O'CONNELL: It would certainly be going as far as you can go, if you are going to do the thing at all.

H.M.JR: I don't want to hurt John. That is the last thing in the world - if there is some way to work it out. But on the other hand, I can't let any individual interfere with what I think is the best.

MR. McCONNELL: It has never gone outside of this room. The only thing that you have to be careful of is that you are asking advice from Baruch and Clayton tomorrow.

MR. GASTON: Yes, there is a little danger there.

H.M.JR: What is the danger?

MR. GASTON: They will talk it over with a few other people and they will have it in the paper that the Treasury is about to give up--

MR. McCONNELL: I don't believe that would follow, but that would be the only place outside of this room that it had been mentioned; and you are just asking them, as I understand, for their advice - what they think about it.

H.M.JR: Do you mean this is vis-a-vis Sullivan?

MR. McCONNELL: No, Hancock and Clayton in the morning.

H.M.JR: I realize when I go to them there is an excellent chance that it will get into the paper. Arthur Krock or somebody will have it.

MR. McCONNELL: I am not sure of that. None of this material has broken in the papers.

H.M.JR: On the other hand, if I am reversing myself, these people have treated me decently, I want to treat them just as decently.

MR. McCONNELL: I should think, if you had it in mind, it would be very logical to ask these people what you asked in here this morning - "What is your opinion on it?"

H.M.JR: That is the purpose of the meeting.

MR. GASTON: There is a little danger it might leak out into the press.

H.M.JR: Well, I am prepared for all of that. I am prepared for bad breaks now, but I think - well, we are not prepared with an organization.

I think you are right, but I could caution them tomorrow. But I have been rushing the thing so, because John keeps telling me there is such a rush - and I think there is if they are going up on the Hill Thursday.

MR. McCONNELL: That Executive Order would probably follow that bill very quickly, wouldn't it, on the question of surplus?

MR. LYNCH: It could; if the bill were introduced Thursday, say, if you want to tie it to the bill, and they could come out at the same time, and also a statement, say, to be initiated by the Secretary, and also a statement on the Floor of the Senate at the time.

I understand Senator George wants to get as many people as he can to collaborate with him in the Senate, and what he wants to put forward is the fact that this bill meets with the support of all the agencies involved.

That would be an ideal time to underline this if you wanted to announce it at that time, first coming from you, an Executive Order, and then for one particular reason - because as much as possible they want to avoid controversy as to the disposition of surplus property in connection with this bill. That is the

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one big hurdle they see in getting through legislation quickly. And Senator George, necessarily, or whoever sponsors the bill on the Floor, will have something to say about surplus property, and will suggest that the problems are so immense that the Director should be given opportunity to report back in ninety days, or some other time, with a complete policy.

All I am saying is that if it is decided to announce this, I should think that it might very aptly, with the cooperation of these people, be given a very good setting in connection with that, too.

MR. SMITH: Probably George would editorialize on the Floor a little about it.

MR. GASTON: Your Executive Order would come out in advance, wouldn't it?

MR. LYNCH: Oh, yes.

MR. GASTON: The story is out when the Executive Order is out?

MR. LYNCH: Yes.

H.M.JR: Why wouldn't the Executive Order follow the bill?

MR. LYNCH: It wouldn't have to follow. I should think it could come out the same day.

MR. O'CONNELL: I look at it a little differently. I should think, chronologically, you could work out something like this, when the bill is introduced, having the Secretary make the proper kind of statement at the same time, and have George explain on the Floor that it has been decided - that recommendation will be made for the transfer of this function from Procurement to RFC so the thing will all be in one place - that everybody has agreed - you could say that is the logical way to handle it. Then the mechanics of having the

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Executive Order go through and be signed by the President. It doesn't change the language of the bill at all.

MR. LYNCH: I didn't mean so much the Executive Order, precisely; I meant the announcement and the initiation would be with the Secretary.

MR. O'CONNELL: The main thing is to have the announcement and have it indicated by someone on the Floor of the Senate that it is a very desirable thing.

MR. McCONNELL: That is very consistent with the Treasury policy, too.

H.M.JR: It so happens that right now I stand rather well with George. I got a very nice letter from him the other day thanking me for what we had done in cleaning up the bootlegging in his State - very complimentary. I sent a gang down and cleaned up the black market. He is very much pleased.

MR. LYNCH: I feel certain that Mr. Patman would do the same thing.

H.M.JR: I have to stop now.

I think you (O'Connell) might have a little talk
~~with~~ John.

4871 GLENBROOK ROAD
WASHINGTON, D. C.

Dear Mr Secretary,

In accordance
with our telephone conversation
I am enclosing an outline of
the organization for the disposal
of surplus war property - with
accompanying chart - and a copy
of the Manchester speech.

I am likewise
sending a memo showing the
type and number of trade association
conferences during the last three
weeks, and the memo you requested
from Cliff Mack re Bob Widmann.

Sincerely,
John

3/28/44

ORGANIZATION FOR DISPOSITION OF SURPLUS WAR PROPERTY DECLARED TO THE TREASURY PROCUREMENT DIVISION

OBJECTIVE

In arriving at these recommendations regarding the organization and procedure to be followed by the Treasury Procurement Division in disposing of surplus war property declared to it, the "ten rules" suggested to the Surplus War Property Administration in the Daruch-Hancock "Report on War and Post-War Adjustment Policies" have been borne in mind. The gist of these "rules" was also presented in a release on March 1 from the Surplus War Property Administration. Briefly, the organization and procedure recommended will insure that:

1. The government interest is protected.
2. Business will receive fair and equitable treatment.
3. Consumers will receive fair value.

It should be stated here that no procedure can be devised or followed that will satisfy everybody. Speed of disposal will be extremely important in many instances and, therefore, it will be necessary to act in those instances without straining to cater to every last request or demand of interested parties.

RECOMMENDED FINAL ORGANIZATION

It is recommended first that a Treasury Procurement Property Disposal Board, one of whose members will be Chairman, be in charge of surplus war property disposal activities, under the Assistant Secretary of the Treasury and the Director of Procurement.

The Board will consist of five members, as follows: three merchandising executives with wide experience and who have the confidence and respect of business men generally; a fourth member whose responsibility in part will be to act as liaison between Treasury Procurement and Mr. Clayton's Policy Board; and a fifth member to act as liaison between Treasury Procurement, Trade Associations and Industry

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Advisory Committees. One member shall act as Chairman.

It must be recognized that owing to the manpower situation it may be impossible to obtain the permanent services of merchandise executives of the desired caliber. Therefore, it may be necessary to retain some of these members for short periods of time only, thus changing the makeup of the Board at intervals. Or it may even be necessary at times to include members on a part-time, or consulting, basis.

The duties of the Board, in addition to those stated and implied above, will be to:

1. Determine those policies which must be established at this level in the entire surplus property disposal operation.
2. Supervise the activities and review the recommendations of the Commodity Sales Managers.
3. Insure proper coordination between the Commodity Sales Managers and the operating sections under the Federal Property Utilization Branch Chief.
4. Review advance notices of declarations and insure their expeditious handling when merchandise is actually declared.
5. Check constantly to see that the objectives listed in the Baruch report and the directives of the Surplus War Property Administration are actually attained.
6. Consult with the Assistant Secretary and the Director of Procurement when appropriate and to effect the compliance with any directives from, or objectives announced by them.
7. Serve the Director of Procurement, and to assist him in formulating the divisional policies and administrative detail pertinent to the disposal of surplus property by the Procurement Division.

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- C. Plan ahead in a broad way so that the Procurement Division surplus property organization, its facilities, techniques and procedures will be adequate for the task currently at hand and the task as it will develop.

Commodity Sales Managers

Under the Treasury Procurement Property Disposal Board will be a number of Commodity Sales Managers. Each Commodity Sales Manager will be an expert in his field with a thorough knowledge of markets, merchandise and trade channels. He will have the confidence of the trade.

Commodity Sales Managers will be responsible for determining the best method of disposing of surplus property in their respective fields and for recommending appropriate action to the Treasury Procurement Disposal Board. If the Board approves of his recommendations, he will see that they are translated into action.

Commodity Sales Managers will confer with Industry Advisory Committees and other consultants from time to time as proper disposal of property dictates the desirability of such action.

It is impossible to forecast how many Commodity Sales Managers will be necessary. This part of the organization, like other parts, should be expanded or contracted as needs dictate.

Federal Property Utilization Branch Sections

Each Commodity Sales Manager will be assisted by an operating section with personnel adequately trained to obtain whatever information he may need in order to reach proper decisions and to help carry into action those of his decisions which are approved by the Board. These sections and certain staff groups (Reports and Statistics, Coding and Classification, Procedures, Office Administration, Pricing and Advertising) will be supervised directly by the Federal Property Utilization Branch Chief.

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Regional Sales Managers

At each Regional Office there will be a Regional Sales Manager who is familiar with the various markets in his Region. He will carry out the orders of the various Commodity Sales Managers insofar as they apply to his Region. He will provide the Commodity Sales Managers and the Board with information which will enable them more effectively to carry on their duties.

Recognizing the Business Viewpoint

That the point of view of business will receive proper recognition is insured first by the make-up of the Board, and by the fact that experienced business men are to be employed as Commodity Sales Managers. Secondly, continual contact will be maintained with Trade Associations. These Associations are currently being given a chance to express their views and are appreciative of the opportunity. Thirdly, WPB Industry Advisory Boards and individual business men will be consulted whenever their advice is considered to be requisite to a wise decision and whenever they wish to be heard. There are over 750 of these Advisory Committees. Arrangements have been concluded with the Office of Industry Advisory Committees of the War Production Board so that we can easily arrange to meet any Committee.

Advantages of the Proposed Organization

The advantages of the proposed organization are:

1. It is simple.
2. It is economical.
3. Coordination is provided.
4. Lines of authority are clear cut.
5. It is based on the needs of the situation.
6. It will have knowledge of all operations, tending to a better coordinated program, and better public relations.

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7. Direct contact is provided with the Surplus War Property Administration, and with the other disposal agencies.
8. It provides for continuing recognition of the business point of view.

It is, of course, impossible to foresee all of the conditions which may affect the organization structure and composition. It must be constantly borne in mind that changes may be necessary. Flexibility is a most important requisite of all organizations, including this one.

RECOMMENDED ORGANIZATION FOR THE IMMEDIATE FUTURE

In making a recommendation as to the organization which should be used until the "final" organization is established, it will be helpful to describe the present organization for, and methods of, disposal of property declared surplus to the Procurement Division.

Disposal activities are controlled in the office of the Director of Procurement by the Federal Property Utilization Branch. In addition to this Branch, there is at present attached to the Director's office, a "Board" comprised of Messrs. John L. Loeb, Chairman, Albert W. Frey, John F. Hough, and Robert J. Widmann.

As "Declarations" of surplus property are received in the various regional offices of the Procurement Division, copies, on which regional officials have assigned the property appraised values, are forwarded to the central Property Utilization Branch. In defined cases where the surplus properties are minor as to quantity or value, the regional offices proceed with disposal without awaiting advice or instructions from Washington. It is important to note, however, that in these cases, copies of the original declarations, and subsequent invitations for bids, proposals for sale and other documents flow to the Central Office where they are reviewed in a manner

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that insures continuous check on regional office operations.

In any case where the Chief of the Central Branch determines the quantity or value of the surplus property to be such that central control and supervision is important or necessary, his office assumes responsibility for disposal.

Presently, outlets for the surplus property are sought in essentially the following order: Federal agencies, tax-supported institutions, and regular businesses. Necessary coordination is effected whenever appropriate with the War Production Board, Office of Price Administration, and any other "controlling" agency.

Assistants in the Property Utilization Branch execute the preliminary work with other Federal agencies, and make specific recommendations to the Chief. After review, the Branch Chief either takes over direct supervision of the disposal activity, or refers the matter to the Board. Business firms, trade associations, the WPB and OPA are approached by the Board to the extent that each case demands such action. The determinations of the Board are executed by the Chief of the Property Utilization Branch, either centrally or in the regional offices, as necessary.

Members of the Board also meet with trade association executives and representatives of businesses, the WPB, OPA and other government departments to discuss and plan forthcoming problems related to various categories of surplus property. Board members also have contact with the Surplus War Property Administration, Mr. John L. Loeb being Mr. Sullivan's alternate on the Surplus War Property Policy Board. Other members have served on committees and sub-committees of the Surplus War Property Policy Board.

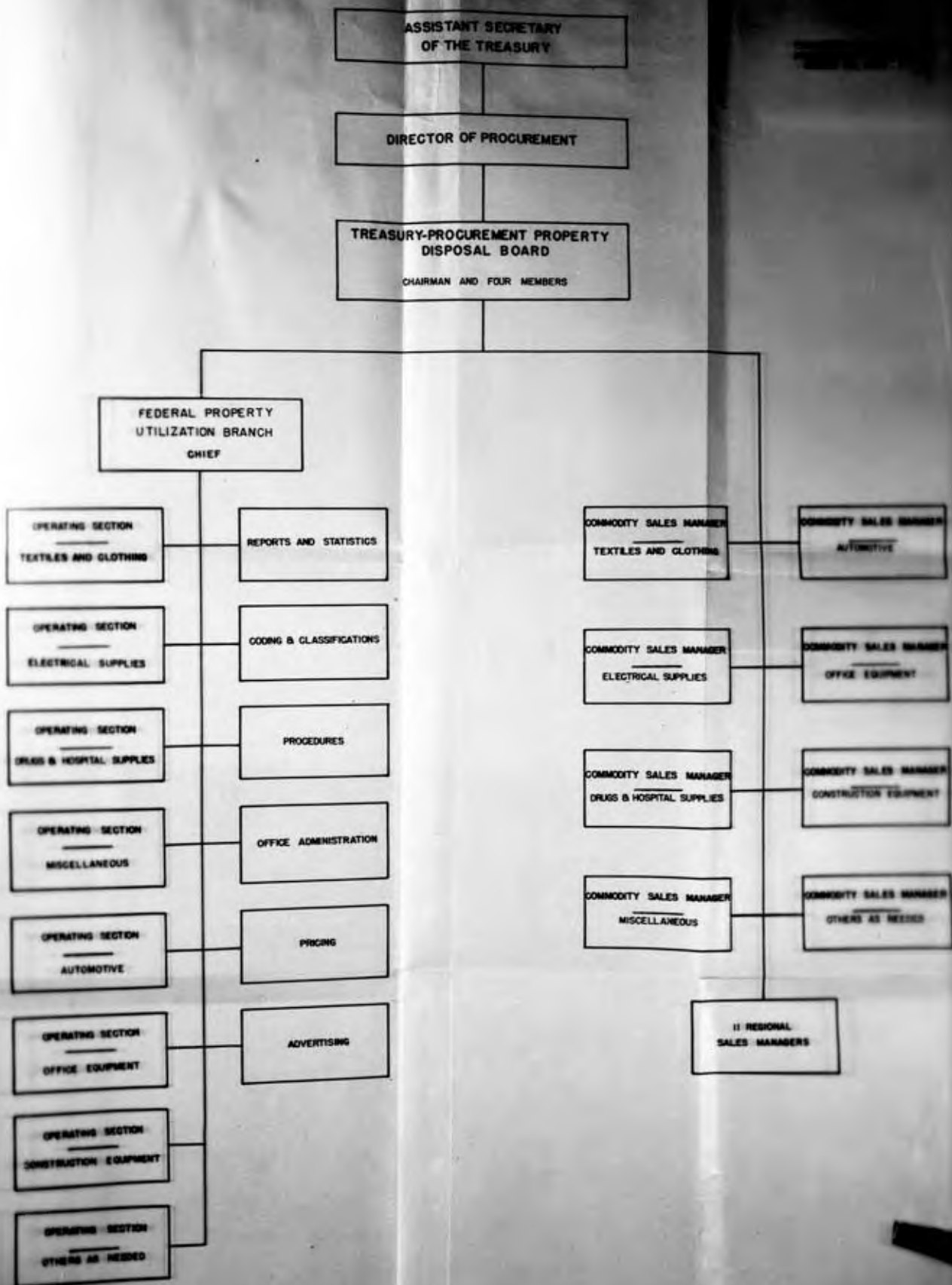
It is recommended that until the permanent Treasury Procurement Property Disposal Board is set up the present Board be continued. Because of the rapidly changing conditions and increasing volume of property being declared surplus, it is also recommended that several Commodity Sales Managers be added to the organization just as soon as qualified individuals can be found.

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The present outlook indicates immediate need for a
Commodity Sales Manager in the following fields:

1. Textiles - Clothing - Footwear.
2. Automative.
3. Electrical Supplies and Equipment.
4. Drugs and Hospital Supplies.
5. Construction Equipment.

Commodity Sales Managers in other fields should be added
as needed.





TREASURY DEPARTMENT

PROCUREMENT DIVISION

WASHINGTON 25

March 25, 1944



OFFICE OF THE DIRECTOR

MEMORANDUM

TO: Mr. John L. Sullivan
FROM: Mr. A. W. Frey

As of this date, we have been in touch with officers of the following Trade Associations, asking them for their suggestions and ideas with regard to surplus war property disposal:

Automotive

National Automobile Dealer's Association

Construction Equipment

Associated Equipment Distributors

Dental

American Dental Trade Association

Drugs

National Wholesale Druggists Association
The Proprietary Association of America
Federal Wholesale Druggists Association
American Drug Manufacturers Association
American Pharmaceutical Manufacturers Association
American Pharmaceutical Association
Associated Chain Drug Stores
National Association of Chain Drug Stores
National Association of Retail Druggists

Electrical

National Electrical Manufacturers Association
National Electrical Contractor's Association
National Electrical Wholesaler's Association

General Retail

Retailers National Council
American Retail Federation

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Mr. John L. Sullivan

3/25/44

Hardware

National Wholesale Hardware Association
National Retail Hardware Association
American Hardware Manufacturers Association

Iron and Steel

Institute of Scrap Iron & Steel

Leather

Tanners Council of America

Refrigeration

Commercial Refrigeration Association
National Association of Ice Refrigerator Manufacturers
National Association of Ice Industries

Stationery

National Stationers Association

Supplies and Machinery

National Supply & Machinery Distribution Association

Surgical

American Surgical Trade Association
Wholesale Surgical Trade Association

Trade Associations

American Trade Association

Typewriters

National Office Machine Dealer's Association

Variety & Departments

Limited Price Variety Stores Association
National Retail Dry Goods Association

Our initial efforts were directed at these particular associations because they cover the principal consumer-good fields or because we needed their advice with regard to declarations of property on hand. It should be noted that the American Retail Federation consists of 19 national trade associations and 31 state associations. The Retailers National Council consists of 11 national trade associations. Further, Merrill A. Watson, President of the American Trade Association Executives, has been asked to include in a bulletin circulating among his membership a statement to the effect that we

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Mr. John L. Sullivan

will be happy to receive their suggestions bearing on the subject of surplus property disposal. The American Trade Association Executives group consists of the heads of 350 national trade associations and some 200 state associations.

We have received letters from representatives of 26 associations and have held conferences with executives of 14 of them. Many more executives should be interviewed before a detailed summary of trade association viewpoints is drawn up. It is possible at this point, however, to summarize their principal desires, as follows:

1. Do not dump huge surpluses in such a manner that business procedures and activities are unduly disrupted.
2. Insure that major decisions are made only after consultation with the business groups affected, by including in the organization executives experienced in the various fields and by meeting with the appropriate Industry Advisory Committees and Trade Association Executives.
3. Be sure that merchandise is adequately described in orthodox trade language.
4. Keep merchandise out of the hands of "speculators" and fly-by-night concerns.

It is apparent that our thinking to date has been very much in line with the desires of business. A weakness that does exist at present lies in our inability always to obtain adequate descriptions of surplus property readily. To overcome this difficulty we are in some cases making samples of merchandise available to prospective buyers.

TREASURY DEPARTMENT

Washington

(The following address by John L. Sullivan, Assistant Secretary of the Treasury, at the annual dinner of the Manchester, New Hampshire, Chamber of Commerce, at the Carpenter Hotel and broadcast over Station WFEA, is scheduled for delivery at 6:30 P. M., Eastern War Time, Wednesday, February 23, 1944, and is for release at that time.)

Believe me, my friends, it's great to be here and it's fine to be here on such an occasion as this. Seeing the faces of old friends, hearing the views of the folks back home, observing the energy with which you are doing your own particular jobs, learning the philosophical ways in which you are accepting the multitudes of wartime irritations and inconveniences — all these constitute a tonic which should be prescribed in more frequent doses for every resident of Washington, D. C.

I suspect that all of us here tonight agree that the most important issue before this country today is the winning of this war. Everything we are and everything we believe in is in jeopardy until this war is won. I wonder if there is a man in this room who would prize life itself if he had to live that life under the yoke of the Nazis or the Japs. I realize that this is a strong statement. It might be well to think it over before you go to bed tonight. It is a good way to check up and to discover just what your own personal stake in victory is.

Second in importance to the winning of the war and of primary importance once the war is won is the problem of securing a just and enduring peace. Just as everything we are depends upon victory in the war, so, too, does everything we hope to be depend upon a lasting peace. For the second time in a generation the dogs of war have been unleashed without provocation upon the people of this country. On neither occasion did the American people shrink from their responsibilities in those two great conflicts. But we do shrink in horror from the stupidity of a bungling peace which begets more wars and which threatens to visit a repetition of the same disasters on our children. I think I can state by common consent that without victory in this war and a just and enduring peace life will hold very little for any of us.

But when these two have been accomplished they must be implemented by the practicalities of everyday life, by the assurance of a continuing high standard of living, by the assurance of permanent employment for all who wish to work, by a confidence that when this war is won and the peace has been secured, we can then with assurance resume the task of making of this America the happiest, most prosperous land in the world.

Many problems will require solution before we know we are on a safe, sound road back. I believe one of the most important problems is our immediate post-war economy, for unless our post-war economy is established on sound principles at the earliest possible moment after the cessation of hostilities, all of the institutions which have made America great and powerful will be in temporary jeopardy at least. Perhaps the phase of this problem that is first in point of time is the problem of the disposal of post-war surpluses, and it is of this subject that I wish to talk to you tonight.

Yours was a timely invitation. This group of industrial and commercial leaders of Manchester, New Hampshire, constitute a most appropriate audience for the discussion of post-war surpluses, and I think that it is fortuitous that this discussion is being held, not in a great metropolis, but in a representative American city. For many of the objectives of the disposal of post-war surpluses are directed at the rehabilitation and strengthening of medium-sized and small manufacturers and merchants.

I am well aware of the danger of discussing post-war surpluses or post-war anything at a time when we are barely on the threshold of driving back the oppressors. This war is far from over and I want to assure you that those people who are thinking and talking about post-war problems are not doing so because they believe peace is imminent. They are working on these problems now because they are aware of the complexity of the problems, the difficulties of solving them, and the tremendous importance of arriving at proper solutions well in advance of the time for the execution of those post-war plans.

The importance that the Congress attaches to the post-war problem is evidenced by the fact that there are now five committees of the House and Senate which are concerning themselves with general problems of post-war planning and ten committees of the House and the Senate which are investigating specific problems all of which relate to our post-war economy. The entire membership of the House and the Senate are alert to the problem and I am sure will be prompt and helpful in passing whatever legislation will be required to implement our present governmental machinery.

You may be able to appreciate how vitally every person in this room is interested in the sensible disposal of post-war surpluses when I remind you that the United States since entering the war has invested in defense plant properties \$15,000,000,000. To be sure some of these plants will be retained by the Government in a standby status. But the majority of them will be disposed of. I don't think I need to spell out for any industrialist or realtor in this audience the catastrophe that would result from the indiscriminate dumping of these properties upon the market.

The Army and the Navy since Pearl Harbor have bought literally millions of shoes, sheets, shirts, flashlights, automobiles, underwear and every conceivable consumers' commodity. For instance, for the North African invasion there were required more than 100,000 different items of equipment and supply.

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There were 390 different items of clothing and individual equipment. The Signal Corps had more than 10,000 different items. The Medical Corps had 80,000 different items. The Engineers in North Africa had more than 100,000 different items, including everything from bridges and bulldozers to storage tanks. There were 250,000 different ordnance items.

The total war activities' expenditures for fiscal years 1943 and 1944 are estimated at \$172 billion. Much of this huge sum was used to purchase goods which may be surplus at the end of the war. I am sure I don't need to point out to any Manchester retail merchant what would happen to the value of his stocks and inventories if these surpluses were dumped on the market or were sold in tremendous lots at sacrifice prices to speculators.

My talk to you folks tonight is predicated on the assumption that there will be great surpluses after the war. It doesn't require a brilliant mind to conclude that if we win this war there will be a tremendous surplus, and I know we are going to win it. I have met some people who seem to have the idea that a post-war surplus is a result of bungled planning, and that our armed services should be able to plan their procurement with such exactitude that the last can of beans will be eaten by the last soldier mustered out. I beg to differ. History has never known a victory without some surplus, nor a defeated nation which had at its disposal at the time of its surrender an overall surplus adequate for continued military resistance and for the home front.

When a campaign is planned our General Staff must assume the worst possible complications. It must assume that the weather will turn for the worst; it must presume that our enemy will be astute, it must anticipate breakdowns in a certain percentage of automotive and combat equipment. The General Staff plans for all of those adverse contingencies. Then it concludes that it will require four months to take the objective of that campaign, and it accumulates vast stores for that four-month campaign, — with a generous margin of reserve for those unforeseen contingencies which, somehow or other, develop in every campaign. In formulating these plans for supplies and equipment the General Staff is likewise moved by the fact that generally speaking the Army with the largest amount of the best equipment is the Army that suffers the fewest casualties and I know that we all applaud and approve a general staff that is mindful of the safety of its men regardless of the expenditure of materiel.

The tremendous stores of supplies and equipment are accumulated. The zero hour arrives and the offensive is on. The weather continues to be on our side. The terrain is less difficult than was anticipated, the expected percentage of breakdowns fails to occur, the enemy makes two or three serious mistakes, and the campaign that was planned for four months achieves its objective in two months. One of the inevitable results of an easier than expected victory is a surplus, — a surplus that would not have existed had that campaign lasted four months.

Now I suggest to you that in this war as in every war, there may come a time when one battleship, when one squadron of planes, when one battalion of field artillery may tip the scales in a minor engagement which will tip the scales in a larger engagement. Believe me it would be folly if the procurement branches of our armed services didn't make sure that we had that extra battleship, that extra squadron of planes, that extra battalion of field artillery when that time comes — and of course there will be extras backing up extras. Poor planning? Oh no. The very best planning, and oh how the Japs and the Nazis wish they had the kind of a surplus some of our folks are beginning to worry about.

I know that many people in this audience recall the amounts of surpluses left after the last war. I doubt if there are many people here who approved the manner of disposal of those surpluses. Stated briefly, the problem is to avoid those mistakes when we dispose of this war's huge surplus. We must dispose of it in a manner that will not only do no violence to our post-war economy, but in a way that will help to rehabilitate and develop our post-war economy and revive our current wartime economy.

I am sure that many of you have read in the newspapers over the week-end the splendid report of Bernard Baruch and John Hancock on post-war problems. Perhaps some of you have read that part of the report that related to post-war surpluses. Since the time this report was given to the President an Executive Order has been issued setting up a Surplus War Property Administration. Under that Order the disposal of all consumers goods, other than food, is placed in the Procurement Division of the Treasury Department. The War Foods Administration is made responsible for the disposal of food, the Maritime Commission is made responsible for the disposal of ships and maritime property, and capital and producers' goods including plants, equipment, materials, scrap and other industrial property are to be disposed of by a subsidiary of the Reconstruction Finance Corporation.

The Executive Order provides for the appointment of a Surplus War Property Policy Board composed of representatives of 12 Government departments and agencies of which the Treasury Department is one.

I am sure all of you can appreciate the concern of the Treasury as the central fiscal agency of the government in the overall post-war problem. Perhaps some of you are wondering why the Treasury is to play such an active part in the disposal of particular types of commodities. For many years the Procurement Division of the Treasury Department has been one of the largest buyers of merchandise in the world. We buy whatever is needed for the operation of all government departments and bureaus except the Army, Navy, Maritime Commission and government corporations. We handle over a million different items and in the last ten years we have bought for government departments, for local leases and for the Red Cross more than five billion dollars worth of goods. You see the five thousand employees of the Treasury Procurement Division have had some experience in business.

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I think it is obvious that I am in no position to speak for the Surplus War Property Administration nor for the Surplus War Property Policy Board which has not yet met. Nevertheless I think it might be helpful to you if I told you something of the thinking that has been going on in the minds of men who will be charged with disposing of these surpluses.

The great concern of many men in industry, and in retail and wholesale business is that when this war is over there will be left hanging over the head of American business such vast stores of surplus property that it will suffocate all initiative of private industry to reconvert from the job of war production, which it has been doing so well, to manufacture once again its normal peacetime commodities.

I am well aware that a not inconsiderable proportion of these surpluses can also be used to great advantage for the relief and rehabilitation of destitute populations in many tragic parts of the world. I am convinced however that regardless of our desire and our determination to bring aid and comfort to these people through goods and equipment not necessary for our own productive efficiency there may still be left awaiting disposal a tremendous accumulation of goods of all kinds. Occasionally it is suggested that perhaps the easiest solution to our problem would be the destruction of these goods. Speaking for myself I advise you that I can foresee no combination of circumstances which from the economic, social or moral point of view could in any way justify the destruction of five cents worth of useable goods.

Still other people suggest that we can best promote the reconversion of industry by locking up these goods in sealed warehouses and leaving them there until some future date when they can be introduced into our markets without jeopardy to our economy. I find little merit in that suggestion. I see no one in this audience tonight who would be willing to invest \$50,000 in a shoe factory if he knew that in a Government warehouse in Boston there were stored 10 million pairs of shoes which could be released upon the market at any time. It is my conclusion that such surpluses as remain unexpended in this country will hang like the sword of Damocles over American industry until they have been absorbed by our domestic markets.

Today, the best solution of this problem seems to be the rapid and equitable distribution of all such goods as fast as the armed services find them to be in surplus. As long as the war lasts the markets will be hungry for practically everything which a civilian can use. Even when peace comes there will still be great shortages of most civilian goods until private industry can reconvert to peacetime production. And I am not worried about industry lacking for markets after we distribute this surplus. The civilian demand for all commodities is so great — and civilian purchasing power so vast — that industry will have clear sailing if our surpluses are out of the way.

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The success of the whole plan seems to be timing. Already the services have started to turn over to us some commodities which are either temporarily or permanently surplus to their needs. Insofar as it is possible, it is our intention to dispose of these commodities through the regular channels of trade. We do not intend to sell them to speculators. And if anyone is suggesting to you that you invest your money in a concern being organized to buy up Government surpluses, I would recommend that you forego the opportunity, because I can assure you the Treasury Department intends to do business with the people who have been doing business up and down the main streets of our American communities year in and year out, and we are determined to have no truck with any concern that is organized for the purpose of making money out of the war.

Between now and the end of the war, in most commodities we shall enjoy a seller's market. Today there exist unsatisfied demands in the civilian economy, and not only are civilians short of many commodities but the retail stores of this country, the hardware stores, the plumbing supply concerns, the dry goods stores, are short of things to sell. It is our conclusion that we can provide the most equitable distribution of these commodities among the civilian population by disposing of them through regularly established trade channels. We believe that by doing this we shall not only achieve the highest possible degree of equity of distribution but we shall be able to resuscitate many failing retail concerns. It is our intention that the people who are in position to perform a useful service in the disposition of these articles shall be allowed to make a fair, honorable profit on the transaction. It is our determination that the ultimate consumer will not suffer from unreasonable markups by any of these distributors. We are resolved that such commodities as come into our possession will be disposed of in lots of a size which will give the small town merchant the same opportunity to fill his requirements as the largest department store in the land enjoys.

We intend to conduct this business in a goldfish bowl with every record and every transaction open to the whole wide world for examination. Following Secretary Morgenthau's longtime policy of publicly announcing the details of any new Treasury venture before it goes into effect we intend to make known to the Congress, to the trade and to the public the techniques to be used in disposing of various commodities. And if our plans are unsound, there will be ample opportunity for anyone to help us correct them.

I am hopeful that the experience we gain in the coming months in disposing of such relatively small amounts of surplus commodities as are now becoming available will be helpful to us in perfecting our techniques of distribution before huge surpluses become available. I think you will agree with me that we would be derelict in our duty if we failed to make all of our plans now to dispose of post-war surpluses. I don't think there is any man in the country who is smart enough to walk into his office the morning after the armistice and ever catch up with this problem unless long before that armistice his plans are perfected.

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For instance, it may very well happen that it will be impossible to move all different kinds of commodities at the same time. Obviously, the thing to do is to first move those goods which private industry can most quickly reconvert to manufacture. In order that we will know at all times what priority we should accord the scheduling of the various commodities, it is our purpose to establish a small section which will conduct continuing studies of the three factors involved in this particular problem. These three factors in each type of commodity are: 1. The probable post-war surplus, 2. The probable civilian shortage, and 3. The probable length of time it will take industry to reconvert to manufacture that particular type of commodity.

The reason why I say this study must be continuing is because all three factors vary from month to month. Even the last factor — the length of time required for a given industry to reconvert — varies. Many of these industries are using in their present war production much machinery it would use in civilian production. But that machinery is wearing out. How much of it will be available for civilian production depends upon the length of the war.

In planning the distribution of these consumer commodities, the Treasury Department intends to rely heavily upon the advice of individual business men and upon the counsel of trade associations. I am confident that we shall encounter no reluctance on the part of any American businessman to leave his own interests and to come to Washington to assist us in solving this problem. I am sure that every businessman will realize that unless this problem is solved for his particular type of commodity his services back at home will be of little value. Accordingly, in the very near future the Treasury Department will invite to Washington many representatives of the merchandise industry. We expect to call upon the experience of chain stores, large department stores and small retail merchants for our problem is the problem of every type of merchandiser. We expect to form committees for each category of consumers goods and we will ask each committee to formulate for us two plans of distribution, — the first to be operative during the period from now until the end of the war, and the second to plan for the distribution of the vast surpluses that will follow the end of the war.

Throughout this war there has been magnificent cooperation of American industry and American labor with their government. Never have we known such an inspiring example of teamwork. I bespeak for the government a continuation of this cooperation in a joint effort to solve the problems of peace. If we can look forward to a continuation of this same close working partnership between labor and industry and government, then there is little doubt that we can efficiently convert the destructive process of war into constructive processes of peace — there is little doubt in my mind that we can transform those wartime surpluses, which today appear to many as a threat to our economy, into a bulwark of national welfare and national peace.

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Yes, I would like to suggest to you that these surpluses about which we worry today can be a great blessing to our nation. They constitute established wealth — usable national assets. If they are administered wisely and courageously, they will contribute to the national well-being. We can use some of them effectively to control run-away prices and thus curb inflation. Much of our surpluses of partly finished goods and of the tools which equip our great war plants can be used to hasten industrial reconversion, to stimulate industry and commerce and to speed reemployment. Vast quantities of war plant machine tools can be used to replace old or worn out tools in civilian production — with the result that America's new peacetime manufacturing plants can become the last word in efficiency. In that way we can maintain our low cost mass production of goods, and at the same time preserve our wage and living standards. Finally, the surplus wealth of every kind which will be ours when the war ends will be a tremendous asset to us in our task of helping to reconstitute a free world and will add to the weight of our words at the peace table.

I have every confidence that this great democracy which is successfully meeting the challenge of total war will — with equal success — solve the problems of total peace.

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TREASURY DEPARTMENT

PROCUREMENT DIVISION

WASHINGTON 25



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OFFICE OF THE DIRECTOR

March 27, 1944

MEMORANDUM TO THE SECRETARY:

Mr. Robert J. Widmann, Chief, Property Utilization Branch, has been with the Procurement Division since October 16, 1935. After working on a number of varied assignments in our Pennsylvania State Procurement Office, he was transferred to the Surplus Property Section at Washington, D. C. as of October 1, 1937 where he continued until October 1, 1940. At that time he was designated on special detail in connection with the Red Cross Refugee Relief Procurement Program until June 1, 1941. He was then appointed Special Assistant to the Chief of the Emergency Relief Branch which position he held until September 26, 1941 when he was promoted to Special Assistant to the Director of Procurement (CAF-14, \$4600) and placed in charge of the Priorities Section. As of June 24, 1942, he was promoted to CAF-13, \$5600, and given increased responsibilities in the Lend-Lease Program, including inspection and expediting, also transportation. On July 26, 1943, he was appointed as Assistant to the Director of Procurement, CAF-14, \$6500, on the Lend-Lease rolls. On February 23, 1944 he was appointed Chief of the Property Utilization Branch.

Mr. Widmann attended Mt. St. Mary's College, located at Emmitsburg, Maryland, for two years between 1929 and 1931.

Mr. Widmann's employment record with the Procurement Division has been very good and he has been effective in obtaining good operating results. It will be noticed that he was assigned to the Property Utilization Branch only about one month ago.

Clifford E. Mack
Clifford E. Mack
Director of Procurement

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TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE March 28, 1944

TO

Mrs. Klotz

FROM

Mr. Lynch

Attached is a copy of the bill which the Secretary requested this morning. The provisions dealing with the disposition of surplus war property will be found at pages 9-22. These provisions give to the proposed Director of War Mobilization and Demobilization the power to establish general policy as to the disposition of surplus war property and to designate the Government agencies which shall dispose of the property. No reference is made of the Treasury Department. The provisions would not conflict with the program discussed at the meeting this morning.

[COMMITTEE PRINT]

MARCH 27, 1944

For Use of Special Committee on Post-war Economic Policy
and Planning78TH CONGRESS
2D SESSION

S.

IN THE SENATE OF THE UNITED STATES

MARCH , 1944

Mr. _____ introduced the following bill; which was read twice and referred
to the Committee on _____

A BILL

To create an Office of *War Mobilization and Demobilization*, establish general policies for the operation of that Office, provide for the settlement of claims arising from terminated war contracts; provide for *interim financing and the disposal of surplus Government property termination inventories*, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—ADMINISTRATION OF THE ACT

4 OBJECTIVES OF THE ACT

5 SEC. 101. The Congress hereby declares that the
6 objectives of this Act are—

1 (a) to facilitate maximum war production during
2 the war and to expedite reconversion from war pro-
3 duction to civilian production as war conditions permit;

4 (b) to ~~insure~~ *assure* the fullest possible employ-
5 ment in private industry during the period of transition
6 to civilian production ~~after~~ *upon* the cessation of hostili-
7 ties and thereafter;

8 (c) to provide for the coordination of governmental
9 controls necessary for *effective prosecution of the war*
10 *and for orderly transition from war production to*
11 *civilian production, and for their relaxation of such con-*
12 *trols at the earliest feasible time;*

13 (d) to ~~insure~~ *assure* the orderly disposition and
14 maximum economic use of *termination inventories and*
15 *surplus Government property;*

16 (e) to ~~insure~~ *assure* all war contractors, small and
17 large, speedy and equitable final settlement of claims
18 under terminated war contracts and adequate interim
19 financing until such final settlement;

20 (f) to use all practicable methods compatible with
21 the foregoing objectives to prevent improper payments
22 and to detect and prosecute fraud;

23 (g) to ~~insure~~ *assure* uniformity among Govern-
24 ment agencies in basic policies and administration with
25 respect to *war production and procurement, termination*

1 settlements, interim financing, surplus property disposi-
2 tion and plant reconversion;

3 (h) to accomplish all of the foregoing in a manner
4 to preserve and strengthen the American system of free
5 competitive enterprise and prevent monopoly and
6 monopolistic practices.

7 OFFICE OF WAR MOBILIZATION AND DEMOBILIZATION

8 SEC. 102. (a) There is hereby established the Office of
9 War Mobilization and Demobilization, at the head of which
10 shall be the Director of War Mobilization and Demobiliza-
11 tion. The Director shall be appointed by the President, by
12 and with the advice and consent of the Senate, and shall
13 receive compensation at the rate of \$15,000 per annum.
14 The term of office of the Director shall be two years.

15 (b) The Director may, without regard to the civil-
16 service laws, rules, and regulations and the Classification
17 Act of 1923, as amended, employ and fix the compensation
18 of such Deputy Directors and other officers and employees,
19 and may make such expenditures for supplies, facilities, and
20 services, as may be necessary to carry out the provisions of
21 this Act.

22 SEC. 103. There is hereby established within the Office
23 of Demobilization a National Demobilization Board, which
24 shall be composed of seven full-time members. The Director
25 shall act as Chairman of the Board, and shall appoint the

1 members of the Board and fix their compensation and
2 terms of office. The Board shall advise and assist the
3 Director in the performance of his functions under this Act,
4 and shall perform such other duties as the Director may
5 prescribe. Any Deputy Director shall be eligible to serve
6 as a member of the Board.

7 *SEC. 103. There is established in the Office of War*
8 *Mobilization and Demobilization a Board with which the*
9 *Director shall advise and consult. The Board shall be com-*
10 *posed of the Director, who shall act as its Chairman, and*
11 *of the Secretary of War, the Secretary of the Navy, the Sec-*
12 *retary of the Treasury, the Chairman of the Maritime Com-*
13 *mission, the Administrator of the Foreign Economic Admin-*
14 *istration, the Chairman of the Board of the Reconstruction*
15 *Finance Corporation, the Chairman of the War Production*
16 *Board, and the Attorney General, or any alternate or repre-*
17 *sentative designated by any of them. The Director shall*
18 *request other Government agencies to participate in the de-*
19 *liberations of the Board whenever matters specially affect-*
20 *ing them are under consideration.*

21 *SEC. 104. The Director, in consultation with the Board,*
22 *shall develop and coordinate unified programs, conforming*
23 *to the objectives and policies prescribed in this Act, for*
24 *dealing with the termination of war contracts and interim*
25 *financing, the disposal of surplus property, and other prob-*

1 *lems relating to industrial reconversion and demobilization;*
2 *and shall carry out the other provisions of this Act.*

3 *SEC. 105. (a) Until the termination of hostilities in*
4 *the present war, as proclaimed by the President or by a*
5 *concurrent resolution of the two Houses of Congress, the*
6 *Office of Demobilization and the Director shall exercise all*
7 *powers and authority and perform all functions under this*
8 *Act under the supervision, direction, and control of the Office*
9 *of War Mobilization, established by Executive Order Num-*
10 *bered 9347, dated May 27, 1943, and of the Director of*
11 *War Mobilization. Thereafter the Office of Demobilization*
12 *and the Director shall be subject only to the general direction*
13 *and control of the President.*

14 *GENERAL FUNCTIONS OF THE DIRECTOR*

15 *SEC. 104. The Director, acting in consultation with the*
16 *Board and subject to direction and control of the Presi-*
17 *dent, shall—*

18 *(a) develop unified programs and establish policies*
19 *for the maximum use of the Nation's natural and indus-*
20 *trial resources for military and civilian needs, for the*
21 *effective use of the national manpower not in the armed*
22 *forces, for the maintenance and stabilization of the*
23 *civilian economy, and for the adjustment of such economy*
24 *to war needs and conditions;*

25 *(b) develop unified programs and establish policies*

for dealing with terminations of war contracts and interim financing, disposal of termination inventories and surplus property, and other problems relating to industrial reconversion and demobilization, in accordance with this Act;

(c) unify the activities of Government agencies engaged in or concerned with production, procurement, distribution, or transportation of military or civilian materials;

(d) unify the activities of Government agencies with respect to terminations of war contracts, interim financing, and disposal of termination inventories and surplus property; and

(e) resolve and determine controversies between such agencies with respect to the foregoing.

(b) The Director shall exercise his powers and authority to the fullest extent practicable through the personnel and facilities of contracting agencies and other established Government agencies. Subject to subsection (a), the Director may issue such directives on policy or operations to other Government agencies, and such regulations as may be necessary to carry out the provisions of this Act. Each such agency shall execute such directives, and conform to such regulations, and may make such further

regulations as it deems necessary to carry out the provisions of this Act or any regulations of the Director.

SEC. 105. (a) The Director shall issue such directives to the other Government agencies with respect to policies to be followed by them under this Act as may be necessary to carry out its provisions. Each such agency shall issue such regulations with respect to operations and procedures as may be necessary to carry out the policies prescribed by the Director and may issue such further regulations as it deems necessary or desirable to carry out the provisions of this Act.

(b) The Director shall consult with representatives of industry, large and small, labor, agriculture, and the heads of interested Government agencies, to the extent necessary to familiarize himself with the problems of all segments of the economy. From time to time, the Director and the Board shall hold public sessions to afford members of the general public reasonable opportunities to express their views concerning the formulation and operation of demobilization programs under this Act.

SURVEILLANCE BY CONGRESS

SEC. 106. (a) There is hereby established a Joint Congressional Committee on Demobilization (hereinafter called the "joint committee") to be composed of three Members of the Senate to be appointed by the President of the Senate, and three Members of the House of Repre-

1 representatives, to be appointed by the Speaker of the House of
2 Representatives. In case of any vacancy in the member-
3 ship of the joint committee, a new member shall be appointed
4 in the same manner as an original appointment, but until
5 the vacancy is filled, the remaining members shall per-
6 form the functions of the joint committee. The joint com-
7 mittee shall select a chairman and a vice chairman from
8 among its members.

9 (b) The Director shall confer with the joint committee
10 from time to time concerning matters of broad general policy,
11 and shall report to the joint committee not less frequently
12 than every thirty days with respect to general policy deci-
13 sions made by him. The joint committee, any of its mem-
14 bers, or any person designated by it for such purpose, may
15 attend any meetings of the Board.

16 (c) The expenses of the joint committee under this
17 section shall be paid out of the contingent funds of the
18 Senate and House of Representatives, one-half to be dis-
19 bursed by the Secretary of the Senate and one-half to be
20 disbursed by the Clerk of the House of Representatives,
21 upon vouchers signed by the chairman.

22 REPORTS TO THE CONGRESS

23 SEC. 107. (a) In January, April, July, and October of
24 each year, the Director shall submit to the Senate and
25 House of Representatives a quarterly report on the exer-

1 cise of his duties and authority under this Act, the status
2 of war production and procurement, surplus property dis-
3 posal, contract terminations, termination settlements, interim
4 financing, and such other pertinent information on the ad-
5 ministration of this Act as will enable the Congress to
6 evaluate its administration and the need for amendment
7 and related legislation.

8 (b) The Attorney General is directed to make surveys
9 for the purpose of determining any factors which may tend
10 to eliminate competition, create or strengthen monopolies,
11 injure small business, or otherwise promote undue concen-
12 tration of economic power during and after the period of
13 reconversion. The Attorney General shall submit to the
14 Congress within ninety days after the approval of this Act,
15 and at such times thereafter as he deems desirable, reports
16 setting forth the results of such surveys and making recom-
17 mendations for the enactment of legislation concerning
18 methods, plans, and procedures designed to stimulate and
19 strengthen the system of private competitive enterprise.

20 TITLE II—DISPOSITION OF SURPLUS WAR

21 PROPERTY

22 BASIC POLICY

23 SEC. 201. It is the policy of the Government to pro-
24 vide—

(a) for expeditious removal from the plant of any war contractor upon the termination of any war contract, of all materials allocable to such terminated war contract, for which the Government is responsible of the termination inventory not to be retained or sold by the war contractor;

(b) for handling and disposing of termination inventories and surplus Government property so as to preserve and strengthen the American system of free competitive enterprise, to promote full employment and to prevent monopoly.

FORMULATION OF PROGRAMS

SEC. 202. In order to carry out these policies the Director shall—

(a) formulate a complete program (1) for converting to peacetime civilian production by private industry, as rapidly as possible after the end of hostilities war needs and conditions permit, any Government-owned plants which will are not be needed for national defense and are capable of use for peacetime civilian production and, (2) for facilitating the most economic use or disposition of Government-owned plants which are not needed for national defense but are not capable of use for peacetime civilian production;

(b) formulate a complete program for the handling,

storage, control, acquisition, and disposition, in accordance with this Act, of all contractor-owned materials for which the surplus property and termination inventories in accordance with this Act, Government will be responsible upon the termination of war contracts;

(c) cause a complete survey to be made of all Government property and to gather such information with reference to inventories in the hands of private industry to provide information necessary for the formulation of such programs.

(c) make such studies as he deems necessary for the formulation of such programs or cause such studies to be made by other agencies of the Government.

SURPLUS PROPERTY AGENCY

SEC. 203. The Director may designate one or more Government agencies to take charge of the handling, storage, control, acquisition and disposition of materials termination inventories and surplus Government property in accordance with this title and may delegate to such agency or agencies some or all of the authority and discretion conferred upon him under this title and title IV of this Act.

REMOVAL OF MATERIALS ON TERMINATION INVENTORIES

AND EQUIPMENT

SEC. 204. (a) Subject to regulations of the Director, each contracting agency shall provide—

(1) for the submission by the war contractor to the contracting agency of statements, in such form and detail as it may prescribe showing the materials allocable to a terminated war contract for which the Government is responsible;

(2) for the removal of such materials by the Government within thirty days after the submission of such statements or within such longer period as the war contractor may agree;

(3) for the removal and storage of such materials by the war contractor at the risk and expense of the Government upon its failure so to remove them.

(b) No termination settlement shall be postponed or delayed for the purpose of disposing of materials allocable to any terminated war contract for which the Government is responsible.

(c) In order to facilitate their prompt removal and orderly disposition, the Director is authorized, subject to section 207, to take title to and possession of any materials of any war contractor, which are allocable to any terminated war contract and for which the Government is responsible, or to regulate the disposition of such materials.

SEC. 204. (a) To the extent authorized by the Director, any war contractor may submit to the contracting agency concerned or to any other Government agency designated

by the Director, one or more statements, in such form and detail as may be prescribed, showing the materials which such war contractor claims to be termination inventory under one or more war contracts and desires to have removed by the Government.

(b) Within sixty days after the submission of any such statement by a war contractor or such shorter period as the Director may prescribe, or within such longer period as the war contractor may agree, the Government (1) shall arrange, upon such terms and conditions as may be agreed, for the storage by the war contractor upon his own premises or elsewhere of all such claimed termination inventory which the war contractor does not retain or dispose of, except any part which is determined not to be allocable to the terminated war contract or contracts, or (2) shall remove from the plant or plants of the war contractor all of such claimed termination inventory not retained, disposed of or stored by the war contractor or determined not to be allocable to the terminated war contract or contracts.

(c) Upon the failure of the Government so to arrange for storage by the war contractor or to remove such termination inventory within the period specified in subsection (b), the war contractor, in accordance with regulations of the Director, may remove some or all of such termination inventory from his plant or plants and may store it on his own

1 premises or elsewhere for the account and at the risk and
 2 expense of the Government, using reasonable care for its
 3 transportation and preservation. Where any war contractor
 4 intends so to remove any claimed termination inventory, he
 5 shall deliver to the Government agency concerned written
 6 notice of the date fixed for removal at least twenty days in
 7 advance of such date. If the Government agency fails to
 8 check the materials so removed, at or before the time of their
 9 removal by the war contractor, any statement showing the
 10 materials so removed and certified on behalf of the war con-
 11 tractor to have been prepared in accordance with a concur-
 12 rent physical inventory of such materials and filed with the
 13 Government agency concerned within thirty days after the
 14 date of removal shall constitute prima facie evidence against
 15 the United States as to the quantities and condition of such
 16 materials.

17 (d) The Government may take title to any materials
 18 removed by it or stored for its account under subsections (b)
 19 and (c), whether or not such materials constitute termination
 20 inventory, and may dispose of any such materials under
 21 this Act. Where any such materials are determined not to
 22 constitute termination inventory, the Government shall be
 23 liable to any war contractor concerned only for the proceeds
 24 realized by the Government from the disposition of such
 25 materials.

1 (e) No contracting agency shall postpone or delay any
 2 termination settlement beyond the period specified in subsection
 3 (b) for the purpose of awaiting disposal by the war con-
 4 tractor or the Government of any termination inventory
 5 reported in accordance with subsection (a).

6 (f) Whenever any war contractor no longer requires,
 7 for the performance of any war contract, any Government-
 8 owned machinery, tools, or equipment installed in his plant
 9 for the performance of one or more war contracts, the Govern-
 10 ment, upon written demand by the war contractor, and within
 11 sixty days after such demand or such other period as the
 12 Director may prescribe, and upon such conditions as the
 13 Director may prescribe, shall remove, or provide for the
 14 removal of such machinery, tools, and equipment from such
 15 plant, unless the Government and the war contractor have
 16 made or make other provision for the retention, storage, main-
 17 tenance, or disposition of such machinery, tools, and equip-
 18 ment. In removing any such machinery, tools, and equip-
 19 ment, the Government agency responsible may waive or
 20 release on behalf of the United States any obligation of the
 21 war contractor with respect to such machinery, tools, and
 22 equipment upon such terms and conditions as it deems appro-
 23 priate. Upon the failure of the Government so to remove or
 24 provide for removal of any such machinery, tools, or equip-
 25 ment, the war contractor, in accordance with regulations of

1 the Director, may remove all or part of such machinery, tools,
2 and equipment from his plant and may store it on his own
3 premises or elsewhere, for the account and at the risk and
4 expense of the Government, using reasonable care for its
5 transportation and preservation.

6 (g) The Director may prescribe regulations to govern
7 the preparation and submission of statements and the removal
8 and storage of termination inventories and Government prop-
9 erty under this section.

10 (d) Where Government-owned machinery, tools, equip-
11 ment, or other property have been installed in any privately
12 owned plant for the performance of one or more war con-
13 tracts, the Government agency responsible shall promptly
14 remove such property from such plant upon termination or
15 completion of such war contracts unless arrangements have
16 previously been made for their retention by the war con-
17 tractor.

DISPOSITION OF SURPLUS PROPERTY

19 SEC. 205. (a) Subject to regulations of the Director,
20 each Government agency shall determine what property in
21 its possession and control is surplus to its needs and respon-
22 sibilities and shall promptly report all such surplus property
23 to the Director. The War Department, Navy Department,
24 and Maritime Commission, respectively, shall have sole and
25 exclusive authority to determine what property in their pos-

1 session and control is surplus to their needs and responsibil-
2 ities, but the Director may determine that any property in the
3 possession or control of any other Government agency is
4 surplus to its needs and responsibilities.

5 (b) Subject to the provisions of this Act, the Director
6 may dispose of any surplus property acquired by him or
7 reported to him, by sale, exchange, lease, transfer, or other
8 disposition, upon such terms and conditions as he deems
9 proper, and may prescribe regulations to govern the dis-
10 position of such surplus property by other Government
11 agencies.

ACQUISITIONS BY DIRECTOR

13 SEC. 205. (a) Subject to regulations of To the extent
14 prescribed by the Director, each Government agency (1)
15 shall report to the Director any property in its possession
16 and control which the agency determines is surplus to its
17 needs and responsibilities or which the agency has acquired
18 from any war contractor as termination inventory, except
19 any such inventories retained or disposed of under section
20 208, and (2) may transfer to him the responsibility for
21 possession, and control of such property.

22 (b) Notwithstanding any other provisions of law, but
23 subject to section 208, the Director, on behalf of the United
24 States, may acquire and take possession of any termination

1 inventory of any war contractor, by the exercise of any con-
2 tract rights or otherwise, upon such terms and conditions as
3 the Director deems proper.

4 Sec. 206. The following principles shall govern the dis-
5 position of surplus property under this Act:

6 (a) No property reported as surplus by any Govern-
7 ment agency shall be disposed of to the public until it has
8 been determined, under regulations of the Director, that such
9 property is not needed by any other Government agency.

10 (b) Surplus materials shall be disposed of expeditiously
11 and so as to use their economic value, but shall not be dis-
12 posed of at times or in quantities such that the civilian market
13 cannot absorb them without unduly disrupting the economy;
14 or that factories producing them are forced to close down.
15 Any surplus materials which cannot be disposed of immedi-
16ately within a reasonable time without disrupting the econ-
17omy shall be sold abroad, if this can be done without also
18 unduly disrupting the domestic economy.

19 (c) So far as practicable, surplus materials shall be dis-
20 posed of in quantities that will permit their acquisition by
21 small purchasers.

22 (d) Surplus property shall not be sold to speculators
23 such as far as practicable, shall be distributed through regular
24 distribution channels.

25 (e) Any surplus Government-owned plant suitable for

1 protective production shall be disposed of unless its opera-
2 tion will result in production by the industry of substantially
3 more goods than the market can absorb at reasonably com-
4 petitive prices.

5 (f) No Government-owned plant shall be disposed of
6 in a manner to create monopoly, strengthen any existing
7 monopoly or otherwise foster monopoly. Such plants shall
8 be disposed of so as to foster and encourage competitive
9 enterprise and small business.

10 (g) Where compatible with the policies prescribed in
11 this Act, surplus Government-owned plants shall be disposed
12 of by sale; but where sale is not feasible, a plant may be
13 leased for a period sufficiently long to determine the effect
14 of its operation upon the economy.

15 (h) Any valid contract provision covering any Gov-
16 ernment property shall be respected in the disposition of
17 such property.

18 (i) No Government agency shall dispose of any Gov-
19 ernment-owned plants for the production of aluminum, syn-
20 thetic rubber, aluminum magnesium, or steel or any Gov-
21 ernment-owned distillery or pipe line, unless such disposition
22 is required by a valid contract provision in effect upon the
23 enactment of this Act. The Director shall prepare a study
24 of such plants and facilities and report to Congress his rec-
25 ommendation for their disposal.

(j) No surplus Government-owned plant or other surplus property shall be destroyed without a prior determination by two-thirds vote of the Board concurred in by the Director (1) that the plant or property is of no value or (2) that the destruction of the plant or property is required in order to avoid substantial injury to the industry or industries concerned. Any surplus property shall be reduced to scrap or disposed of as scrap only in accordance with regulations of the Director.

DISPOSITION OF PROPERTY

SEC. 206. (a) The Director (1) may dispose, in accordance with this Act, of any property acquired by him or reported to him as surplus property or as termination inventory; and (2) may prescribe regulations to govern the disposition by or at the direction of any other Government agency of surplus property or termination inventory.

(b) The Director, or, subject to any regulations of the Director, any Government agency may dispose of any property acquired as termination inventory by sale, exchange, lease, transfer, or other disposition, for cash, credit, other property, or otherwise, upon such terms and conditions as the Director or agency, as the case may be, deems proper.

A deed, bill of sale, lease, or other instrument executed by or on behalf of the Director or any Government agency purporting to transfer title or any other interest in property

under this Act shall be conclusive evidence of compliance with the provisions of this Act, so far as the title or other interest of any bona fide purchaser is concerned.

(c) This Act shall not limit or affect any existing authority of any Government agency to dispose of surplus property, except that any such disposition shall be subject to regulations of the Director.

SEC. 207. Within sixty days after the passage of this Act, the Director shall submit to the Congress his recommendations for legislation establishing policies to govern the disposal of termination inventories and surplus property to carry out the objectives of this Act.

SEC. 207-208. Nothing in this Act shall limit or affect the authority of the War Department, Navy Department, or Maritime Commission, respectively, to take over any materials allocable to any termination inventories of their terminated war contracts and to retain for their use for any purpose or, subject to any policies with respect to prices prescribed by the Director, to dispose of such materials termination inventories for the purpose of war production, or to authorize any war contractor to retain or dispose of such materials termination inventories for the purpose of war production.

SEC. 209. The acquisition of materials under this Act by any Government agency shall not be subject to the

1 provisions of section 3700 of the Revised Statutes or of any
2 other law or regulation requiring advertisement or com-
3 petitive bidding in connection with the acquisition of supplies
4 or other property by Government agencies.

5 TITLE III—WAR CONTRACT TERMINATIONS

6 ADVANCE NOTICE

7 SEC. 301. (a) In order to facilitate the efficient use of
8 materials, manpower, and facilities for war and civilian pur-
9 poses, it is the policy of the Government to provide war
10 contractors with notice of termination of their war contracts
11 as far in advance of the cessation of work thereunder as is
12 feasible and consistent with the national security.

13 (b) To carry out this policy, subject to regulations of
14 the Director, each contracting agency shall—

15 (1) provide war contractors, to the fullest extent
16 feasible, with notice of termination of any war contract
17 at least thirty days in advance of the cessation of work
18 thereunder;

19 (2) permit the completion of work in process under
20 a terminated contract wherever such completion will
21 result in a saving to the Government;

22 (3) permit the continuation of work under a
23 terminated contract for the purpose of avoiding injury
24 to plant and material; and

25 (4) protect war contractors against any additional

1 costs and expenses resulting from any failure of the con-
2 tracting agency to give notice of termination at least
3 thirty days in advance of the cessation of work under
4 the terminated contract.

5 SEC. 301. (a) In order to facilitate the efficient use
6 of materials, manpower, and facilities for war and civilian
7 purposes, subject to policies prescribed by the Director, each
8 contracting agency—

9 (1) shall provide its prime contractors with notice
10 of termination of their prime contracts as far in advance
11 of the cessation of work thereunder as the agency deems
12 consistent with the national security and feasible without
13 permitting unneeded production or performance;

14 (2) shall permit the continuation of some or all of
15 the work under a terminated prime contract whenever
16 the agency deems that such continuation will benefit the
17 Government or is necessary to avoid substantial injury
18 to the plant or property.

19 (b) The Director shall collaborate with the contracting
20 agencies and other Government agencies in developing pol-
21 icies—

22 (1) for minimizing the costs to the Government and
23 the adverse effects on industry and employment from
24 terminations of war contracts and curtailments in war
25 production;

(2) for facilitating orderly reconversion to civilian production as rapidly as war conditions permit;

(3) for the selection of war contractors for new procurements, terminations, and reconversion to carry out the foregoing objectives;

(4) for coordinating and planning the war procurement and termination programs of the various contracting agencies.

(c) Whenever a contracting agency directs a prime contractor to cease or suspend all or a substantial part of the work under a prime contract, without terminating the contract, then unless the contract provides otherwise (1) the contracting agency shall compensate the contractor for reasonable costs and expenses resulting from such cessation or suspension, and (2) if the cessation or suspension extends for thirty days or more, the contractor may elect to treat it as a termination of the contract by delivering written notice of his election to do so to the contracting agency, at any time before the contracting agency directs the prime contractor to resume work under the contract.

(d) The Director shall have no authority under this Act to regulate or control the specific contracts or classes of contracts to be terminated by the contracting agencies, but shall research and advise with the contracting agencies with a view to coordinating their procurement and

termination programs, pooling of their requirements, working out methods and plans for cut-backs in production without termination, and assisting in planning the procurement and termination programs to best effectuate the policy of this Act.

SETTLEMENT OF TERMINATION CLAIMS

SEC. 302. (a) It is the policy of the Government, so far as practicable, to insure assure to every war contractor fair compensation for the termination of any war contract, including (but not limited to) reasonable expenses incident to termination and settlement, reasonable expenses of removing and storing materials termination inventories, and such allowance for profit on the preparations made and work done on for the uncompleted terminated part of the contract as is reasonable under the circumstances, plus interest on the termination claim in accordance with subsection (c) of this section. Where Subject to policies prescribed by the Director, where any war contract does not provide for such fair compensation at the time of for its termination, the contracting agency, subject to regulations of the Director either before or after its termination, shall amend such war contract by agreement with the war contractor, or shall authorize, approve, or ratify an amendment of such war contract by the parties thereto, to provide for such fair compensation.

(b) Subject to regulations of the Director, any com-

1 contracting agency may settle *all or any part of any termina-*
 2 *tion claim under any war contract by agreement with the*
 3 *war contractor or by determination of the amount due on*
 4 *the claim or part thereof without such agreement, or by any*
 5 *combination of these methods. Where any such settlement*
 6 *is made by agreement, it the settlement shall be final and con-*
 7 *clusive and shall not be reopened, annulled, modified, set*
 8 *aside, or disregarded by any officer, employee, or agent of the*
 9 *United States, or in any suit, action, or proceeding, except*
 10 *(1) to the extent otherwise provided by the terms of agreed*
 11 *in the settlement; (2) for fraud; (3) upon renegotiation to*
 12 *eliminate excessive profits under the Renegotiation Act, un-*
 13 *less exempt or exempted thereunder under that Act; or (4)*
 14 *by mutual agreement before or after payment. Where any*
 15 *such settlement is made by determination without agreement,*
 16 *it shall likewise be final and conclusive to the same extent,*
 17 *unless the war contractor appeals, submits to arbitration, or*
 18 *brings suit in accordance with section 307 of this Act.*

19 (c) Each contracting agency shall allow and pay in-
 20 terest on the *unpaid balance of amount due and unpaid from*
 21 *time to time on any termination claim under a prime contract*
 22 *at the rate of 3 per centum per annum for the period begin-*
 23 *ning sixty thirty days after the date of filing of the claim, in*
 24 *substantially the form prescribed under this Act, fixed for*
 25 *termination and ending with the date of final payment, except*

1 that (1) if the *prime contractor unreasonably delays the set-*
 2 *tlement of his claim, payment of interest shall be suspended*
 3 *for the period of such delay, and (2) if interest for the period*
 4 *after termination on any advance payment or loan, made*
 5 *or guaranteed by the Government, has been waived for the*
 6 *benefit of the contractor, during the period after termination,*
 7 *the amount of the interest so waived allocable to the termi-*
 8 *nated contract shall be deducted from the interest otherwise*
 9 *payable hereunder, and (3) if after delivery of findings by*
 10 *a contracting agency, the prime contractor appeals or sues as*
 11 *in section 307 provided, interest shall not be paid after the*
 12 *date of initiating such appeal or suit on any amount allowed*
 13 *by such findings, unless such amount is increased upon such*
 14 *appeal or suit. In approving, ratifying, authorizing, or*
 15 *making termination settlements with subcontractors, each*
 16 *contracting agency shall allow interest on the termination*
 17 *claim of the subcontractor on the same basis and conditions*
 18 *applicable to a prime contractor. The Director may pre-*
 19 *scribe regulations to govern the computation of interest under*
 20 *this subsection.*

21 SEC. 303. (a) The Director, *by regulation,* shall pre-
 22 scribe policies to govern the settlement of termination claims.
 23 Subject to *regulations of policies prescribed by the Director,*
 24 each contracting agency shall establish methods and stand-
 25 *ards, outside to the conditions of various classes of war*

1 contractors, for determining fair compensation for the termi-
 2 nation of war contracts on the basis of actual, standard, aver-
 3 age, or estimated costs, or of a percentage of the contract
 4 price based on the *estimated* percentage of completion of
 5 work under the terminated contract, or on any other
 6 *equitable* basis, as it deems appropriate. *To the extent that*
 7 *such methods and standards require accounting, they shall be*
 8 *adapted, so far as practicable, to the accounting systems*
 9 *used by war contractors, if consistent with sound accounting*
 10 *practice.*

11 (b) Where, in connection with the settlement of ~~his~~ *any*
 12 termination claim by a contracting agency, any war con-
 13 tractor makes settlements of the termination claims of his
 14 subcontractors, the contracting agency shall limit *or omit*
 15 its review of such settlements with subcontractors to the
 16 ~~minimum amount~~ *maximum extent* compatible with the public
 17 interest. ~~Subject to regulations of the Director, any~~ *Any* con-
 18 tracting agency (1) may approve, ratify, ~~and~~ *or* authorize
 19 such settlements with subcontractors upon such evidence,
 20 terms, and conditions as it deems proper; (2) shall vary
 21 the scope and intensity of its review of such settlements
 22 according to the reliability of the war contractor, the size,
 23 number, and complexity of such claims, and other relevant
 24 factors; and (3) shall authorize war contractors to make
 25 such settlements with subcontractors without review by the

1 contracting agency, whenever the reliability of the war
 2 contractor, the amount or nature of the claims, or other
 3 reasons appear to the contracting agency to justify such
 4 action. The Director shall prescribe policies and standards
 5 to govern the contracting agencies in approving, ratifying,
 6 and authorizing such settlements in order to ~~insure that~~
 7 ~~their limit or omit~~ review of such settlements for these pur-
 8 poses is limited or omitted to the maximum extent com-
 9 patible with the public interest. Any such settlement
 10 of a subcontract approved, ratified, or authorized by a
 11 contracting agency shall be *final and conclusive and binding*
 12 upon the United States *as to the amount due* to the same
 13 extent as a settlement under subsection (b) of section 302
 14 of this Act, and the ~~no~~ war contractor ~~making it~~ shall not
 15 be liable to the United States on account of any amounts
 16 paid thereon except for his own fraud.

17 (c) ~~Subject to regulations of the Director, any~~ *Any*
 18 contracting agency shall ~~may~~ exercise supervision or control
 19 over payments to prime contractors on account of termina-
 20 tion claims of subcontractors to such extent and in such
 21 manner as it deems necessary or desirable to ~~insure for the~~
 22 *purpose of assuring* the receipt of the benefit of such pay-
 23 ments by the subcontractors ~~and shall do so to the extent~~
 24 *required by regulations of the Director.*

25 (d) The Director, ~~by regulation, shall prescribe poli-~~

cies and methods for the settlement by any contracting agency of some or all of the termination claims of a war contractor under contract with one or more (1) bureaus or divisions within a contracting agency, (2) contracting agencies, or (3) prime contractors and subcontractors, to the extent he deems such action necessary or desirable for expeditious and equitable settlement of such claims. The *After consulting with the contracting agencies concerned, the* Director may assign any war contractor to a contracting agency for such settlement, *and such agency shall have authority to settle some or all of his termination claims on behalf of any other contracting agency in accordance with the policies and methods prescribed by the Director.*

(c) Subject to ~~regulations~~ *of policies prescribed by the* Director, any contracting agency may settle directly termination claims of subcontractors to the extent that it deems such action necessary or desirable for the expeditious and equitable settlement of such claims, *and shall do so to the extent required by regulations of the Director.* In making such termination settlements any contracting agency may discharge the claim of the subcontractor by payment or may purchase such claim, and may agree to assume, or indemnify the subcontractor against, any claims by any person in connection with such claim or the termination settlement. *Subject to regulations of the Director, any*

contracting agency undertaking to settle the termination claim of any subcontractor shall deliver to the subcontractor written notice stating its acceptance of responsibility for settling his claim and the conditions applicable to such settlement.

(f) Whenever the insolvency or bankruptcy of a war contractor, or termination of his war contract for default deprives his subcontractor of fair compensation for the termination of a subcontract, the contracting agency concerned may make such additional payment to such subcontractor as is necessary to provide such fair compensation. The Director shall prescribe standards, terms, and conditions to govern the exercise of this authority, and may direct such payments in such classes of cases as he deems proper.

(f) To the extent required by the Director, whenever any contracting agency finds that the financial condition of any war contractor impedes or threatens to impede its ability to make subcontracts or imposes inequitable risks of loss on its subcontractors, the contracting agency shall make such contracts of guaranty or other commitments with respect to some or all obligations of such war contractor under war contracts as it deems necessary or desirable. Such regulations of the Director may prescribe (1) the classes of

1 cases where such contracts or commitments shall be made;
2 and (2) the terms and conditions applicable thereto.

3 INTERIM FINANCING

4 SEC. 304. (a) It is the policy of the Government to in-
5 sure *assure* adequate interim financing, within thirty days
6 after *proper* application therefor, to every war contractor
7 having a termination claim or claims, pending their settle-
8 ment.

9 (b) In order to carry out this policy, the Director, by
10 regulations, shall prescribe methods for providing to any war
11 contractor during the period between termination and settle-
12 ment of one or more war contracts—

13 (1) interim financing under this Act representing
14 not less than 90 per centum of the amount of his termi-
15 nation claim or claims, after deducting all liabilities to
16 subcontractors and such advances, partial payments, and
17 loans, previously made or guaranteed by the Govern-
18 ment, as are available to such war contractor upon
19 substantially the same terms and conditions as interim
20 financing under this section;

21 (2) such additional interim financing as the Direc-
22 tor deems necessary or desirable;

23 (c) The Director, by regulations, shall prescribe (1)
24 the types of estimates, certificates, or other evidence to be
25 required to support such interim financing; (2) the terms

1 and conditions upon which such interim financing shall be
2 made; (3) the classes of cases in which such interim
3 financing shall be refused; and (4) such methods of
4 supervision and control over such interim financing as he
5 deems necessary or desirable to assure adequate and speedy
6 interim financing to subcontractors of the war contractor.

7 (b) Whenever he deems such action necessary or de-
8 sirable to carry out this policy, the Director, by regulation,
9 may require any contracting agency to provide interim financ-
10 ing to war contractors pursuant to its authority under sections
11 305 and 306 of this Act. Such regulations may prescribe
12 (1) the amounts and types of such interim financing; (2)
13 the classes of war contractors to whom such interim financing
14 shall be granted; (3) the types of estimates, certificates, or
15 other evidence to be required to support such interim financ-
16 ing; and (4) the terms and conditions upon which such
17 interim financing shall be made.

18 (c) Whenever he deems such action necessary or desirable
19 to protect the Government's interest, the Director, by regula-
20 tion, may prescribe such penalties as he deems proper for
21 any overstatement by any war contractor of the amount due
22 on his termination claim or claims in connection with any
23 interim financing under this Act, but no such penalty shall
24 exceed 1 per centum per month on the amount of such over-

1 *statement. Any such penalty may be deducted from any*
 2 *amounts due the war contractor upon such termination claim*
 3 *or claims or otherwise or may be collected from the war con-*
 4 *tractor by suit.*

5 (d) Whenever the amount of the termination claim or
 6 claims as stated by any war contractor for the purpose of
 7 obtaining interim financing under this section exceeds the
 8 amount finally determined to be due on such claim or
 9 claims, and the war contractor thereby obtains interim
 10 financing in excess of the amount he would otherwise have
 11 obtained, the war contractor shall be liable to the United
 12 States for a penalty on such excess interim financing. The
 13 contracting agency shall determine the amount of such excess
 14 interim financing, subject to regulations of the Director.
 15 The penalty shall be computed at the rate of 12 per centum
 16 per annum and for the period from the date such excess
 17 interim financing is received to the date on which such
 18 excess is repaid or extinguished. The obligation to pay
 19 any such penalty and to repay any interim financing made
 20 or assumed by the United States under this section Act shall
 21 constitute a debt due to the United States within the meaning
 22 of Revised Statutes, section 3466 (31 U. S. C., sec. 191).

23 (e) Subject to regulations of policies prescribed by the
 24 Director, each contracting agency shall may allow any ad-
 25 vance payments, previously authorized made or authorized

1 *by it in connection with the performance of a war contract,*
 2 *to be used for payments and expenses related to the termina-*
 3 *tion settlement of such contract, to such extent and upon such*
 4 *terms and conditions as it deems appropriate necessary or*
 5 *appropriate to protect the interest of the Government.*

6 (f) Subject to regulations of policies prescribed by the
 7 Director, no interim financing made by any contracting
 8 agency under this Act shall extend beyond the time of final
 9 payment of the amount due on the settlement of the termina-
 10 tion claim or claims of the war contractor involved, and such
 11 period thereafter as the contracting agency deems necessary
 12 for the liquidation of such interim financing in an orderly
 13 manner.

14 (g) Subject to regulations of policies prescribed by the
 15 Director, any contracting agency may settle, upon such terms
 16 and conditions as it deems proper, any claim or obligation due
 17 by or to the Government arising from or related to any in-
 18 terim financing made, acquired, or authorized by it. Any
 19 interim financing made, authorized, or acquired by any con-
 20 tracting agency before the enactment of this Act shall be valid
 21 to the same extent as if made hereunder.

22 SEC. 305. (a) Subject to regulations of policies pre-
 23 scribed by the Director, any contracting agency may make
 24 advance or partial payments to any war contractor on
 25 account of any termination claim or claims, and may

1 authorize, approve, or ratify any such advance or partial
2 payments by any war contractor to his subcontractor. Such
3 payments may be made before any settlement of the claim
4 or claims, or may be made as a final payment on a partial
5 settlement or on a settlement fixing a minimum amount due
6 before complete settlement.

7 (b) Where any advance or partial payment is made
8 to any war contractor by any contracting agency or by
9 another war contractor under this section, the provisions
10 of subsection (d) of section 304 shall apply to such payment.
11 Any excess payment any amount in excess of the amount
12 finally determined to be due on the termination claim shall
13 be treated as a loan from the Government to the war con-
14 tractor receiving it, and shall be payable upon demand with
15 interest at 6 per centum per annum. Where the advance or
16 partial payment was made by a war contractor and au-
17 thorized, approved, or ratified by the Government, the war
18 contractor making it shall not be liable for any such excess
19 payment in the absence of fraud on his part and shall
20 receive payment or credit from the Government for the
21 amount of such excess payment.

22 SEC. 306. (a) Subject to regulations of policies pre-
23 scribed by the Director, any contracting agency is author-
24 ized—

25 (1) to enter into contracts with any Federal Re-

1 serve bank, or other public or private financing institu-
2 tion, guaranteeing such financing institution against loss
3 of principal or interest on loans, discounts, or advances
4 or on commitments in connection therewith, which such
5 financing institution may make to any war contractor
6 or to any person who is or has been engaged in perform-
7 ing any operation deemed by such contracting agency
8 to be connected with or related to war production, for
9 the purpose of financing such war contractor or other
10 person in connection with the termination of one or more
11 such war contracts or operations;

12 (2) to make, enter into contracts to make, or to
13 participate with any Government agency, any Federal
14 Reserve bank or public or private financing institution
15 in making loans, discounts, or advances, or commitments
16 in connection therewith for the purpose of financing any
17 such war contractor or other person in connection with
18 the termination of such war contracts or operations;

19 (b) Subject to regulations of policies prescribed by the
20 Director, any such loan, discount, advance, guaranty, or com-
21 mitment in connection therewith shall may be secured, if the
22 contracting agency concerned deems it reasonably prac-
23 ticable, by either assignment of, or covenants to assign, some
24 or all of the rights of such war contractor or other person in
25 connection with the termination of such war contracts or

operations, or in such other manner as the contracting agency may prescribe.

(c) Subject to such regulations as the Board of Governors of the Federal Reserve System may prescribe with the approval of the Director, any Federal Reserve bank is authorized to act, on behalf of the contracting agencies, as fiscal agent of the United States in carrying out the purposes of this Act.

(d) This section shall not limit or affect any authority of any contracting agency, under any other statute, to make loans, discounts, or advances, or commitments in connection therewith or guaranties thereof.

APPEAL

SEC. 307. (a) Whenever any war contractor has submitted a termination claim, in substantially the form prescribed under this Act, to the contracting agency responsible for settling it, and such claim has not been settled by agreement with the contracting agency, or only a part of such claim has been so settled, the contracting agency shall prepare written findings of the amount due on such claim or the unsettled part thereof, and shall deliver a copy of the findings to the war contractor within sixty days from the date of a demand for such findings by the war contractor.

SEC. 307. (a) Whenever the contracting agency responsible for settling any termination claim has not settled the claim

by agreement or has so settled only a part of the claim, (1) the contracting agency at any time may determine the amount due on such claim or such unsettled part and prepare written findings indicating the basis of the determination, and deliver a copy of such findings to the war contractor, or (2) if the termination claim has been submitted in the manner and substantially the form prescribed under this Act, the contracting agency, upon written demand by the war contractor for such findings, shall determine the amount due on the claim or unsettled part and prepare and deliver such findings to the war contractor within ninety days after the receipt by the agency of such demand. Within thirty days after the delivery of any such findings, the contracting agency shall pay to the war contractor at least 90 per centum of the amount thereby determined to be due, after deducting the amount of any outstanding interim financing applicable thereto.

(b) Whenever any war contractor is aggrieved by the finding of a contracting agency on his claim or part thereof or by its failure to make such findings in accordance with subsection (a) of this section, he may, at his election—

(1) appeal to the Appeal Board or an umpire in accordance with subsection (d) of this section; or

(2) submit such claim or such part thereof, in

1 arbitration, in accordance with subsection (e) of this
2 section; or

3 ~~(3)~~ (2) bring suit against the United States for such
4 claim or such part thereof, in the Court of Claims or in
5 a United States district court, in accordance with sub-
6 section (20) of section 24 of the Judicial Code (28
7 U. S. C. 41 (20)), or if the contracting agency is the
8 Reconstruction Finance Corporation, or any corporation
9 organized pursuant to the Reconstruction Finance Cor-
10 poration Act (Stat.), as amended, bring suit
11 against such corporation in any court of competent juris-
12 diction in accordance with existing law.

13 (c) Any proceeding under subsection (b) of this sec-
14 tion shall be governed by the following conditions:

15 ~~(1)~~ A war contractor shall not be required to appeal
16 from such findings within the contracting agency con-
17 cerned before proceeding under subsection ~~(b)~~ of this
18 section, but may do so in his discretion.

19 (1) When any contracting agency provides a
20 procedure within the agency for protest against such find-
21 ings or for other appeal therefrom by the war contractor,
22 the war contractor, before proceeding under subsection
23 (b) of this section, (i) in his discretion may resort to
24 such procedure within the time specified in his contract
25 or, if no time is specified, within thirty days after the

1 delivery to him of the findings; and (ii) shall resort
2 to such procedure for protest or other appeal to the extent
3 required by regulations of the Director. Such regula-
4 tions shall limit to not more than sixty days the time
5 allowed to the contracting agency for acting on any such
6 protest or appeal within the agency, and shall provide
7 that failure to act within the prescribed period shall
8 operate as a refusal by the agency to modify its findings.
9 Any revision of the findings by the contracting agency,
10 upon protest or appeal within the agency, shall be
11 treated as the findings of the agency for the purpose of
12 appeal or suit under subsection (b) of this section. Not-
13 withstanding any contrary provision in any war con-
14 tract, no war contractor shall be required to protest or
15 appeal from such findings within the contracting agency
16 except in accordance with this paragraph.

17 (2) If a war contractor ~~does not~~ may initiate pro-
18 ceedings in accordance with subsection (b) of this sec-
19 tion (i) within ninety days after delivery to him of the
20 findings by the contracting agency, or (ii) in case of
21 protest or appeal within the agency, within ninety days
22 after the determination of such protest or appeal, or
23 (iii) in case of failure to deliver such findings, within
24 one year after his demand therefor be. If he does not
25 initiate such proceedings within the time specified, he

shall be precluded thereafter from initiating any proceedings in accordance with subsection (b) of this section, and the findings of the contracting agency shall be final and conclusive, or if no findings were made, he shall be deemed to have waived such termination claim.

(3) Notwithstanding any contrary provision in any war contract, the Appeal Board, ~~umpire, arbitrators,~~ or court shall not be bound by the findings of the contracting agency, but shall treat such findings as prima facie correct, and the burden shall be on the war contractor to establish that the amount due on his claim or part thereof exceeds the amount allowed by the findings of the contracting agency. ~~The Whenever the Appeal Board or court finds that the war contractor failed to negotiate in good faith with the contracting agency for the settlement of his claim or part thereof before appeal or suit thereon, or failed to furnish to the agency any information reasonably requested by it regarding his termination claim or part thereof, the Appeal Board or court (1) may refuse to receive in evidence any information not submitted to the contracting agency; (2) may deny interest on the claim or part thereof for such period as it deems proper; (3) may remand the case to the contracting agency for further proceedings upon such terms as the Appeal Board or court may prescribe.~~

In all other cases, the Appeal Board, ~~umpire, arbitrators,~~ or court shall enter the appropriate award or judgment on the basis of the law and facts, and may increase or decrease the amount allowed by the findings of the contracting agency.

(4) When a war contractor has initiated such proceedings by one method under subsection (b) of this section, he shall be precluded from initiating proceedings on the same claim by any other method.

(5) Any such proceedings shall not affect the authority of the contracting agency concerned to make a settlement of the termination claim or any part thereof, by agreement with the war contractor at any time before such proceedings are concluded.

~~(d) (1)~~ The Director shall appoint an Appeal Board composed of not less than three and not more than nine members, to sit in the city of Washington, and one or more umpires to sit in each judicial district, to hear appeals under this section. The Board may sit in sections of not less than three members. The Director shall designate the members of the Appeal Board and the umpires, and shall fix their term of office and compensation.

~~(2)~~ The Director shall prescribe the practice and procedure to govern proceedings before the Appeal Board and the umpires, or may authorize the Appeal Board to prescribe

1 such practice and procedure. The Appeal Board and any
 2 umpire shall have power to compel the attendance of wit-
 3 nesses and the production of evidence in accordance with
 4 regulations of the Director. Subject to the direction of the
 5 Director, the Appeal Board shall supervise the proceedings
 6 of the umpires, but shall have no power to review their
 7 decisions or refer to them cases filed with the Board. The
 8 decision of the Appeal Board or of any section of the Board,
 9 or of an umpire, shall be final and shall not be subject to
 10 review by any court or other agency.

11 (d) (1) The Director shall appoint an Appeal Board,
 12 composed of such number of members as he deems necessary
 13 from time to time to hear appeals under this section. He
 14 shall appoint the members of the Appeal Board and shall
 15 fix their terms of office and compensation.

16 (2) Panels of one or more members may act for the
 17 Appeal Board and shall sit from time to time in localities
 18 throughout the country, reasonably convenient for war con-
 19 tractors having proceedings before them. A panel of one
 20 member of the Appeal Board may hear any appeal when-
 21 ever (i) the amount in controversy in the appeal is \$25,000
 22 or less; or (ii) the amount in controversy exceeds \$25,000,
 23 but the war contractor taking the appeal fails to demand a
 24 panel of three members at the time of filing his appeal. A
 25 decision of the Appeal Board or of any panel thereof shall

1 be final and conclusive and shall not be subject to review
 2 by any court or other agency.

3 (3) The Director or, if authorized by him, the Appeal
 4 Board shall prescribe the practice and procedure to govern
 5 proceedings for the Appeal Board. The Appeal Board or
 6 any panel thereof shall have power to administer oaths to
 7 witnesses and to compel by subpoena the attendance of wit-
 8 nesses, to the production of books, papers, documents, and
 9 other records. All provisions of law (including penalties
 10 and provisions relating to self-incrimination) applicable with
 11 respect to subpoenas issued under the Federal Trade Com-
 12 mission Act shall be applicable with respect to subpoenas issued
 13 by the Appeal Board, insofar as such provisions are not
 14 inconsistent with the provisions of this Act.

15 (e) When a termination claim is submitted to arbitra-
 16 tion in accordance with this section, the arbitration proceed-
 17 ing shall be governed by the United States Arbitration Act
 18 to the same extent as if authorized by an effective agreement
 19 in writing between the Government and the war contractor
 20 for such arbitration upon the conditions specified in subsec-
 21 tion (e) of this section.

22 (c) The contracting agency responsible for settling any
 23 claim and the war contractor asserting the claim, by agree-
 24 ment, may submit all or any part of the termination claim
 25 to arbitration, without regard to the amount in dispute. Such

1 arbitration proceeding shall be governed by the provisions of
2 the United States Arbitration Act. Any such arbitration
3 award shall be final and conclusive upon the United States
4 to the same extent as a settlement by agreement under sub-
5 section (b) of section 302.

6 (f) Whenever any dispute exists between any war con-
7 tractor and a subcontractor regarding any termination claim
8 either of them, by agreement with the other, may submit the
9 dispute—

10 (1) to the Appeal Board ~~or an umpire~~ in accord-
11 ance with subsection (d) of this section;

12 (2) to a contracting agency for mediation or arbi-
13 tration in accordance with regulations which shall be
14 prescribed by the Director.

15 *Subject to regulations of the Director, any award or*
16 *decision in such proceedings shall be final and conclusive as*
17 *to the parties so submitting any such dispute and shall not be*
18 *questioned by the United States in settling any related claim,*
19 *in the absence of fraud or collusion.*

20 (g) The Director shall prescribe regulations to carry
21 out the provisions of this section.

22 COURT OF CLAIMS

23 SEC. 308. (a) For the purpose of expediting the adju-
24 dication of termination claims, the Court of Claims is author-
25 ized to appoint not more than twenty commissioners in

1 addition to those provided for by the Act of February 24,
2 1925 (ch. 301, 43 Stat. 964), as amended by the Act of
3 June 23, 1930 (ch. 573, 46 Stat. 799), and the provisions
4 of said Acts shall apply to such additional commissioners in
5 all respects as if they had been appointed thereunder without
6 limitation as to nature of duties which they may be called
7 upon to perform.

8 (b) The Attorney General, under such rules as the
9 Court of Claims shall prescribe, may cause any and all
10 persons with legal capacity to sue and be sued, wherever
11 located, actually to be notified, or on specific order of
12 the court, to be notified by publication, and if within the
13 jurisdiction of the United States, at the discretion of the
14 Attorney General, to be served with subpoena, to appear as a
15 party or parties in any suit or proceeding of any nature
16 whatsoever pending in said court and to assert and defend
17 their interests, if any, in such suits or proceedings, within
18 such period of time prior to judgment as the Court of Claims
19 shall prescribe. Upon failure so to appear, any and all
20 claims or interests in claims of any such person against the
21 United States, in respect of the subject matter of such suit
22 or proceeding, shall forever be barred and the court shall
23 have jurisdiction to enter judgment pro confesso upon any
24 claim or contingent claim asserted on behalf of the United
25 States against any party who, having been duly served with

1 subpoena, fails to respond thereto, to the same extent and with
 2 like effect as if such party had appeared and had admitted
 3 the truth of all allegations made on behalf of the United
 4 States. Upon appearance by any party pursuant to any
 5 such notice or subpoena, the case as to such party shall, for
 6 all purposes, be treated as if an independent proceeding had
 7 been instituted by such party pursuant to section 145 of the
 8 Judicial Code, as amended, and as if such independent pro-
 9 ceeding had then been consolidated, for purposes of trial and
 10 determination, with the case in respect of which the notice
 11 or subpoena was issued, except that the United States shall
 12 not be heard upon any counterclaims, claims for damages or
 13 other demands whatsoever against such party, other than
 14 claims and contingent claims for the recovery of money here-
 15 after paid by the United States in respect of the transaction
 16 or matter which constitutes the subject matter of such case,
 17 unless and until such party shall assert therein a claim, or
 18 an interest in a claim, against the United States, and the
 19 Court of Claims shall have jurisdiction to adjudicate, as
 20 between any and all adverse claimants, their respective
 21 several interests in any matter in suit and to award several
 22 judgments in accordance therewith.

23 (c) The jurisdiction of the Court of Claims shall not
 24 be affected by this Act except to the extent necessary to
 25 give effect to it, and no party shall recover judgment on

1 any claim, or on any interest in any claim, in said court
 2 which such party would not have had a right to assert if
 3 this section had not been enacted.

4 PERSONAL FINANCIAL LIABILITY

5 SEC. 309. (a) Whenever any payment is made from
 6 Government funds to any war contractor or other person
 7 as ~~a~~ *an advance*, partial or final payment of ~~the amount due~~
 8 on any termination claim or pursuant to any loan, guaranty,
 9 or agreement for the purchase of any loan, *or any commit-*
 10 *ment in connection therewith*, entered into by the Govern-
 11 *ment, or any disposition of property made, authorized, ap-*
 12 *proved, or ratified*, no officer or other Government agent
 13 authorizing or approving such payment or settlement, or
 14 certifying the voucher for such payment, or making the
 15 payment in accordance with a duly certified voucher, *making,*
 16 *authorizing, approving or ratifying any such disposition,*
 17 shall be personally liable for such payment in the absence of
 18 ~~fraud or bad faith~~ on his part. In settling the accounts of
 19 any disbursing officer the General Accounting Office shall
 20 allow any such disbursements made by him notwithstand-
 21 ing any other provisions of law.

22 (b) For the purpose of making termination settlements,
 23 *dispositions of property, or interim financing any Govern-*
 24 *ment agency is authorized, subject to any regulations pre-*
 25 *scribed by the Director, to rely upon such certificate of war*

1 contractors as it deems proper and to permit war contractors
2 and other persons to rely upon such certificates without
3 financial liability in the absence of fraud on their part.

4 THE GENERAL ACCOUNTING OFFICE

5 SEC. 310. (a) The General Accounting Office is au-
6 thorized to examine all records of any contracting agency
7 relating to the settlement of any termination claim after
8 the final settlement of such claim. Any other provision of
9 law notwithstanding, the function of the General Account-
10 ing Office with respect to any termination settlement made,
11 authorized, ratified, or approved by a contracting agency
12 shall be confined to an examination of the records of the
13 contracting agency, after final settlement of such claim for
14 the purpose of determining (1) whether the settlement
15 payments to the war contractor were made in accordance
16 with the terms of settlement, and (2) whether such the
17 records transmitted to it or other information warrant a rea-
18 sonable belief that the settlement was induced by fraud, but
19 the General Accounting Office shall not be charged with the
20 duty or responsibility of detecting fraud in connection with
21 such settlements except as the presence of fraud may be indi-
22 cated by records transmitted to the General Accounting Office
23 with the termination settlement or with the voucher covering
24 payment thereunder.

25 (b) Whenever the General Accounting Office believes

1 that any settlement was induced by fraud, the Comptroller
2 General of the United States shall report all of the facts
3 relating thereto to the Congress, joint committee, to the Direc-
4 tor, to the Department of Justice, and to the contracting
5 agency concerned, but shall not suspend or withhold, or direct,
6 or require any contracting agency to suspend or withhold, by
7 set-off or otherwise, any amounts owing to the war con-
8 tractor by the United States under such settlement or other-
9 wise and shall not suspend credit to any disbursing officer for
10 any disbursements made by him under such settlement. In
11 any such case the contracting agency on its own initiative
12 may, or upon order of the Director shall, take such action
13 as it deems appropriate to recover or withhold payments
14 to such war contractor.

15 (c) The jurisdiction of the Comptroller General of the
16 United States shall not be affected by this Act except to the
17 extent necessary to give effect to the specific provisions thereof.

18 DEFECTIVE, INFORMAL, AND QUASI CONTRACTS

19 SEC. 311. (a) Where any person has arranged to fur-
20 nish or furnished to a contracting agency or to a war con-
21 tractor any materials, services, or facilities related to the
22 prosecution of the war, without a valid contract, relying
23 in good faith upon the apparent authority of an officer or
24 agent of a contracting agency, a letter of intent, written or
25 oral instructions, or any other request to proceed from a

1 contracting agency, the contracting agency shall pay such
2 person fair compensation therefor, subject to regulations of
3 policies prescribed by the Director.

4 (b) Subject to regulations of policies prescribed by the
5 Director, whenever any formal or technical defect or omis-
6 sion in any prime contract, or in any grant of authority
7 to an officer or agent of a contracting agency who ordered
8 any materials, services, and or facilities, might invalidate the
9 contract or commitment, the contracting agency (1) shall
10 not take advantage of such defect or omission; (2) shall
11 amend, confirm, or ratify such contract or commitment
12 without consideration in order to cure such defect or omis-
13 sion; and (3) shall make a fair settlement of any obligation
14 thereby created or incurred by such agency whether ex-
15 pressed or implied, in fact or in law, or in the nature of an
16 implied or quasi contract.

17 (c) Where a contracting agency fails to agree on a
18 settlement of settle by agreement any claim asserted under
19 this section, the dispute shall be subject to the provisions
20 of section 307 of this Act.

21 (d) The Director shall may prescribe policies to require
22 each contracting agency to formalize all such obligations
23 and commitments within such period as the Director he
24 deems appropriate.

ADVANCE COMMITMENTS

1 SEC. 312. Wherever any contracting agency finds that
2 any war contractor is required to incur costs, make com-
3 mitments, or acquire inventories, in preparation for or
4 anticipation of future war contracts or orders before their
5 receipt or execution in order to permit or facilitate the
6 performance of such war contracts or orders within the time
7 necessary for war purposes, the contracting agency, to the
8 extent required by policies of the Director, shall make such
9 contracts or commitments as it deems proper to provide such
10 war contractor fair compensation for such costs, commit-
11 ments, or inventories upon his failure to receive such an-
12 ticipated war contracts or orders by reason of changes or cur-
13 tailment in any war-production program or programs.
14 The Director may prescribe (1) the classes of cases where
15 such protection shall be provided; (2) the extent, terms, and
16 conditions of such protection; and (3) the information or
17 evidence required to support requests for such protection.

TITLE IV—GENERAL PROVISIONS

RECORDS, FORMS, AND REPORTS

21 SEC. 401. (a) The Director shall establish policies
22 for such supervision and review within the contracting
23 agencies of disposition of property, termination settle-
24 ments, and interim financing as he deems necessary and ap-

1 appropriate to prevent and detect fraud and to insure uniformity
 2 in administration and to provide for expeditious settlements.
 3 For this purpose he shall prescribe ~~the~~ (1) such records to
 4 be prepared by the contracting agencies and by war con-
 5 tractors or purchasers as he deems necessary in connection
 6 with such disposition, settlements, and interim financing;
 7 and (2) the records in connection therewith to be transmitted
 8 to the General Accounting Office. He shall seek to reduce
 9 the amount of record keeping, reporting, and accounting in
 10 connection with the disposition of property, the settlement
 11 of termination claims, and interim financing to the minimum
 12 compatible with the reasonable protection of the public
 13 interest. Subject to regulations of the Director, each con-
 14 tracting agency shall prescribe forms for use by war con-
 15 tractors in connection with disposition of property, termina-
 16 tion settlements, and interim financing to the extent it deems
 17 necessary and feasible.

18 (b) The Director shall require the Government agencies
 19 performing functions under this Act to prepare such infor-
 20 mation and reports regarding property under their control,
 21 its disposition, of property, terminations of war contracts,
 22 settlements of termination claims, and interim financing, as
 23 he deems necessary to assist him in appraising their oper-
 24 ations or to assist him or other Government agencies in
 25 performing their functions under this Act, and may pre-

1 scribe the terms and conditions upon which such information
 2 and reports shall be made available to other Government
 3 agencies. The Director may require any Government agency
 4 to furnish such information under its control as he deems
 5 necessary for the performance of his functions under this
 6 Act, but any such agency, in its discretion, may furnish any
 7 such information deemed by it to affect the national security
 8 only to the Director himself.

9 (c) The Director, by regulation, shall provide for mak-
 10 ing available to the War Production Board, the War Man-
 11 power Commission, and any other interested Government
 12 agency, such advance notice and other information on cut-
 13 backs in war production resulting from terminations or
 14 failures to renew or extend war contracts, as he deems
 15 necessary and appropriate.

16 (d) The Director shall report to the Department of
 17 Justice any information received by him indicating any
 18 fraudulent practices in connection with disposition of prop-
 19 erty, termination settlements, and interim financing, and
 20 may require the Department of Justice or any other Gov-
 21 ernment agency to make such investigations as he deems
 22 necessary or desirable to detect fraud in connection there-
 23 with. Whenever he determines that the facilities of existing
 24 agencies are inadequate for that purpose, he may establish

1 a unit in the Office of Demobilization to supplement and
2 facilitate the work of existing agencies for that purpose.

3 (d) The Director shall make such investigations as he
4 deems necessary or desirable to detect fraud in connection
5 with disposition of property, termination settlements, and
6 interim financing. For this purpose he may utilize the fa-
7 cilities of any existing agencies and if he determines that the
8 facilities of existing agencies are inadequate, he may estab-
9 lish a unit in the Office of War Mobilization and Demobiliza-
10 tion to supplement and facilitate the work of existing agencies
11 for that purpose. He shall report to the Department of Jus-
12 tice any information received by him indicating any fraudu-
13 lent practices, for appropriate action.

14 PRESERVATION OF RECORDS; PROSECUTION OF FRAUD

15 SEC. 402. (a) Until five years after the termination of
16 hostilities in the present war as proclaimed by the President
17 or by a concurrent resolution of the two Houses of Congress
18 or five years after the final settlement of a war contract
19 involving \$5,000 or more, or after the making of any
20 contract for the disposition of property, whichever is the
21 later, except to the extent authorized by the Director, (1)
22 no natural person shall willfully secrete, mutilate, obliterate,
23 or destroy, or cause to be secreted, mutilated, obliterated,
24 or destroyed, any records of a war contractor or purchaser
25 which relate to the negotiation, award, performance,

1 payment for, renegotiation, interim financing, or can-
2 cellation or other termination, of such war contract, or
3 disposition of such property, and (2) no corporation
4 shall fail to preserve all such records within its possession,
5 but a corporation shall not be liable for the accidental
6 nonnegligent loss or destruction of records. The Director,
7 ~~may prescribe~~ by regulation, ~~for may authorize~~ the destruc-
8 tion of any such records upon such terms and conditions as
9 he deems appropriate, which may include the making
10 and retaining of photographs or microphotographs of
11 such records. Photographs or microphotographs of any
12 records made in compliance with such regulations of the
13 Director shall have the same force and effect as the orig-
14 inals thereof would have, and shall be treated as originals
15 for the purpose of their admissibility in evidence. Any war
16 contractor or purchaser shall allow any officer or agent of
17 any interested Government agency, ~~the General Accounting~~
18 ~~Office~~ designated by the Director, or any committee of Con-
19 gress reasonable access to such records. As used in this sub-
20 section, the term "records" includes (but is not limited to)
21 books, ledgers, checks and check stubs, pay-roll data, vouch-
22 ers, memoranda, correspondence, inspection reports and
23 certificates, and interoffice reports and communications.
24 Upon conviction for violation of any of the provisions of
25 this subsection, any corporation shall be fined not more than

1 \$50,000 and any natural person not more than \$10,000 or
2 imprisoned for not more than five years, or both.

3 (b) The first section of the Act of August 24, 1942
4 (56 Stat. 747; title 18, U. S. C., Supp. II, sec. 590a), is
5 amended to read as follows:

6 "The running of any existing statute of limitations ap-
7 plicable to any offense against the laws of the United States

8 (1) involving defrauding or attempts to defraud the United
9 States or any agency thereof whether by conspiracy or not,
10 and in any manner, or (2) committed in connection with
11 the negotiation, procurement, award, performance, payment
12 for, ~~renegotiation~~, interim financing, or cancelation or other
13 termination, of any contract, subcontract, or purchase order
14 which is connected with or related to the prosecution of the
15 present war, or the disposition of property, shall be suspended
16 until five years after the termination of hostilities in the
17 present war as proclaimed by the President, *or by a con-*
18 *current resolution of the two Houses of Congress*, or five years
19 after the final settlement of such contract, subcontract, or
20 purchase order, whichever is the later. This section shall
21 apply to acts, offenses, or transactions where the existing
22 statute of limitations has not yet fully run, but it shall not
23 apply to acts, offenses, or transactions which are already
24 barred by provisions of existing law."

25 (c) (1) Every person who makes or causes to be

1 made, or presents or causes to be presented to any officer,
2 agent, or employee of any Government agency any claim,
3 bill, receipt, voucher, statement, account, certificate, affidavit,
4 or deposition, knowing the same to be false, fraudulent, or
5 fictitious, or knowing the same to contain or to be based
6 on any false, fraudulent, or fictitious statement or entry, or
7 who shall cover up or conceal any material fact, or who
8 shall use or engage in any other fraudulent trick, scheme, or
9 device, for the purpose of securing or obtaining, or aiding
10 to secure or obtain, for any person any benefit, payment,
11 compensation, allowance, loan, advance, or emolument from
12 the United States or any Government agency in connection
13 with the termination, cancelation, settlement, payment, nego-
14 tiation, ~~renegotiation~~, performance, procurement, or award
15 of a contract with the United States or with any other person,
16 and every person who enters into an agreement, combina-
17 tion, or conspiracy so to do, shall forfeit and refund any such
18 benefit, payment, compensation, allowance, loan, advance,
19 or emolument received as a result thereof and shall in
20 addition pay to the United States the sum of \$2,000 for
21 each such act, and double the amount of any damage which
22 the United States may have sustained by reason thereof,
23 together with the costs of suit.

24 (2) The several district courts of the United States,
25 the District of Columbia, the several district courts of the

1 Territories of the United States, within whose jurisdictional
2 limits the person, or persons, doing or committing such act,
3 or any one of them, resides or shall be found, shall, whereso-
4 ever such act may have been done or committed, have full
5 power and jurisdiction to hear, try, and determine such suit,
6 and such person or persons as are not inhabitants of or found
7 within the district in which suit is brought may be brought
8 in by order of the court to be served personally or by
9 publication or in such other reasonable manner as the court
10 may direct.

11 (d) The provisions of section 35-A of the Criminal
12 Code (18 U. S. C., sec. 80) shall apply to any statement,
13 representation, bill, receipt, voucher, roll, account, claim,
14 certificate, affidavit, or deposition made or used or caused
15 to be made or used for any purpose under this Act or under
16 any regulations pursuant to this Act.

17 OTHER FUNCTIONS OF THE DIRECTOR

18 SEC. 403. In addition to his other functions under this
19 Act, the Director shall—

20 (a) prepare a study to determine the extent to
21 which it will be necessary to continue price controls,
22 rationing and allocation of materials, with a view to
23 relaxing those controls at the earliest possible time, and
24 shall report his recommendations thereon to Congress
25 as promptly as possible;

1 (b) promote the training of personnel for property
2 disposal, for termination settlement and interim financ-
3 ing by contracting agencies, disposal agencies, war con-
4 tractors, and financing institutions;

5 (c) collaborate with the Smaller War Plants Cor-
6 poration in protecting the interests of smaller war con-
7 tractors in obtaining fair and expeditious termination
8 settlements, interim financing, and other reconversion
9 financing;

10 (d) promote decentralization of the administration
11 of termination settlements and interim financing by
12 fostering encouraging delegation of authority within con-
13 tracting agencies and to war contractors, to the extent he
14 deems necessary and feasible.

15 MISCELLANEOUS PROVISIONS

16 SEC. 404. (a) Subject to regulations of policies pre-
17 scribed by the Director, each contracting agency shall have
18 authority, notwithstanding any other provisions of law, (1)
19 to make any contract necessary and appropriate to carry out
20 the provisions of this Act, (2) to amend by agreement any
21 existing contract, either before or after notice of its termi-
22 nation, on such terms and to such extent as it deems proper;
23 and (3) in settling any termination claim, to agree to
24 assume, or indemnify the war contractor against, any claims
25 by any person in connection with such termination claim.

1 or settlement. This subsection shall not limit or affect in
2 any way any authority of any contracting agency under
3 the First War Powers Act, 1941, or under any other statute.

4 (b) The Director, by regulation, shall prescribe the
5 amount and kind of evidence required to identify any person
6 as a war contractor, or any contract, agreement, or purchase
7 order as a war contract for any of the purposes of this Act.
8 To the extent provided in such regulations, any determina-
9 tion, made in accordance with such regulations, that any
10 person is a war contractor, or that any contract, agreement,
11 or purchase order is a war contract, shall be final and con-
12 clusive for any of the purposes of this Act.

13 (c) There are hereby authorized to be appropriated
14 such sums as may be necessary for administering the provi-
15 sions of this Act.

16 (d) All policies and procedures relating to disposition
17 of property, termination of war contracts, termination settle-
18 ments, and interim financing, prescribed by the Director of
19 War Mobilization or any contracting agency, and in effect
20 upon the effective date of this Act, shall remain in full force
21 and effect unless and until superseded by regulations pre-
22 scribed by the Director in accordance with this Act, or by
23 the contracting agency with the approval of the Director.

24 (d) Subject to policies prescribed by the Director, any
25 contracting agency may authorize or direct its officers and

1 employees to advise, aid, and assist war contractors in prepar-
2 ing and presenting termination claims, in obtaining interim
3 financing, and in related matters, to such extent as it deems
4 desirable. If the officer or employee receives therefor no bene-
5 fit or compensation of any kind, directly or indirectly, from
6 any war contractor, such advice, aid, or assistance shall be
7 treated as part of his official duties and shall not constitute
8 a violation of section 109 of the Criminal Code (18 U. S. C.
9 198) or of any other law.

10 (e) (e) Nothing in this Act shall be deemed to impair
11 or modify any war contract or any term or provision of
12 any war contract, which is otherwise valid or any assignment
13 of any claim under a war contract, without the consent of
14 the war contractor involved parties thereto, if the war con-
15 tract, or the term, provision, or assignment thereof, is other-
16 wise valid.

17 USE OF APPROPRIATED FUNDS

18 SEC. 405. Any contracting agency is authorized—

19 (a) to use for the interim financing, the payment
20 of claims, and for any other purposes authorized in this
21 Act any funds which have heretofore been appropriated
22 or allocated or which may hereafter be appropriated or
23 allocated to it, or which are or may become available
24 to it, for such purposes or for the purposes of war
25 production or war procurement;

(b) to use any such funds appropriated, allocated, or available to it for expenditures for or in behalf of any other contracting agency or corporation for the purposes authorized in this Act;

(c) to determine by agreement, joint estimate, or any other method authorized by the Director, the part of any expenditure made pursuant to subsection (b) hereof to be paid by each contracting agency concerned and to make transfers of funds between such contracting agencies accordingly. Transfers of funds between appropriations carried upon the books of the Treasury shall be made by the Secretary of the Treasury in accordance with joint requests of the contracting agencies involved.

DELEGATION OF AUTHORITY

SEC. 406. (a) The Director may delegate any authority and discretion conferred upon him by this Act to Deputy Directors or the head of any Government agency, and may authorize successive redelegations of such authority and discretion, upon such terms and conditions as he may prescribe.

(b) Subject to any limitations imposed by the Director, the head of any Government agency may delegate any authority and discretion conferred upon him or his agency by or pursuant to this Act to any officer, agent, or employee of such agency or to any other Government agency, and may

authorize successive redelegations of such authority and discretion.

(c) Any two or more Government agencies may exercise jointly any authority and discretion conferred upon them individually by or pursuant to this Act.

(d) Nothing in this Act shall prevent the Director from exercising any authority conferred upon him by any other statute.

DEFINITIONS

SEC. 407. As used in this Act—

(a) The term "prime contract" means any contract, agreement, or purchase order entered into by a contracting agency and connected with or related to the prosecution of the war; and the term "prime contractor" means any holder of one or more prime contracts.

(b) The term "subcontract" means any contract, agreement, or purchase order connected with or related to the performance of any prime contract or of any other subcontract to the extent that it is so connected or related; and the term "subcontractor" means any holder of one or more subcontracts.

(c) The term "war contract" means a prime contract or a subcontract or both; and the term "war contractor" means any holder of one or more war contracts.

(d) The terms "termination", "terminate", and "terminated" mean the termination or cancelation, in whole or in part, of work under a prime contract for the convenience or at the option of the Government (except for default of the prime contractor) or of work under a subcontract for any reason except the default of the subcontractor.

(e) The term "material" includes any article, commodity, machinery, equipment, accessory, part, component, assembly, work in process, ~~or~~ and any product of any kind.

(f) The term "Government agency" means any executive department of the Government, or any administrative unit or subdivision thereof, any independent agency in the executive branch of the Government, and any corporation owned or controlled by the United States, and includes any contracting agency.

(g) The term "contracting agency" means any Government agency which has been or hereafter may be authorized to make contracts pursuant to section 201 of the First War Powers Act, 1941, and the Reconstruction Finance Corporation and its subsidiaries, any corporation organized pursuant to the Reconstruction Finance Corporation Act (Stat.), as amended, and the Smaller War Plants Corporation.

(h) The term "termination claim" means any claim or demand by a war contractor under a terminated war con-

tract a war contractor for fair compensation for the termination of any war contract and any other claim under a terminated war contract, which the regulations of the Director authorize to be asserted and settled in connection with any termination settlement.

(i) The term "interim financing" includes advance or partial payments, loans, discounts, or advances or commitments in connection therewith, and guarantees of loans, discounts or advances or commitments in connection therewith and any other type of financing made in contemplation of or related to termination settlements of war contracts.

(j) The term "Director" means the Director of War Mobilization and Demobilization.

(k) The term "person" means any individual, corporation, partnership, firm, association, trust, estate, or other entity.

(l) The term "property" means any supplies, materials, equipment, facilities, plants, real estate and improvements, or other tangible property owned by the United States or by any Government agency.

(m) The term "surplus property" means any property which has been determined to be surplus to the its needs and responsibilities of by the Government agency in possession or control of it, in accordance with title II of this Act; and the terms "surplus materials" and "surplus plants" mean

1 any materials or plants owned by the United States or by
2 any Government agency and so determined to be surplus
3 property.

4 (n) The term "purchaser" means any person who
5 acquires surplus any interest in property from the United
6 States by purchase or by lease or in any other manner.

7 (o) The term "termination inventory" means any ma-
8 terials (including a proper part of any common materials),
9 properly allocable to a terminated war contract in accordance
10 with sound accounting practice and the regulations of the
11 Director, except any machinery or equipment subject to a
12 separate contract specifically governing the disposition thereof.

13 (p) The term "final and conclusive" as applied to any
14 settlement, findings, or decision means that it shall not be re-
15 opened, annulled, modified, set aside, or disregarded by any
16 officer, employee, or agent of the United States or in any suit,
17 action or proceeding.

18 APPLICABILITY

19 SEC. 408. (a) This Act shall become effective twenty
20 days after the date of its passage. With respect to any
21 terminated war contract or termination claim or interim
22 financing pending upon its effective date, the provisions of
23 this Act shall apply as follows:

24 (b) All policies and procedures relating to disposition

1 of property, termination of war contracts, termination settle-
2 ments, and interim financing, prescribed by the Director of
3 War Mobilization or any contracting agency, in effect upon
4 the effective date of this Act, and not inconsistent with this
5 Act, shall remain in full force and effect unless and until
6 superseded by the Director in accordance with this Act, or
7 by regulations of the contracting agency not inconsistent with
8 this Act or the policies prescribed by the Director.

9 (c) Nothing in this Act shall limit or affect any authority
10 conferred by the Act of March 11, 1941 (55 Stat. 31), as
11 amended, or Acts supplemental thereto.

12 SEC. 409. Subject to policies prescribed by the Director,
13 any contracting agency may exempt from some or all of the
14 provisions of this Act any war contract made or to be per-
15 formed outside the continental limits of the United States or in
16 Alaska, or any termination inventory or surplus property
17 situated outside of the continental limits of the United States
18 or in Alaska.

19 SEPARABILITY OF PROVISIONS

20 SEC. 410. If any provision of this Act, or the application
21 of such provision to any person or circumstance, is held in-
22 valid, the remainder of this Act or the application of such
23 provision to persons or circumstances other than those as to
24 which it is held invalid, shall not be affected thereby.

EXPIRATION OF ACT

1
2 SEC. 411. The provisions of subsections (a) and (c)
3 of section 104 of this Act shall expire six months after the date
4 of cessation of hostilities in the present war as proclaimed by
5 the President or by concurrent resolution of the two Houses of
6 Congress. All other provisions of this Act shall expire two
7 years after the date of such cessation of hostilities.

SHORT TITLE

8
9 SEC. 408 412. This Act may be cited as the "Industrial
10 Demobilization Readjustment Act of 1944".

UNOFFICIAL COPY

2

A BILL

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE March 28, 1944

TO Secretary Morgenthau
FROM Mr. Haas

In accordance with your request, I am attaching a table which shows the status as of March 27, 1944 of the surplus property reported to the Procurement Division by the War Department between December 1 and 21, 1943. Data in the table indicate that items valued at \$11,722,000 were declared as surplus in the period under review, and that items valued at \$7,415,000 had been disposed of by March 27. Surplus property still on hand amounted to \$4,307,000 or 37 percent of the original total.

The second part of the table lists the surplus property items still on hand. We are advised by Procurement that the trucks and construction equipment shown therein are being advertised for sale and that the electrical and plumbing supplies are being examined by the Rural Electrification Administration.

Status on March 27, 1944 of Surplus Property Reported to
the Procurement Division by the War Department between
December 1 and December 31, 1943

Item	Quantity		Value (in thousands of dollars)
	Amount	Unit	
A. <u>Items disposed of</u>			
1. Horses	2,299	horses	\$ 69
2. Mules	253	mules	23
3. Harness	22,000	sets	889
4. WAC buttons ..	8,733,450	buttons	24
5. Clothing and shoes	181,900	items	353
6. Sand bags	3,900,000	bags	400
7. Cement	15,000	bags	8
8. Shearlings ...	3,134,000	sq. ft.	1,800
9. Butyl alcohol.	45,313	gallons	52
10. Cotton drill..	65,000	yards	18
11. Bar and tool steel	789	pounds	1
12. Tire repair material ...	3	lots	18
13. Caustic soda..	670	tons	30
14. Smoke pots ...	7,034	pots	70
15. New cars	4,518	cars	3,660
Subtotal ...			<u>7,415</u>
B. <u>Items still on hand</u>			
1. Smoke pots ...	100,966	pots	380
2. New cars	1,965	cars	1,840
3. Trucks	2,700	trucks	1,080
4. Bandage gauze.	24,790	packages	2
5. Burn ointment.	7,683	sets	2
6. Bolos and scabbards ..	20,000	units	28
7. Electrical and plumbing supplies	190	page listings	225
8. Construction equipment ...	3,600	pieces	750
Subtotal ...			<u>4,307</u>
C. <u>Grand total</u>			<u>11,722</u>

Office of the Secretary of the Treasury,
Division of Research and Statistics.

March 28, 1944

March 28, 1944
2:16 p.m.

HMJr: Could you tell the Congressman in regard to that article in "Look" that he was inquiring about....

Representative
Robertson's
Secretary:

Uh huh.

HMJr:that we had nothing to do with it and we did not give it our approval.

S: Uh huh. Well, Mr. -- he talked to Mr. FitzGerald....

HMJr: Yes.

S:about it. Uh huh.

HMJr: Well, will you....

S: I'll also tell him that you called, Mr. Morgenthau.

HMJr: That I called and I'm -- I had not seen it so I was interested myself.

S: I see.

HMJr: And....

S: Well, I'll tell him you called.

HMJr: We had nothing to do with it and....

S: Uh huh.

HMJr:did not give it out.

S: Well, he's wiring the Apple -- we got a letter -- a telegram from the....

HMJr: Yeah.

S:Secretary of the Appalachian Apple Service.

HMJr: Oh, yes.

S: And he's wiring them that the Treasury Department had no connection with it whatsoever.

HMJr: That's right.

- 2 -

S: Uh huh. Thanks a lot.

HWJr: As an apple grower, I'll be glad to get the information.

S: All right, sir. Thank you.

March 28, 1944
3:00 p.m.

RELIEF FINANCE

Present: Mr. White
Mr. Acheson
Mr. Currie
Mr. Sidney Mitchell
Mr. McGoldrich
Colonel Rounds
Major Hilliard
Major Christie
Commander J. L. Knipes

H.M.JR: Will you go ahead, Harry, please?

MR. WHITE: Shall I distribute these copies of the memorandum which the British Treasury left some time ago and which we have been considering from time to time since? (Distributes copies of memorandum entitled "Relief Finance," copy attached.)

This proposal relates to the question as to who shall bear the final expense of the distribution of civilian commodities, relief commodities, by the military forces during the period in which the military forces are in charge of distribution. The problem, of course, arose as a result of the shipments of flour and wheat to Italy.

The British have made these three proposals. We have had some committee meetings of the technical men of the Departments represented here; and if you like, Mr. Secretary, I can tell you what the decisions on each one of the points were as made by these sub-informal committees, or informal sub-committees.

The first point they raised was that civilian supplies would be furnished as part of their contribution under UNRRA. It was unanimous among the representatives of all the agencies that that would be most unfortunate, and undesirable, that

- 2 -

the UNRRA contributions were quite a separate matter and should not in any way be mixed up with the distribution of civilian goods by the Army authorities. That was the first point, and there was no disagreement there. You may want to discuss that point before I go on to the others.

H.M.JR: I can wait for the disagreements, if there are any.

MR. ACHESON: We are all agreed.

MR. WHITE: The second point they made, which followed from the first, but which in a sense can be treated independently, is that the supplies furnished to the enemies or enemy countries shall be treated in such manner that the cost will fall on the exporting country, if it is the United Kingdom or any of its dominions, and the U. S. if it is us; that such purchases if made from third countries, for example, the wheat in Argentina, shall be shared as between the United Kingdom and the United States on the basis of the formula which was applied in the UNRRA arrangements, namely, in proportion to the national income, which, in effect, would mean that the United States would pay four-fifths of the cost of procuring the wheat or meat in the Argentine. They would pay one-fifth.

On that second point there was an agreement to the extent that all felt that the UNRRA formula should not be used as a basis. There was no unanimity with respect to the appropriate distribution of costs. I think that the Army, FEA, and the Treasury felt that a fifty-fifty arrangement would be most reasonable from the point of view of the United States. In fact, I think the Army first felt and still is inclined to feel that maybe Britain ought to pay all of the third costs, because there is so much more material coming from the United States to these areas than is coming from Britain, but that point was left undecided.

The State Department, I think, were more inclined possibly to pay a larger proportion, though there was nothing definite said by the people lower down. Mr. Acheson, who will speak for himself on this point, later submitted a memorandum

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which indicated that the formula of four-fifths and one-fifth seemed tentatively, at any rate, acceptable to him.

MR. CURRIE: Is that what the UNRRA formula works out to?

MR. WHITE: About four-fifths. Our national income is about one hundred and thirty-five billion.

There is an additional point which the British don't mention, which is clear. Many of these supplies will be sold, in the most substantial part. They will be sold for local currency. That means that there may be some reimbursement, irrespective of who pays originally. The extent of that reimbursement is probably less favorable than appears on the surface, because as in the case of Italy what we get is lira. The extent to which our Government would, in effect, be able to convert that lira into dollars in the final analysis is a very dubious point, but I don't think it matters what proportion you decide upon as the appropriate share of the expense to be borne by either Government. In either case, you can adjust the reimbursement so as to fit the original cost, so the fact that we will be reimbursed for part of it merely makes consideration for this a little less important than it otherwise would be. It need not in any way affect the decision as to the original payment, because after your decision of the original payment is made, you can then adjust the reimbursement so as to follow the same pattern. Those are the points which the British have raised.

H.M.JR: Well, Mr. Acheson?

MR. ACHESON: May I get it clear? Is this, the last part, directed to enemies and ex-enemies, as this paper would indicate that the British have filed, or is it for everything during the military period?

MR. WHITE: This is directed toward the former, Dean, but it appears to me that the pattern which is set here would be difficult to depart from in case of the friendly countries. I think it might be well to comprehend in your answer the same treatment to all countries, which means, of

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course, that in the case of France it would be easier to get paid and it is more meaningful as to who gets paid for what.

MR. ACHESON: That is what I thought you meant.

MR. WHITE: But they raised this question with regard to Italy.

MR. ROUNDS: May I raise a point? When you talk about four-fifths, or four to one on the U.K. side, are you including the incomes of the colonies or the territories, Canada, South Africa, Australia, and New Zealand?

MR. WHITE: That would modify the proportion somewhat, but not a great deal. It might bring it down to three and a half to one.

MR. ROUNDS: That might be a significant reduction.

MR. WHITE: It would be if you were going to use that basis. That, I don't think is clear from their paper. You can interpret it that way.

MR. ROUNDS: The UNRRA formula didn't work that way, did it? Canada had their percentage, U.K. had theirs, and Australia had theirs, and so forth. But here Australian resources represent all the different parts of the Empire. I think it is important.

MR. WHITE: The specific statement is that the cost falling on us and U.K. should be shared between them in proportion to which their respective relief quotas bear to each other. Now, that would work out if you wanted to interpret the respective quotas for the entire Empire slightly different than from U.K. alone.

MR. ROUNDS: I am really suggesting that you do not leave it to an interpretation.

MR. WHITE: I think your point is well taken. In any case--

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H.M.JR: Let me ask the State Department. In the case of UNRRA, have you left it to an interpretation?

MR. ACHESON: No. I think what Colonel Rounds is referring to is that if you take merely the U.K. and the U.S. contributions to UNRRA and disregard all the other countries, as you would if you were applying the third paragraph of this paper, then the relations are as four to one. If you take our contribution, which is a billion, three hundred and fifty million, and the British, which is three hundred and twenty million, ours is four-fifths of that total, and theirs is one-fifth. That is what they are talking about in this last paragraph.

MR. MITCHELL: I gather from the last sentence that is U.K. and the colonies.

MR. WHITE: They do not include the dominions.

H.M.JR: Do I not understand that the only difference of opinion among us officials is whether we should go fifty-fifty in third countries? Isn't that the big point?

MR. WHITE: That is the big point, fifty-fifty or some other proportion.

H.M.JR: Couldn't we address ourselves to that and try to get that settled here today?

MR. ACHESON: I think that is the thing to address ourselves to. And in thinking about it, I think we could say that in most of the thinking which we have done in the Department and in the discussions we have had with the Army, we are leaving Eastern Europe and Russia out of these computations on the theory that so long as the war is in its present phase, and that is, the Balkans are not opened and you can't get into Eastern Europe from the European side, the only supplies which can go to the Soviet Union have to go through the protocol, which is worked out between Canada, the U.K., and the United States. So that would be on our side lend-leased during that part of the war. That is simply limited to the port capacity. You can't carry any more than a certain number of million tons.

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After the defeat of Germany, when the Baltic would be opened and the Adriatic, and you could get into Eastern Europe in that way, it had been our thought that the soundest approach is to let UNRRA supply the relief and let them negotiate with the Russian Government for whatever supervision they could get in that area. So what we are talking about is Europe, aside from Eastern Europe and Russia.

MR. WHITE: You can delimit to that extent. I am not sure whether it is desirable to pursue it, but certainly that is the immediate problem.

H.M.JR: If you settle it, isn't Italy the main point right now?

MR. WHITE: It is right now, but, of course, there is France.

H.M.JR: That doesn't mean, if I interpret correctly what you are saying, that it couldn't later apply to more countries.

MR. ACHESON: No, I should suppose that what we would have in mind that what we are now talking about would apply to Western Europe and the Mediterranean. I doubt whether it would ever apply to Eastern Europe and Russia, because that would be done in the first impact through the protocol, and after that through UNRRA.

H.M.JR: You mean the Lend-Lease protocol?

MR. ACHESON: Yes.

MR. WHITE: When you say "to Russia," Russia would not be involved in this. You mean Germany to Russia.

MR. ACHESON: Through Eastern Europe and the devastated parts of Russia.

MR. WHITE: I didn't think this was part of that.

MR. ACHESON: I was excluding all of that.

MR. CURRIE: May I ask a further question to clarify this a bit? Is this formula to apply to each individual purchase, or to the over-all purchases in third countries?

MR. WHITE: I should imagine that it would be adjusted monthly. For example, the decision was made with the Army that the Army that does the buying, or has done the buying, or for some reason is in a better position to do the buying, should go ahead and make the purchases and make the payments, and we said the Treasury would see that any subsequent adjustments on this basis would be retroactive. That is the understanding we have had with the British as well.

The U. S. Army has already made substantial expenditures in the Argentine. That will be a basis for subsequent adjustment. Now, that adjustment, I should imagine, could be made periodically rather than with respect to each purchase. I take it the Army would have records, and you would have records of what you spend. To simplify the problem, you could do it periodically.

MR. CURRIE: Would this formula apply to the purchases from third countries, regardless of how much the two countries had originally supplied? Or would you use this purchase from third countries as a means of adjusting the total contribution?

MR. WHITE: It is the first. And that raises some problems which practically all the representatives here have raised before; the decision as to what England would supply, and what the U. S. would supply out of its reserves are determined by the combined Food Boards, and that presumably is based on considerations, wholly independent from financial. There have been evidences here and there that, shall I say, the British quite naturally have been more cognizant of the financial implications of where the stuff comes from, and their representatives have possibly been a little more careful about the distribution than the Americans have been.

S.V.JR: Mr. White is getting careful, too.

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MR. WHITE: I am treading on eggs here. But there is evidence of that. However, that is a separate problem.

H.M.JR: Well, could I just be brought up to date by the Army? What is the situation as to coal going into Italy?

MR. ROUNDS: I am afraid, Mr. Secretary, there has been a great deal of discussion about that. Briefly, the situation is that the British are looking forward to the difficulties involved in the supply of coal in Europe, which is a complicated situation. To date, all except a very small percentage, perhaps fifteen thousand out of--oh, I have to remember the figure--fifteen thousand out of a hundred has come from Empire sources, that is, either India or South Africa. There has been quite a share of that.

H.M.JR: Coal?

MR. ROUNDS: Yes, sir, coal from India and from South Africa. A good deal has also come from U.K. from the Islands. Now, the situation hasn't been very serious on coal. There has been a lot of discussion about the coal supply, but it is all predicated upon the fact that if there are operations in Europe there must inevitably become a situation where the German Army will be backed up against all of the coal resources of Europe, that is the French resources, Luxemburg, Belgium, and Holland, and, of course, the German reserves. Then if they were beaten back, of course, they would probably flood their mines as they did in the last war. That would impose a terrific burden upon the Allies to supply France and the liberated countries in the wake of battle. Those figures are presumed to be in the order of something like a million and a quarter tons of coal a month.

Now that, in turn, would mean probably four or five hundred ships a month, if it were to be supplied from the United States. That means that it can only logically be supplied from U.K. But on the other hand, U.K. had a great deal of difficulty with their coal production. They have had to conscript seven hundred and fifty thousand eighteen-year-old boys to go in the mines. They have had

- 2 -

a strike on their hands. Their industrial production has gone up to such an extent that I believe their reserves at the moment are on the order of something like twelve or fourteen days' reserve, which, of course, is a position that would send all of your columnists flying to their pens if they existed in this country. That has made the situation highly political for England. I understand that practically all decisions on coal have to be predicated pretty much on a Cabinet decision. It is that important to them. I don't know whether I have answered your question.

H.M.JR: The point that bothers me on this thing is, if one country wanted to take advantage of the other, which I hope they don't, is simple if I understand this thing. If you say, "All right"--using Italy as an example, because I heard a little bit about it when I was there--"we will let England supply all the coal to Italy," or they will supply all the coal to Italy and we will supply the wheat.

MR. ROUNDS: That is roughly the situation.

H.M.JR: Then we say, "If we have to buy something that they need such as salt--" I don't know, anything, some item that Italy needs--"we would go fifty-fifty." But their coal contribution might outweigh us three to one as to wheat.

MR. ROUNDS: In tonnage?

H.M.JR: Dollars.

MR. ROUNDS: It couldn't conceivably, sir.

H.M.JR: It might be disproportionate. They could say "We are supplying"--you have no way to base it--"ten million dollars a month of coal, and you are supplying five million of wheat, but still when we go to the Argentine and want to get some beef for Italy, you want us to go fifty-fifty."

MR. ROUNDS: Well, it hasn't worked out that way. We have been guided largely, as you know, by the recommendations of the Combined Boards. I am afraid, at least on the U.S. side, that we haven't given a great deal of consideration to the money involved, because it didn't seem the thing

to do. After all is said and done, we are more concerned in getting the groceries into this territory than anything else. We have always felt that the settlement questions were something for Governmental authorities to worry about, rather than the War Department.

H.M.JR: Well, I don't think the War Department can fudge it off as easily as that, because, after all, I went into that thing very thoroughly in Algiers. At that time the wheat you were sending in came out of your regular Army appropriations, so I don't think that you can say somebody else can do the worrying. As long as the wheat came out of the regular Army appropriation, I think you have to share the worries with the rest of us.

MR. ROUNDS: I presume that is true in a measure. I really don't know. I know that our contribution has been vastly greater than the English to date. I mean, such a formula as this might represent a gain in favor of the United States.

H.M.JR: I will try to make my point again, that if we simply say--as I understand this proposal--maybe I am wrong--"We will contribute what we can," using Italy as an example, "England will send what she can from her country, then we go fifty-fifty on a third country." Well, maybe dollarwise we will contribute much more. What I am leading up to--if we want to be fair about it, I don't see why the whole thing isn't on a fifty-fifty basis, irrespective of where it originates from. Then there is no question of criticism.

If we have to pour a hundred million dollars worth of food into Italy, all right, "England, you put in fifty million, and we will put in fifty million, irrespective of whether it originates in the United States, England, India, or Argentina." That is perfectly fair. You can defend a thing like that before a Congressional committee.

MR. WHITE: That would have an added advantage of removing completely from the decisions of the Combined Boards the very thing that you feel justly should be removed, namely, the Combined Boards should not be concerned with who pays the bill, but rather the most convenient sources

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for the raw materials to go in there. But the cost would be adjusted in some such fashion. Then I think there would be greater assurance that the materials would be forthcoming from those places where they could most easily--

MR. ACHESON: May I give you some figures that would throw light on this?

H.M.JR: I would love to have some figures.

MR. ACHESON: We have gone over with the Army the amounts which are in the present Army and FEA budgets, going back to the figures from which the Army prepared those estimates, and FEA prepared those estimates.

Now, this covers supplies for this year for Western Europe, excluding the enemy countries. There is nothing in here for Germany or Hungary. And as I say, nothing is in it for Eastern Europe. The total amount which is contemplated is a billion, two hundred and forty-three million dollars. That would be the cost of relief in these areas for the military period. Now, the Army has made tentative allocations to sources of supply, getting what information they can from the boards and their own files, and it looks as though out of this billion two hundred and forty-three million, seven hundred and forty million would be supplied from U.S. sources, three hundred and thirty-nine million from U.K. and Dominion sources, and one hundred and sixty-two million from third countries. Now, that roughly is, on that basis, sixty percent of the billion two hundred and forty would come from the United States, twenty-seven percent from the Empire, and thirteen percent from other third countries.

H.M.JR: If we split that, it would be roughly about sixty-six and two thirds.

MR. ACHESON: If you split it, we would be supplying two-thirds, and the U.K. and the Dominions would be supplying one-third.

H.M.JR: The point I am making, Dean, is this: Whatever we decide--at least I would like to know what I am doing.

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Up to now, this is the first time I have ever heard any figures. In Italy--I have never been able to get the breakdown on what proportion the English are, and the third countries. I have never known. Maybe the figures exist, but at least they haven't come to me.

MR. ACHESON: That has changed, I think. It started out with a great bulk of it being supplied by us and it is now shifting so that much more is being supplied by Empire sources.

MR. WHITE: Into Italy?

MR. ACHESON: Yes, the wheat is now coming from Australia, instead of this country, and Argentina.

H.M.JR: Don't you think the point of sort of having a Governmental policy is that we decide actually what is a fair proportion that our taxpayers will contribute towards this program, irrespective of the sources?

MR. ACHESON: If you can do that. One great difficulty is that if some of it has to come from either us or British destination, it is unlikely that either country would be paying the other. Therefore, most of the adjustment comes in the third countries.

H.M.JR: I just went through ~~the~~ Canadian dollar transaction with the very able help of Mr. Hickerson. They are not all going to be as nice as the Canadians, but some of these things for my successor and his successor frighten me when you begin to straighten out some of these things. Granted that the thing will shift from one side to another, maybe we will have the wheat one day, they will have it another. I still think that at least we ought to have a formula and then try to stick to it as closely as possible and just not do it by chance.

On the dollar business, where it isn't directly munitions, I am going to be a little bit more tough. I think I have to be. We can't get any more money for taxes, and I don't want to continue borrowing from the banks, so I am just going to have to be a little tougher from now on, a little bit more realistic. A thing like this--whatever the formula is that is arrived at, we can aim for that. If we miss it, that is just too bad. Maybe

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over a period of eighteen months or two years we can balance the thing out, but could the Army, for instance, give me a figure as to what has gone into Italy, I mean, proportionately, how many dollars we have poured into Italy, and how many the United Kingdom has poured in?

MR. ROUNDS: Oh, yes.

H.M.JR: Are those figures available?

MR. ROUNDS: Yes, sir, they were available up to January 10, and were given to the Congress.

MR. ACHESON: But those don't mean anything.

MR. ROUNDS: We are just starting--

MR. ACHESON: There were some twenty million dollars up to January 10. Now you are planning on something in the neighborhood of two hundred million dollars for the rest of the year.

MR. ROUNDS: You don't know what you are planning on, that is the trouble.

MR. CURRIE: Twenty million just for civilian supplies.

H.M.JR: You mean we put in twenty million in civilian supplies?

MR. ACHESON: Up to the 10th of January.

H.M.JR: And the English put in how much?

MR. ROUNDS: I can't recall; I think twenty-one million against a British contribution of two million.

MR. MITCHELL: It was my impression that through January ninety percent of the materials in dollar value was from American sources and ten percent was from British sources.

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MR. WHITE: I think the strength of that suggestion--

H.M.JR: It is the first time I have heard it.

MR. WHITE: The strength of that suggestion, it appears to me, lies in the reception which a suggestion of that character would get in Congress. It would seem reasonable that it should be decided, if not on a fifty-fifty basis, then something like it. And the net amount involved against the British will not be very large when you take into consideration the fact that the relief items that will be sent--a large part of that billion two--relief items will probably be sent into Holland, Belgium--

MR. ACHESON: Sixty percent of it will.

MR. WHITE: Therefore, it is reasonable to hope that the largest proportion of that, if not all of it, will be paid for in dollars, or so far as England is concerned, in sterling, which would offset their own sterling expenditures, at any rate; and even some of the exchange that you will get in Italy will be worth something. How much, you don't know. So when you reduce it to its final analysis, it is not going to affect British balances by any very large sums and yet it makes such an excellent talking point, and it establishes what seems to be a very reasonable principle, which is easy to follow.

MR. ACHESON: I think we also ought to point out what Harry has said, that the UNRRA formula is not applicable. We are agreed on that. Nevertheless, that will be drawn into the discussion a good deal. If you take the basis of figures that we have here in the military period out of this one billion, two, our share of seven hundred and forty million, plus one-half of the rest, it will be a little more than half of our one percent, whereas, the British will be in the neighborhood of three hundred and fifty million, which is above their one percent, altogether, so that the thing falls into very different proportions, and that will be the subject of a great deal of discussion.

MR. WHITE: I think that UNRRA formula ought to be opposed wherever possible, because the attempt to establish that UNRRA formula, wherever there is any case of burden, will be pursued, I think, by the British in anticipation, also, of the final settlement of any of the final burdens. Once you take the position that the burdens ought to be on the basis of four to one, because the UNRRA formula was designed to that, it will mean that they will move toward that every time there is any question of distribution of burdens. And I think that we ought to take a strong stand from the point of view that this formula was designed for an international relief organization, which had as its objective and its criteria something quite different from the question of combined military operations in fighting the war. Unless we do that, I think we will find this formula creeping up everywhere, and I think it will give us considerable trouble.

H.M.JR: In Italy at present it is about ten to one.

MR. ROUNDS: Yes, Mr. Secretary, but that is nothing significant, because those were the only figures available at the time. As Mr. Acheson has pointed out, the swing has been much more over the even side since then. I mean, a great deal of wheat has come out of Australia, and so forth. In a rough way, we have, of course, tried to equalize the burden as between U.S. and U.K. as far as military purchases are concerned, not allowing that, however, to interfere with the movement of supplies; I mean, a strict and rigid formula could, I think you readily could see, interfere with the movement of supplies at times. That, of course, must not be.

MR. ACHESON: Henry, my guess is that if you start on a formula, you are going to have a tremendous lot of difficulty getting it accepted and getting the agreement made. If you take an allocation basis and say each country pays for what is spent from its own area and in third countries we split it fifty-fifty or sixty-forty, or whatever it may be, I think you would come closer to achieving it.

H.M.JR: Well, supposing we had a formula in our own mind that we would try to attain and then reviewed it once a month. Now, we are starting with a basis of ten

to one in Italy; as everybody in this room would agree, I am sure, that isn't very good. And suppose we try to improve our position. But just for argument's sake, if we started with a basis of fifty-fifty and then tried to get the figures, and once a month reviewed it to see how near we came to hitting such a formula--

MR. CURRIE: It makes a difference whether you make that fifty-fifty apply to purchases in third countries or over-all. If you attempted to do the over-all, I think that the British would resist that and would counter by proposing if any such formula were adopted it would be limited to their contribution to UNRRA, which would be very unfortunate.

H.M.JR: I didn't make myself clear. Let's say for argument's sake to the British we will go fifty-fifty in third countries. Then we negotiate with them what we are going to send into Italy and the rest of these countries and make as good a bargain as we can, in our own mind trying to obtain a ratio fifty-fifty, but not telling them what that ratio is and then review it once a month and see where we are at.

MR. WHITE: I don't think we have that opportunity, because the decision as to what comes from us and what comes from U.K. is not made by us; it is made by the Combined Board who do not have and should not have the question of financing the issue, so we are completely strapped there. We can't modify that proportion. You might be able to decide on a proportion, if not fifty-fifty, then some other proportion that might be acceptable to the British.

MR. CURRIE: If we could have an over-all objective in our minds, something like two-thirds, one third, or something like that sixty, thirty, to be adjusted so far as possible to purchases in third countries, I think we might do better than with the other. That would probably make out with a much higher percentage for Britain, because on the question of origin we would probably be closer to this ten to one.

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MR. WHITE: I think Dean is right. However, if you attempt to propose any over-all distribution of costs, the British are going to very strongly oppose it. I think they might accept the fifty-fifty third countries, but I think that any attempt to submit to them a division on the over-all basis will meet with their opposition. Now, there is no reason why you shouldn't propose it, but I think you ought to have that in mind.

MR. CURRIE: That is because they will be putting in so little from the U.K.

MR. WHITE: Their interests lie in the other direction, and they are very well aware of it.

MR. ACHESON: I think what we are really discussing, so far as this program is concerned, is in the neighborhood of between thirty to fifty million dollars.

MR. WHITE: I think the amount is small, and the important thing here, as I said before, is the ability to tell the world that you are doing this, and Congress, too.

H.M.JR: I would like to think this thing over. Is this a committee here?

MR. WHITE: No, these are just the agencies which are concerned.

MR. ACHESON: We came at your request.

H.M.JR: Couldn't you gentlemen sort of think it over? Would it be all right if we said we would meet in another week?

MR. ACHESON: Yes, I think this is a fairly pressing problem.

H.M.JR: Would that hold up anybody?

MR. ACHESON: No, I don't think so.

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H.M.JR: Could there possibly be a meeting in between at which I would not be present where this thing might be thrashed out along the lines developed here today?

MR. WHITE: We have had a couple of such meetings.

H.M.JR: Could there be one more?

MR. WHITE: If you like, yes.

H.M.JR: And then meet with me again. Would that be agreeable?

MR. ROUNDS: I would welcome that, because I came to this meeting rather cold, and I would like to talk to Mr. McCloy and a few others.

MR. ACHESON: Surely.

H.M.JR: Why couldn't there be a meeting? You gentlemen could meet with Mr. White in between and then have another one with me. Would that be all right?

MR. ROUNDS: It would be all right with us.

MR. ACHESON: I will be glad to do it.

H.M.JR: Fine. Then, ~~sure~~ry, you let me know afterwards. I am willing to trade a little bit, but it is just those figures on the Italian thing, which I didn't realize were as bad as they were, which kind of gave me the shivers.

MR. MITCHELL: Mr. Secretary, I think they have been modified considerably. At the present time, it is six to four instead of being nine to one.

H.M.JR: May I say that every time I have talked to any regular Army officers about this thing, I always get sympathetic response, because they are thinking of their pensions and taxes when they are out of this thing. I have never had any trouble when I am trying to tell them I am looking ten or twenty years ahead.

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MR. ROUNDS: Most of us are in the latter category, Mr. Secretary--future taxpayers.

H.M.JR: I am very serious about this thing.

MR. ROUNDS: So are we.

H.M.JR: I just think that, well, I have just got to be more careful with the public funds. I am going to be a little more tough, that is all.

MR. ROUNDS: Those original figures were the only ones that had ever been presented officially; were simply, you might also say, arrived at before we had really gotten figures. The furnishing of relief supplies to Italy--they really bear no relationship to the proportions now existing.

H.M.JR: Well, I think from my standpoint this has been a good meeting. Maybe we can settle it in one more meeting, but it is not easy.

MR. WHITE: If we can get an agreement, Mr. Secretary, it may be--would you like to meet again in any event if these people can come to an agreement?

H.M.JR: No, I am always glad to see them, but there is no use wasting their time.

proposal made by British Treasury, December 19, 1943.

RELIEF FINANCE

1. Military Period.

Civilian supplies will be furnished by the military authorities during the military period. The cost of such supplies will fall mainly or wholly on the United States, United Kingdom and perhaps the Canadian Governments. So far as possible this should not represent a burden additional to the Relief Quota (1% of National Income). Therefore either (a) UNRRA should take over responsibility at the earliest possible moment, so far as this is consistent with the views of the military authorities; or (b) this burden should in some way or other be treated as part of, and not as additional to, the Relief Quota of the supplying country.

2. Enemies and Ex-Enemies.

For similar reasons supplies furnished to enemies or ex-enemies so far as they are irrecoverable should be treated as part of, and not as additional to the quota. It is for military reasons that supplies have, or may have to be made to enemy or ex-enemy countries. How much relief is to be distributed in ex-enemy countries is essentially a military question in which the Allies all have a clear common interest and in the direction of which they are likely to have a greater and greater say as time goes on. There is in fact the same community of interest here as in relief of liberated Allied peoples though appropriate scale or relief may differ widely in the two cases.

3. Supplies from "Third Countries" during the Military Period.

The U. S. Government and the U. K. Government will be primarily responsible, as a military need, for obtaining such supplies, and for paying for them in so far as they are not paid for by the receiving (liberated or enemy) country or provided free by the supplying country. The cost falling on the U. S. and U. K. should be shared between them in the proportion which their respective Relief Quotas bear to each other. This is the case whether or not the cost is part of, or additional to, the Relief Quotas. For this purpose the U. K. Government are ready to treat supplies and services from the British Colonial Empire and Southern Rhodesia as U. K. supplies and services.

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March 28, 1944
4:25 p.m.

SURPLUS COMMODITIES

Present: Mr. Gaston
Mr. Smith
Mr. O'Connell
Mr. McConnell
Mr. Lynch
Mrs. Klotz

H.M.JR: What do you have there?

MR. SMITH: I have a draft of a letter to the President. And I also have the draft of a letter to Senator George that I am still playing with, but it is an idea.

H.M.JR: Read them out loud.

(Mr. Lynch enters the conference.)

MR. SMITH: (Reading draft of letter to the President dated March 28, 1944.) "My dear Mr. President: In your Executive Order of February 21 you assigned to the Treasury the responsibility of disposing of surplus consumer commodities, as part of the surplus property disposal program.

"In discussions held before this order was issued, the belief was expressed in some quarters that it would be advantageous to make the whole of property disposal the responsibility of one government agency, rather than divide it between the Treasury and the RFC. On the other hand, the consensus seemed at that time to be that the advantages of having commodity disposal handled by the Treasury Procurement Division, where there was a rudimentary organization already set up, outweighed the disadvantages of dividing property disposal between two agencies. I held this view.

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"For some time I have been investigating the complications that are likely to arise through this division of activities when the property disposal job reaches its full dimensions. I have discussed this--"

(The Secretary held a telephone conversation with Dorothy Brady, as follows:)

March 26, 1944
6:25 p.m.

Secretary: Go ahead.

Dorothy
Brady: Hello.

HMJr: Hello, Dorothy.

B: Yes, Mr. Secretary.

HMJr: I think it was last Thursday or Friday we sent over a suggested cable for the President to send Mr. Churchill. It was signed by Hull, Crowley and myself. Hello?

B: Yes.

HMJr: In regard to dollar balances.

B: Uh huh.

HMJr: Now, what I want to know: 1. Did it go? And 2. If it did go, could I have a copy of it?

B: Uh huh. All right, sir. I'll find out and let you know.

HMJr: If you will, please. I thank you.

B: All right.

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MR. SMITH: "I have discussed this situation with the Army, with Mr. Baruch, Mr. Hancock, Mr. Clayton, Senator George and Congressman Patman, the latter two of whom have sponsored proposed legislation concerning property disposal.

"As a result of these conferences, I have concluded that many more difficulties than anticipated are likely to arise out of having property disposal handled by two separate agencies of the Government.

"I suggest, therefore, that the part of the property disposal project which was given to us in your Executive Order #9425 be transferred to the agency which was given the responsibility for the rest of this project.

"By doing this, I feel strongly that we will eliminate a certain overlapping of responsibility and authority which otherwise might become very troublesome at some future time. I think it is in the interest of expediting the war and the reconstruction after the war. Sincerely."

H.M.JR: I would say for a first draft it was a good letter.

MR. SMITH: They haven't had it long enough to have much of an opinion on it yet.

H.M.JR: I am just giving you my first-hand opinion for whatever it is worth. What is the other letter?

MR. SMITH: The other letter--I am experimenting with having a letter to send to George, say, on Thursday morning if this should be done in time.

(Reading draft of letter to Senator George.) "My dear Senator George:

"A few days ago I sent the attached letter to the President, suggesting that the disposal of surplus property during and after the war be concentrated in one agency, rather than spread between the WPC and the Treasury Department.

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"I want to call your attention to this step that I have taken, because it may have some bearing on the bill which you are introducing today.

"I want to commend you, and also Congressman Wright Patman, on your efforts to work with the Executive Branch in organizing the very complex project of surplus property disposal. It is going to be a difficult job, and a thankless one. It is the kind of a job which, if it is done in the best and most expeditious way possible, will please fewer people than it will displease. Yet it is a job that is essential, and it is important that all branches of Government, and all the services, cooperate to the fullest extent with those who undertake the responsibility.

"I have suggested to the President that the entire project be put under one agency because I feel this will eliminate a possible source of confusion and difficulty."

H.M.JR: I don't like that.

MR. SMITH: I don't either, but it was an idea as to whether we should send anything at all or whether you should talk to him.

H.M.JR: That, I don't know, but I don't like that letter. What I wanted to get from Lynch, I didn't get-- he had it in his mind. Would you mind going over once more this procedure, what is going to happen? I don't quite understand it yet. You have it in your mind. There is a little difference of opinion between what Sullivan had in mind, and what O'Connell had. Just do it once more.

MR. LYNCH: As a result of discussions between Mr. Hancock and Senator George, looking to composing their views as to necessary legislation and getting it quickly, Senator George suggested that his man, Mr. Russell, confer with Hancock's people, and they get a draft of the bill which would be agreeable to everyone and would have the endorsement of the various agencies concerned.

As I understand it, Senator George proposes to offer that bill on the floor of the Senate as an amendment to a

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bill, which is called the Hill Bill, which deals with surplus property. In other words, the stratagem is that the Bill will not go to Committee hearings, that Senator George, if he can get it and his Committee go over it provisionally by Thursday, or as early as possible after that time, that then it will be offered on the Floor of the Senate and it will be said then and there that it has the indorsement of all the agencies and the backing of Mr. Baruch and Mr. Hancock, and they will attempt to get passage of it.

Now, Mr. Hancock has discussed the situation with Speaker Rayburn, and Mr. Byrnes has interested himself in the difficult committee situation in the House, and each of them, Mr. Rayburn and Mr. Byrnes, are going to try to bring about a situation there where only one committee will handle it. Then it is thought that possibly the same procedure can be arrived at in the House, where the same Bill might be offered as a rider and passed there. They are looking to that as being the only prospect of getting legislation very soon, because if it does go to committee hearings, and if there is rivalry as to committee jurisdiction, they think it will be bogged down for a long time.

H.M.JR: Very briefly, what does this Bill do?

MR. LYNCH: The Bill deals with the subject, first, it sets up Mr. Byrnes to be in charge, not only of War Mobilization, but the whole demobilization job, in one office.

Secondly, it deals with surplus properties position, but it leaves untouched the controversial questions as to what is to be done with the plants and such things as that.

Thirdly, it deals with termination of all war contracts, and with the financing of war contracts, financing of payments before final payment, and another major controversial point: The Comptroller General is taken out of the picture.

H.M.JR: Then if I raise the question tomorrow morning as to whether I do or don't want to, it in no way upsets the apple cart of the plan that they have?

MR. LYNCH: This? Not at all.

H.M.JR: Nobody can say my coming in at the last minute-- "Everything was set, the six agencies agreed, and then Morgenthau came in at the last minute and upset the thing"?

MR. LYNCH: It would not upset it; it would assist it, give it a little verve, if anything. Yes, because the Bill itself looks to one man being in charge of disposal of property, and he to designate the agencies, of course. But it would still be very consistent with that to have the whole problem in one agency under the Administrator.

H.M.JR: What I am getting at is, it looks to one man to be in charge of disposal. That one man can designate whatever agencies or agency he wishes.

MR. LYNCH: That is right.

H.M.JR: Let's just say for argument's sake that this Bill goes through as drafted and there is a director in charge of disposal.

MR. LYNCH: One director in charge of everything concerned with termination, including property disposal.

H.M.JR: Now, what wasn't clear in my mind was, does that legislation supersede the Executive Order of the President? Does it vitiate it, or would the President's Order still stand?

MR. LYNCH: It is assumed that the Order would still stand, and Mr. Clayton's position will still hold, except possibly with a different title. He might be deputy to the Director of War Mobilization and Demobilization, but it is assumed that is undisturbed.

H.M.JR: Then describe the Executive Order of the President.

MR. LYNCH: The Executive Order establishes a Surplus Property Administration, to have supervision and direction over surplus war property disposal, and it says, in effect,

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that subject to the pleasure of Mr. Byrnes and also to the pleasure of Mr. Clayton, these agencies shall have the following task to do.

H.M.JR: Then it specifies?

MR. LYNCH: That is right, RFC, producers goods; Procurement, consumers goods; War Food Administrator, food; and FEA, foreign property.

MR. O'CONNELL: And the Maritime Commission--

MR. LYNCH: ... ships. Of course, those last three are all special cases.

H.M.JR: I can't see that if what you say is correct-- if this thing was to happen and they agreed, it seems to me it would make passage of that Bill that much easier.

MR. LYNCH: I think it would.

MR. O'CONNELL: Of course, the stratagists assume that this question won't arise, because the Bill, in so far as it relates to surplus property, merely touches the thing rather lightly. It doesn't resolve any of the questions.

H.M.JR: Then another thing, I again can't quite--I am sorry John isn't here--see why John sort of held a pistol to my head. I don't see why necessarily it would come up at all, as to the division.

MR. LYNCH: No.

H.M.JR: I mean, the Bill could perfectly well go through without their saying to somebody, "Well, how are you going to divide this up?"

MR. O'CONNELL: That is right.

H.M.JR: What is in John's mind, that he thinks it has to be settled by tomorrow?

MR. O'CONNELL: I think I can explain it this way: Last week when Hancock and Clayton were testifying before the Banking and Currency Committee on the Patman Bill, a Bill which would give the whole surplus job to RFC, when the hearings were held last week on Monday and Wednesday, Crawford and Patman spent a great deal of their time criticizing the Procurement Division. That was the thing that was called to your attention on Thursday at your press conference.

John had been collecting from time to time and had been getting together the material with which to answer those charges. But on Wednesday, by agreement between Spence and Hancock and the people that are sponsoring the George Bill, which is a broader Bill, and includes surplus property, but covers the whole field of contract termination--by agreement Spence terminated the hearings on the Patman Bill, and now that Bill to all intents and purposes is dead. Spence is Chairman of the Banking and Currency Committee, succeeding Steagall.

Now, John has been looking forward, and had made an agreement with Spence that at the first opportunity he would be given a chance to answer the criticisms made of Procurement Division. Now, the first opportunity in John's mind and in Spence's mind was when they would start hearings on the Bill, which Tom has been describing, the George Bill.

Spence, according to John, said to him last week that he understood from Hancock that the program called for the introduction of the Bill, the Joint Bill, in the House and Senate, but at least in the House, on Tuesday, meaning today. If that were done and if it were referred to his Committee, and he could arrange to call a hearing on Wednesday on that Bill, he would give John that opportunity to answer the charges made against the Procurement Division.

A.B.J.H.: But now the Bill is only going to be introduced in the Senate?

MR. O'CONNELL: The timing has been changed. That is where John and I were at cross purposes. He was talking about discussions he had last week with Hancock and Spence. Since then, Tom, who has been working on it with the people handling the Bill, has discovered they haven't been able to get ready until Thursday.

MR. LYNCH: Their Thursday objective, that is, an objective of having a conference with Senator George's Committee on Thursday--that is a hard one to meet today. They may not be able to do it by Thursday. I mean, instead of being likely Wednesday, it is more likely to go over.

MR. O'CONNELL: It probably won't be Thursday.

H.M.JR: I wanted to make sure before I met these gentlemen tomorrow about raising this question. This in no way will upset their timetable. It is really an unimportant thing. It is a minor thing from their standpoint.

MR. GASTON: From the legislation standpoint, yes.

MR. O'CONNELL: It could be handled two weeks from today as well as tomorrow. As Tom explained, they have attempted to keep the emphasis of the big bill on contract termination and not to have any controversy about the other.

H.M.JR: If we decide to do this thing, one, we will have to let Mr. Byrnes know after this thing, that there would be a letter in the President's hands so we have made that record, and then have an understanding with Walter George that if the question came up--somebody, for instance, criticized about the splitting of this thing--he can say, "I am authorized to say about Mr. Morgenthau that he feels it would be better to go somewhere else and let them handle it."

MR. O'CONNELL: Do you think you need to have a letter in the President's hands in order to do that? It

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seems to me all you have to do is have the decision made by you and agreed to by Hancock and Clayton in order to have George in a position to say that the thinking is now along those lines.

H.M.JR: The only thing about the letter in the President's hands would be that the Executive Order would be changed, and the sooner it is in his hands--then it would be there before somebody had forced my hand. I mean, supposing this thing would go along. We want all the time we can get. If somebody raises the question two weeks from now, George will say, "A week ago Mr. Morgenthau gave me a copy of the letter he wrote to the President." It sets the date so my hand wasn't forced by somebody.

MR. LYNCH: That is right.

MR. O'CONNELL: Yes, that is right.

H.M.JR: I mean, it shows here is this thing. He could say, "Before this Bill, Mr. Morgenthau came to me and gave me a copy of the letter which he gave the President and said, 'If this works out to the best of everybody's interest--' I have had this in my pocket for over a week." If nobody raises the question, he doesn't use the letter. If he gets in a corner, he uses it. I think that is the way to do it, but think it over.

I can't see for the life of me--I haven't talked to John since you fellows talked to him. Of course, John is up there alone, and he may not be feeling well, but what should he resign for? I don't think he can understand the facts.

MR. O'CONNELL: As I told you, I talked to him, and he feels very strongly.

H.M.JR: Somebody who is a friend of his ought to talk to him. He is spotlighting himself. Naturally he was turned yesterday on this thing. I can't help it; we are at war, and I don't think we can use kid gloves around here.

MR. O'CONNELL: Of course, John doesn't think the move ought to be made. He would still like a further opportunity to argue the case before you put it through.

H.M.JR: I have asked everybody in the room.

MR. GASTON: I haven't talked to him since we had this meeting this morning, but I should imagine he would feel like that. He felt that way yesterday when the thing was raised.

H.M.JR: I think it is up to John to call Mr.Gaston.

MR. GASTON: He did call me and told me he would like me to drop in and see him when I come home tonight, which I said I would do. I have had no further discussion.

H.M.JR: Will you tell him this, if he is well enough, if he would like to see me, if he will stop by my house at eight-thirty tomorrow morning he can talk to me as we go down, but would he let me know at eight o'clock tomorrow morning whether he is going to come by.

MR. GASTON: Yes.

H.M.JR: You came a little at the end. What is your opinion?

MR. LYNCH: With respect to which, Mr. Secretary? Oh, oh, my reaction is purely a personal one. It is aside from all considerations of personality, which I don't purport to be able to weigh. They might be very weighty, but I thought from the outset when I discussed it with Mr. McConnell, that the chances of ill repute, I will say, that may come to anyone on account of this job - and they cannot be avoided - would be unfortunate if they weigh upon such an important Department as the Treasury, having all its important functions, and where a matter of notoriety, all sorts of transactions as to the sale of unimportant amounts of surplus property may bring ill repute to the Treasury Department and hurt its many other more important functions. I have felt that, from the very beginning on this.

I have felt that perhaps everyone has to assume tasks at times, and do the job that is necessary to be done, but I don't think that with the RFC available to do the job, and willing to take it, I feel that in the interest of over-all broad discharge of Government functions, the much more important functions of the Treasury can be considered to be judged upon their own weight and performance rather than the Treasury Department being called before Committees of Congress, as they likely may, perhaps two or three times a week, and perhaps with fifteen different Committees of Congress looking into surplus property disposal and being activated by every element in their home towns from all over the country and resounding to all those things, so that the Treasury Department becomes in the public mind the Department that has to do with the disposal of surplus property rather than its other more grave and important duties.

All in sum of what I am trying to say is that, considered dispassionately, I would feel, myself, a great deal of relief if the Treasury Department, without shirking a duty, could rid itself of this problem of disposal of surplus property.

H.M.JR: Do you mind if I cross-examine you?

MR. LYNCH: Yes, sir.

H.M.JR: Can I take the witness? What is the answer to what you are saying - why didn't I do this in December? I mean, how do I explain that I am doing it in March instead of December? What is the explanation for my disposal? I am asking you to assist.

MR. LYNCH: Well, I will give an answer there that may not do credit to me. Being opportunistic about it, my answer would be that now it is time to consider the centralization of these functions, that at the beginning the machinery available was, of course, used; a Surplus Property Administrator was appointed whose task was to

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survey and consider the whole problem and report upon policies and report upon administration, and he has had some time now to consider it together with the people affected, and has come to the conclusion that the development of those unified policies and the carrying out of the policies with some degree of consistency and uniformity could better be achieved by having it in one agency. That may be to a certain degree gloss, but that is the way I would - I think it is correct, but it may be looked upon as gloss.

H.M.JR: It sounds good, anyway.

MR. GASTON: That is a pleasing word.

H.M.JR: Well, I have thought about it all day long, actively and subconsciously and every other way. I just don't see why I have got to, because I start down a row, that I have just got to go down that row, come hell or high water. Just because the Fifth Army is doing that at Cassino, unsuccessfully, is no reason I have got to do exactly the same thing, and certainly the U.S. Army isn't gaining bouquets for its reputation or giving any confidence to the American public in the demonstration they are doing in Italy. It would be much better to pull out and say, "O.K., you can have Italy."

We made a little commando raid and it didn't look so good. I have changed since yesterday. I first was going to hand the thing over lock, stock, and barrel. Now I think we will say to these fellows, "Now you can have it, and leave a little Procurement organization for us." If they want to rent our facilities, we could let them. I don't know whether we need all those warehouses or not. But that would be something. We are still doing some procuring, aren't we?

MR. O'CONNELL: We are doing a great deal more procurement than we ever did before. But I guess ninety percent of all our procurement is Lend-Lease; we are doing close to a couple of billion dollars a year.

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H.M.JR: Do you suppose you could get a memorandum for me tomorrow morning - what we are doing in procuring, say, for January and February?

MR. O'CONNELL: I could get it on the telephone.

The problem here is not the change of direction, but the reasons for the change of direction. It would not be good if the reason that we either gave or were supposed to have had was that we had a lousy organization in the Procurement Division.

H.M.JR: I wonder if they divide surplus property into military and non-military. I wonder if it is all for the Government. I wonder if they could divide the thing statistically as to what is disposal and what is buying.

MRS. KLOTZ: I think they have it divided.

MR. O'CONNELL: It is certainly kept separate. They are entirely separate operations.

MRS. KLOTZ: Definitely.

MR. O'CONNELL: We procure specifically for Lend-Lease and other Government agencies.

(The Secretary holds a telephone conversation with Mr. Tickton, as follows:)

March 28, 1944
4:48 p.m.

HMJr: Hello.

Operator: Did you want Mr. Tickton on the phone?

HMJr: Yes.

Operator: Here he is.

HMJr: Hello.

Operator: Go ahead.

HMJr: Hello.

Sidney G. Tickton: Yes, sir.

HMJr: Have I got Clifford Mack, too?

T: This is Tickton here.

HMJr: Well, look, Tickton, I'll tell you what I want and I want it on my desk at a quarter of nine tomorrow morning.

T: Yes, sir.

HMJr: Beginning with the first of July, by months, up to, I suppose, and through the first of February, I'd like to know what Procurement does in the way of buying. Let's say that they bought -- have two columns, see? That in July they bought \$50 million and then on the disposal side, they sold so much. You see?

T: This is, now, all surplus property?

HMJr: All surplus property.

T: Bought and sold? All right.

HMJr: No, wait a minute. Wait a minute.

T: Yes.

HMJr: No, wait a minute. No, wait a minute. As I understand, they've got two divisions over there. You'll have to find out. One is what they buy.

T: Yes.

HMJr: For lend-lease and for anybody else.

T: Oh, I see. Yeah.

HMJr: I want to know how much they buy. Then I want to know in the next column during the month how much did they sell?

T: Well, of course, those things will not be exact or comparable because the sales based on this surplus property is going to be very small figures compared with their purchases for lend-lease.

HMJr: Well, I -- I....

T: That's all right.

HMJr: Well, let me do it once more.

T: Yeah.

HMJr: I understand there are two groups over there. One does the buying.

T: Yep.

HMJr: All -- whatever buying they do.

T: Yep.

HMJr: I want that figure for July.

T: All right.

HMJr: Then I want --hello?

T: Yep.

HMJr: For July I want to know how much they sold....

T: All right.

HMJr:altogether.

T: Okay.

HMJr: And you -- and attach to that -- find out whether they are operated as separate groups.

T: All right.

HMJr: See what I mean?

T: Yep.

HMJr: Do you get it?

T: Yes, sir.

HMJr: In other words, in July they bought so much....

T: And they sold so much.

HMJr: And they sold so much.

T: Okay.

HMJr: And if they have that up to the most -- well, if they have it up through the first of February.

T: I'll have it up through -- well, I'll get it up to February.

HMJr: Yeah. And attach a little memo: Are they handled by separate groups?

T: By separate groups.

HMJr: Or not?

T: Okay.

HMJr: At a quarter of nine on my desk.

T: I will have it there myself.

HMJr: Say, and....

T: Yes, sir.

HMJr: You can be here and give me a little explanation.

T: All right, sir. I'll be there.

HMJr: Thank you.

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H.M.JR: He will get it.

If they did seventy million in seven months, that is ten million a month.

Well, I feel better, now. I understand this thing a little bit better. I don't know yet where Mr. Gaston stands, whether he still thinks that we should go on as is, or not.

MR. GASTON: That would depend on how good our organization is to go ahead. I don't know how good it is. I haven't heard anything about it. I think we ought to hesitate quite a bit before throwing up a job of this kind after soliciting it.

Certainly I don't think we ought to throw it up on the ground that we are likely to get criticism out of it, because anybody is bound to get criticism. The question is whether it can be better handled by somebody else than it can be by us. Of course, that means how good an organization have we, and how good an organization can we get.

H.M.JR: Well, I got his chart and he has set up a little committee of which he has made this fellow Loeb, Chairman, and this other man he has brought in, he has put him on. As far as I know, I don't think John Loeb has ever had any experience of this kind.

MR. GASTON: Merchandising experience?

H.M.JR: None that I know of. He is in the banking business with his father. I don't think he has ever done any merchandising. He is making him Chairman of this committee. The other man he has put on, he said he was his forwarding man.

MR. O'CONNELL: Widmann?

H.M.JR: No, merchandising.

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MR. GASTON: I would say this, that if you feel we are not going to be able to handle this the way it should be, with the organization we have got or are likely to be able to get, then we should back out of it.

H.M.JR: I will make a statement to you which I have made to you before, and I will back it up, that from the information I have on hand as we stand today, the people that he has put in charge positively can't handle it, and it means that I have got to stop doing half of my work, or more, and just pitch into this thing and devote myself to this thing until it is licked, which may be the rest of the year, as it grows. I have just got to pitch in and devote myself to this thing the way I did last summer, with your help, to reorganize War Bonds. You know what I went through. This is just as hard a job as that - just as hard. There is no uplift to it. I mean, there is a certain satisfaction to War Bonds and there is none, as far as I can see, here.

MR. GASTON: There certainly isn't much but grief going to come out of it, whoever handles it.

H.M.JR: It is just a question - you know my limitations, physically, and what I can do and what I can't do.

Now, here is Harry White in the room here, wants to have thirty-two or thirty-six Ministers of Finance come here in May to put across this World Bank - World Stabilization Currency - which is very important, and which is my responsibility. I have got the Fifth War Loan coming in June, and all the other administrative jobs that I have.

Now, I haven't given Harry the time he deserves. Today I took just one hour. They came in here - Harry thought I was prepared - just to tell me the kind of problems I am faced with during the day.

At three o'clock there was State Department, Navy. What division should we make - as it gets down

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between United Kingdom and ourselves - of materials to to to Italy and Europe when it is conquered, and what we do in Third Countries.

When I pressed them hard, the first time I ever got any figures, it turns out that in Italy England, that is, spent two million dollars and we have spent twenty-one. They call that fifty-fifty.

MR. GASTON: Is that civilian relief?

H.M.JR: Yes, and they call that fifty-fifty. The first time I ever got it out. They said it is much better now. Two million by the English and twenty-one by U.S. Those things need my attention. And I threw a gaff into these three army officers. I said all the regular army officers I have talked to about trying to save money, they are interested in their retirement pay and what taxes they are going to have to pay. I think it is part of my job to see that the post-war taxes are within reason, and that is why I think I should be tough on something like this.

But the State Department - oh, that is all right. But those are the kinds of things I think I should devote myself to. That goes on all day long. And this thing, Herbert, take it from me, I have got to pitch in and devote myself at least half of my time to this thing if we are going to keep it.

With my previous experience, I think I can attract people who can do it. But I have got to pick them, work with them, and all of that stuff. I won't attempt to do it, but I have to attract people who will.

MR. GASTON: Well, it looks like we skated by some red flags, doesn't it?

H.M.JR: And it is no reflection of John to try it. He can go over and talk with Donald Nelson who is trying to hold the men who has got, talk with anybody who is

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trying to get men. He said he was going to try at the end of this week to get people in. Well, I think he has been too slow. He says he couldn't go any faster. That is an honest difference of opinion, but the fact remains, he has nobody that he has brought in--

MR. McCONNELL: It is not easy, Mr. Secretary.

H.M.JR: But John says he was only going to begin to interview people the end of this week, so he hasn't tried and failed. He felt he wasn't ready.

Now, maybe the way I acted yesterday, John took it on himself, but when I tried to get Clif Mack to tell me, John cut him short and wouldn't let him talk. He wouldn't let Mack answer for himself.

MR. GASTON: Well, that was perhaps because John has been taking this planning for the surplus disposal in his own hands and hasn't been relying on Mack for it.

H.M.JR: Unfortunately, John hasn't told anybody at this end of the Avenue, this end of the Treasury, about what he has been doing, so nobody knows whether it is good or bad.

I am taking the stuff home to study tonight. John hasn't consulted anybody or talked to anybody, so nobody can come and say, "Well, he has got a wonderful plan."

But I think you put it very well. I think there are some red flags ahead, and I don't see why it isn't the better part of valor to skate around them. Now, if it was something to help win the war, or shorten the war, I would go right down no matter how thin the ice, as I expect to when I see the President tomorrow or next day. I am taking up something that is none of my business as Secretary of the Treasury, but I think it will help shorten the war, and I am going to bring it to his attention.

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out this won't help win the war or shorten the war. I don't think it is worth taking any risk. Those are my two yardsticks. And John thinks it is very important in the post-war. Granted, but it is not as important in the Treasury as Harry White's World Bank and World Stabilization Currency. Which one am I going to devote myself to?

MR. GASTON: This is a much more temporary thing.

H.M.JR: I think John is being very foolish. He was going to resign to run for Senator in June. He had better hold off his resignation until June. You know that. I am not telling any secrets.

MR. GASTON: Yes. I don't know whether he has had a definite decision. I think he was going to wait and see.

H.M.JR: For his own sake he had better go from Assistant Secretary of the Treasury as a candidate than to go and have everybody say, "Why did you get out?" Gradually it will come out that this and that was wrong. He brings all the cards down on his head. If he just goes along and doesn't say anything, this thing may never be brought up. My letter to the President may never become public. George may never say anything on the Floor, and he is all right. I don't see what is in it for John.

MR. O'CONNELL: Too bad the timing isn't a little different. It could be made to appear that when John left to run for the Senate, that since he was leaving we thought--

H.M.JR: If he is going to resign, he had better resign to run for Senator, but not because I say Procurement is no good and John Sullivan is responsible. I am not saying any such thing. What is the word I used? I am just glossing it over.

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MR. McCONNELL: Well, your decision is, as far as everybody else is concerned, that it should be centralized and as soon as you arrived at that decision you stated it.

MR. GASTON: Further than that, that it doesn't belong in the Treasury.

MR. O'CONNELL: Of course, that was true in December.

H.M.JR: Then when we begin to say it was true in December, and I have to go in and say they had from December to the first of April to get the house in order and they didn't - I don't want to say that. I think the easiest thing to say is the fact that George is introducing a bill throws a new light on the whole picture.

MR. McCONNELL: Does this help Patman go along with George's bill?

MR. LYNCH: I would think so, although it would be unfortunate if Patman picked that out as the principal reason. I don't think he will.

H.M.JR: I will guarantee that he won't. He loved what we did for him last week. He loved putting it over Congressman Smith - got a great kick out of it. Don't worry about Patman. And I don't worry about George. I am worrying about John for his own sake. There is nothing in it for him to act this way.

You (Gaston) are going to drop off and see him?

MR. GASTON: Yes.

H.M.JR: Tell John for me, the last thing in the world I want to do is to hurt him personally, that this thing never was in my mind. You could have knocked me over with a feather; and that the thing for him to do is to take the attitude we are taking here.

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MR. GASTON: Well, you discussed yesterday when he was present, you raised the question of whether we wanted to keep this surplus disposal, didn't you?

MRS. KLOTZ: Yes, that is right.

MR. O'CONNELL: It certainly was discussed.

H.M.JR: I asked those people to leave the room and then we discussed it after they left?

MR. GASTON: That is right.

H.M.JR: Didn't I raise that question?

MR. O'CONNELL: But at that point, you see, John and the others were not here.

MRS. KLOTZ: I think it was before Clif Mack came in.

H.M.JR: Did I raise the question?

MR. GASTON: Yes, but my memory is pretty clear that you did raise it while he was here.

H.M.JR: O.K.

Dan Bell.

March 26, 1944

Secretary Morgenthau.

My son, Lieutenant Henry Morgenthau III, informs me that his men in his troop can deposit the money with the United States Treasury and get 4%; that a private can deposit an unlimited amount, but an officer cannot. Just what is this all about? Henry is recommending that his men invest their money with the Government at 4% rather than buy War Bonds. I told him he's a fine son of the Secretary of the Treasury and he said he was looking after the interests of his men. I'm sure you must know what it is. Please discuss it with me.

Bell has talked to Wags

TREASURY DEPARTMENT

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INTER OFFICE COMMUNICATION

DATE

March 28, 1944

TO Secretary Morgenthau

FROM Fred Smith *RS*

A little bird told me that you looked at the overseas exhibit and were not overwhelmed. I neglected to tell you that it needs a narrator.

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MAR 28 1944

OFFICIALS

My dear Mayor LaGuardia:

I have your letter of March 20, 1944, in which you refer to the failure of various ticket brokers selling tickets of admission to theatres or other places of amusement to comply with the provisions of section 1702 of the Internal Revenue Code which require that the name of the vendor and the price for which sold be shown on that part of the ticket to be taken up by the management of the place.

A special squad of field officers of the Bureau of Internal Revenue is engaged almost exclusively in the investigation of ticket agencies in New York City. These officers have been diligent in their efforts toward the apprehension of persons selling tickets of admission outside the box offices of the theatres or other places of amusement in which the name of the vendor and the price for which sold by them are not printed, stamped or written in accordance with the requirements of the statute. Since this special squad has been assigned to this work, there have been approximately seventy-five cases in which the taxpayers have been brought to trial and convictions have been obtained. It is felt that the efforts on the part of these field officers have resulted in a marked decrease in violations of the law although it is realized it is virtually an impossibility to police the entire field with the limited personnel available.

The group of field officers engaged in these investigations will be advised of your interest in the matter and will be requested to redouble their efforts with the view insofar as is possible of insuring compliance with the law and cooperation with the authorities of the City of New York.

Very truly yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Honorable Franklin D. LaGuardia
Mayor of New York
New York, New York

Very respectfully

Official



CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK 7, N. Y.

March 20, 1944. 12

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

Dear Henry:

I need not remind you that the City of New York and the Department of the Treasury during our time have worked very well together in the enforcement of the law and in protecting the United States Treasury. I would like to get your cooperation in the enforcement of Section 1702 of the Internal Revenue Code, which requires the name of the theatre ticket broker and the price charged for the ticket to be written on the back of the ticket. This will prevent a great deal of chiseling going on in the sale of theatre tickets. I need not tell you that everything is blamed on the Federal Administration and on the City.

The United States Attorney is on the job and will take care of all cases. Sometimes some of the older employees in the Department are a little schwach. Can you issue orders direct so that the provisions of Section 1702 will be rigidly enforced? Then, along with our State and local laws, we will be able to protect the consumer and put an end to the chiseling of the public and the Treasury.

Frankly, you will have to make your directive good and strong and very plain.

Very truly yours,


Mayor.

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TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE: March 28, 1944.

TO Secretary Morgenthau

FROM Mr. Thompson

THOMAS J. LYNCH, ASSISTANT GENERAL COUNSEL AT \$9,000 PER ANNUM

Mr. Lynch is 45 years of age. He graduated from the University of Michigan and practiced law in Toledo, Ohio, from 1925 to 1934 with the firm of Marshall, Melhorn, Morlar, and Martin. He came to Washington in 1934 as an attorney in the Securities and Exchange Commission at \$5,600 per annum. He remained with the Commission until 1939, at which time his salary was \$7,800. He then transferred to the Department of Justice as a Special Assistant to the Attorney General where he remained until 1942. He then transferred to the War Production Board as Assistant General Counsel at \$8,000 per annum. He transferred to the Treasury in April, 1943, as an Assistant General Counsel at \$9,000 per annum, which is his present position and salary.

At the time of his transfer Mr. O'Connell, Assistant General Counsel, stated that he had known Mr. Lynch since 1934 and that he is a man of great ability as a lawyer, that his reputation is of the best, and that he is a man of excellent character.

The character investigation report was favorable and wound up with the following statement: "This investigation has revealed that Mr. Lynch is a capable attorney, his character and reputation are good, apparently he has never displayed any un-American tendencies, and he merits the confidence of this Government."

3/28/44

The Secretary

Decided not to get in on this fight
Sp. 100

Admiral Wessche would if possible like to see you sometime today (or tomorrow if you can't see him today) about legislation transferring the Bureau of Navigation and Marine Inspection permanently to Coast Guard and Customs. Although Navy, Commerce and Treasury have approved and Budget has endorsed it, Admiral Land is bucking. Admiral Leahy has spoken to President (or will speak to him) but thinks it is properly Treasury's responsibility. We cooperated in drafting the bill, which has been introduced in both houses. The problem is to call Land off.

W.H.

FROM: MR. GASTON

MAR 28 1944

Dear Leo:

I have your letter of March 24, 1944, referring to your resignation as Alien Property Custodian and expressing the hope that your successor in office, Mr. James E. Markham, will also be the successor to the same pleasant relationship which has existed between you and the Treasury Department.

I am sure that under Mr. Markham things will continue to run smoothly.

Sincerely yours,

(Signed) H. Morganthau, Jr.

Secretary of the Treasury

Hon. Leo T. Crowley
Alien Property Custodian
Washington, D. C.

JJO'C.Jr/lsw
3-23-44



OFFICE OF
ALIEN PROPERTY CUSTODIAN
WASHINGTON

March 24, 1944

My dear Mr. Secretary:

For sometime the President has agreed to relieve me of my duties as Alien Property Custodian, and yesterday he agreed to appoint as my successor James E. Markham, who has been my deputy and who has also been associated with me in Federal Deposit Insurance Corporation for the past ten years. I am sure that the same pleasant relationship which has existed between your Department and ours will continue under Mr. Markham. In this connection I should like to express my appreciation of the fine attitude which you showed yesterday afternoon.

With kindest regards, I am

Sincerely yours,

Leo T. Crowley
Leo T. Crowley,
Alien Property Custodian.

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

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

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Date March 28, 1944

TO: Secretary Morgenthau
FROM: Mr. White
Subject: Exports to Russia

1. In January, 1944, United States exports to Russia totalled approximately \$285 million as compared with about \$345 million in December, 1943.

2. Among the principal non-military items were:

- Motor trucks (all sizes) (\$23 million)
- Wool cloth and dress goods (\$10 million)
- Canned sausage (\$7 million)
- Canned pork (\$6 million)
- Steam locomotives (\$5 million)
- Sugar (\$4 million)
- Lard (\$4 million)

3. Among the munitions sent were:

- 94 P-39 pursuit fighters
- 57 P-40 pursuit fighters
- 274 light and medium tanks
- 28 90 mm. anti-aircraft guns
- 472 40 mm. anti-aircraft guns
- 57 3 in. 50 cal. and 5 in. 38 cal. naval anti-aircraft guns
- 2,169 scout cars
- 884 motorcycles
- 1,039 Universal ordnance carriers
- 700 45 cal. Thompson sub-machine guns
- 4 submarine chasers

4. Shipments to Eastern Russia, presumably on Russian boats via Vladivostok or some other Siberian port, accounted for about \$77 million of the total of approximately \$285 million exported during the month under review.

SYNOPSIS OF INVESTIGATION for AMERICAN PALESTINE TRUST, INC.

THE ECONOMIC POTENTIALITIES OF PALESTINE

This is to be an objective study of the economic potentialities of Palestine. It will include a brief review of the recent progress of the Palestinian economy and a somewhat more extended analysis of its present status. The core of the investigation will be contained, however, not in the review of the recent past or even of the present but in an examination of prospects for the next decade, potentialities of growth, and methods of implementing those potentialities.

The following is the central question to be examined by this study: Is Palestine by nature a country in which economic development cannot proceed substantially beyond the point now attained, or is the country capable of supporting a substantially larger population than its present one, at a standard of living which would attract such a population — having regard to the probable pressures upon Jews to seek new home? No answer is given to this question in advance of the exploitation contemplated; the answer is to emerge from the study itself.

While the authors reject the idea of a comprehensive blueprint of the distant future, particular blueprints of specially promising developments will be their vital concern. To that end, it is intended particularly to explore the possibilities of water and power development in Palestine and the related problems of reclamation and agricultural expansion. It is planned also to investigate the opportunities for expansion in chemicals, textiles, industrial equipment and other industries where skills and capital seem likely to find reward. Special attention will be given throughout to capital requirements, possible sources of capital, and general investment policy. The dependence of Palestinian development on world economic and political policies will be stressed.

The economic investigation that will be conducted for this project will be designed to be exploratory and suggestive of intelligent development policy and development organization. It will not constitute an authoritarian plan for the next decade. It will lack the detail of an operating, engineering blueprint. And, rather than pretending to a specious firmness, it will emphasize the world political and economic uncertainties which necessitate the careful consideration of alternatives in planning for the future of Palestine.

These purposes and general approaches indicate the type of work that will be attempted. It is designed to be scholarly, exploratory and suggestive, rather than popular, dogmatic or argumentative. At the same time, it is intended to give a great deal of care to the task of exposition. The work should be attractively written and equipped with visual aids to ready understanding in the form of maps, charts and photographs. The final report should be an eminently readable work of not over 200 pages, which it is hoped will stand the test of the most critical scrutiny. Detailed special reports of the general study will be presented in a series of appendices.

- 2 -

It is hoped that -- apart from the permanent staff that will be responsible for preparing the report -- it will be possible to enlist the cooperation of a number of individuals and organizations who may be in a position to contribute analyses of particular topics and valuable suggestions. Among the individuals who can be particularly helpful there are no doubt included business men, engineers, scientists in a wide variety of fields, specialists in Palestinian studies, and persons with a considerable number of other vocations and personal aptitudes.

A somewhat more concrete indication of the area which it is intended to survey is contained in the one page outline on the next page and in the more detailed outline which follows. It must be emphasized that these outlines are extremely tentative. Suggestions for improving them will be welcomed. We are at the beginning of our investigation; it is therefore quite possible that the study that will finally emerge will be linked to these preliminary outlines only by a common general purpose and a few general ideas.

- 3 -

THE ECONOMIC POTENTIALITIES OF PALESTINE

I. THREE MILLIONIA OF LAND AND LABOR

II. PALESTINE TODAY

Chapter 1	The land
Chapter 2	Population
Chapter 3	National Income
Chapter 4	Agriculture
Chapter 5	Industry
Chapter 6	Trade and Services
Chapter 7	International Economic Relations
Chapter 8	Public Finance and Economic Policy

III. CREATIVE POSSIBILITIES OF THE NEXT DECADE

Chapter 1	Population Growth and Economic Opportunity
Chapter 2	Water and Power
Chapter 3	Agricultural Development
Chapter 4	Industrial Expansion
Chapter 5	International Communications
Chapter 6	Public Finance and Development Policy
Chapter 7	General Perspectives

IV. IMPLEMENTATION OF ECONOMIC POLICY

Chapter 1	The Jewish Agency and the Development Funds
Chapter 2	Government and Democratic Planning
Chapter 3	A Palestinian Development Bank?

APPENDICES

These four sections are by no means of equal importance. An approximate idea of the relative importance assigned to them may be conveyed by their estimated length. Section I should be about 15 pages, section II about 75 pages, section III about 150 pages, and section IV about 10 pages. The appendices will be as long and as varied as the special interests that emerge during the course of the investigation.

THE ECONOMIC POTENTIALITIES OF PALESTINE

I. THREE MILLENIA OF LAND AND LABOR

This introductory section of perhaps 15 pages is designed to suggest the greatly varying patterns of adaptation of man to the land in Palestine over three millenia. It is intended to illustrate the basic theme that the ability of a land to support a population and a civilization is not given uniquely for all time, that the very face of the land may be modified by man, and that the ability of a land to support a population is a function -- within wide limits -- of (a) pressures to leave other areas, (b) skills and techniques, (c) capital and (d) success in developing fruitful interchange with other centers of civilization. It is hoped that a distinguished scholar in this field, such as Professor Arnold J. Toynbee, may be enlisted to write this chapter.

- A. The Desert and the Sown
- B. Board of Conquerors
- C. Hellenistic Civilization
- D. Roman and Byzantine Rule
- E. Five Centuries of Arab Culture
- F. The Feudal Kingdom of Jerusalem
- G. From the Tartars to the Dissolution of the Turkish Empire
- H. Modern Colonization

II. PALESTINE TODAY

The essential contribution of the report will not lie in this section any more than in section I. It is, in the first instance, a work of critical assembly and presentation of data that needs to be accomplished in this section, rather than one of research in a more creative sense. Yet this work of assembly and presentation is necessary if only because the audience for whom the report is intended can not be presumed to have these facts in their minds. It is hoped also that the analysis and interpretation of the present (and the recent past) contained in this section will serve as a point of departure for the critical estimate of future potentialities to be attempted in section III.

Chapter I. The Land (Text, maps, charts, photographs)

- A. Structure and Relief
- B. Temperature
- C. Rainfall and Water
- D. Soils and Minerals
- E. Vegetation
- F. Population Distribution and Urbanization
- G. Character of Particular Regions

Maritime Plain, Shephelah; Central Range, Hebron;
Jordan Valley, Negev; Transjordan

Chapter 2. Population (Text, tables, charts)

- A. Numbers
- B. Religious Divisions
- C. Natural Increase
- D. Immigration
- E. Age Composition, Sex, Marital Status
- F. Occupational Distribution and Skills
- G. Literacy and Education

Chapter 3. National Income (Text, tables, charts)

The degree of detail that will be possible in this chapter will depend largely on the availability of data or the ability to assemble them rapidly. These factors have not yet been explored.

- A. Money Income - Magnitude and Recent Trends
- B. Real Income - Magnitude and Recent Trends
- C. Distribution of Individual Income by Size
- D. Distribution of Income by Source
- E. Investment - Magnitude, Sources and Directions
- F. Consumption - Magnitude and Composition

Chapter 4. Agriculture (Text, Maps, tables, charts, photographs)

- A. Land Survey and the Establishment of Titles
- B. Ownership of the Land
- C. Types of Operation
- D. Land Improvement and Irrigation
- E. Principal Crops
- F. Returns from Agriculture
- G. Relation of Food Production and Consumption
- H. Influence of Arab Agricultural Activities
- I. Agricultural Research

Chapter 5. Industry (Text, Maps, tables, charts, photographs)

- A. Industrial Production and Investment, 1919 - 1939
- B. Influence of the War on Industrial Development
- C. "Heavy" Industries - Construction, Chemicals, Metals, Power, etc.
- D. "Light" Industries - Food Processing, Textiles, Leather, Apparel, etc.
- E. Ownership and Structure of Industry
- F. Labor Organizations and Trade Associations
- G. Influence on Arab Opportunities
- H. Industrial Research

Chapter 6. Trade and Services (Text, maps, tables, charts)

- A. Wholesale and Retail Trade
- B. Professional and Personal Services
- C. Roads, Railroads, Internal Waterways and Communications
- D. Financial Institutions and Resources

- 2 -

Chapter 7. International Economic Relations (Text, maps, tables, charts)

- A. The Balance of Payments 1919 - 1943
- B. Imports 1919 - 1943 - Volume, Source, Products
- C. Exports 1919 - 1943 - Volume, Destination, Products
- D. International Services and Remittances
- E. Capital Flow
- F. Ports, Shipping Lines, Air Lines

Chapter 8. Public Finance and Economic Policy (Text, tables, charts)

- A. Volume and Sources of Revenue 1919 - 1943
- B. Volume and Direction of Expenditure 1919 - 1943
- C. Public Debt 1919 - 1943 - Interest Burden; Debt Policy
- D. Public Enterprises, Fiscal Policy and the Role of Government in Development

III. CREATIVE POSSIBILITIES OF THE NEXT DECADE

The distinctive contribution of the report should lie in this section more than in any other. It calls for a balance between imagination and critical judgment in which neither is allowed to displace the other from its proper sphere.

Chapter 1. Population Growth and Economic Opportunity

The purpose of this chapter is to pose the whole problem of post-war expansion in general terms, leaving more detailed discussion for later chapters.

- A. Factors Determining Absorptive Capacity - skills, resources, capital, markets
- B. Immediate Post-War Refugee Immigration - numbers; possible UNRRA assistance; immediate needs
- C. Factors Determining the "Supply" of Immigrants in the longer Post-War Period - world economic and political conditions; political status of Palestine; economic prospects in Palestine
- D. Capital Requirements of land Settlement - experience of capital requirements; can constant returns be expected for additional outlay using the same methods? Need for a new departure in Palestinian land settlement?
- E. Industrialization Prospects - assessment of the permanent value of the war expansion; need for some independence from world fluctuations; expansion in the Middle East?
- F. Domestic and International Sources of Capital

Chapter 2. Water and Power

It is the purpose of this chapter to explore what can be done in Palestine to make available additional water and power, since these may well limit all other developments. It is intended to inquire concerning what capital will be required, what labor will be needed, and what permanent agricultural and industrial possibilities will be opened up by such development.

- A. Potential Additional Irrigation - exploration needs, probable value in population absorption; immediate steps to be taken from Springs and Wells
- B. The Jordan Valley Authority - engineering plan; costs; direct and indirect Palestinian labor required; resulting water and power available; possibilities of land reclamation; industrial use of power; permanent population potentialities.
- C. Fuel Resources of Palestine - domestic resources; possible imports; implications for direction of industrial development

Chapter 3. Agricultural Development

It is the purpose of this chapter to suggest what could be done in Palestine in the use of acquired or "created" cultivable land.

- A. Problems and Costs of Land Acquisition
- B. Capital Costs Other than Land Acquisition
- C. Intensification of Agriculture - Pattern of Output and Outlets
 - 1. Citrus Cultivation - international markets, fluctuations in demand, implied density of land settlement
 - 2. Mixed Farming - a stabilizing influence? implied density of land settlement
 - 3. Specialty Crops - demand; implied density of land settlement
 - 4. Agricultural Research -
 - 5. Types of Farming Units - individual; cooperative; collective

Chapter 4. Industrial Expansion

It is the purpose of this chapter to explore what might be done in Palestine with skill, capital, and domestic or imported materials to build up export industries to supply the needs of the Middle East and the wider world market.

A. Demand Factors

1. Domestic Demand for Industrial Products
2. Export Markets

B. Resources

1. Raw Materials - Domestic and Imported
2. Quality and Quantity of Labor Force
3. Capital Requirements

C. Illustrations of Possibilities of Particular Industries

1. Consumers Goods - food processing; textiles; leather and apparel; watches, etc.
2. Capital Goods - construction; agricultural equipment; engines; petroleum equipment; industrial machinery, precision instruments
3. Chemicals and Pharmaceuticals

D. Research in Products and Markets

Chapter 5. International Communications

It is the purpose of this chapter to explore the possibilities of Palestine as a center of communications in the Middle East.

- A. Obstacles and Possibilities in the Development of Oceanic Shipping
- B. International Rail Communication
- C. The Importance of Petroleum Pipe Lines
- D. Air Lines

Chapter 6. Public Finance and Development Policy

It is the purpose of this chapter to discuss the system of taxation, domestic borrowing and international borrowing which will be appropriate to the policy of expansion outlined in the chapters above.

- A. Revision of the Tax System
- B. Direction of Public Expenditure
- C. Policy on Domestic and International Borrowing
- D. Policies and Problems of Foreign Money Holdings
- E. Palestine and an International Development Bank

- 2 -

Chapter 7. General Perspectives

It is the purpose of this chapter to summarize and reconcile what has been discussed in this section with respect to agricultural development, industrialization, investment policy, population absorption, domestic economy and world economy.

IV. IMPLEMENTATION OF ECONOMIC POLICY

It is the purpose of this section to suggest the kind of institutions of democratic planning or policy formation which might be appropriate to carry out the development process of which the large outlines (and a few particular projects) will have been sketched in the chapters above. At this stage in the investigation, no further outline is attempted than a few possible chapter heads, which may serve to suggest the kind of topic that will be discussed.

Chapter 1.8 The Jewish Agency and the Development Funds
Chapter 2. Government and Democratic Planning
Chapter 3. A Palestinian Development Bank?

- - - - -

WEL-700

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

Algiers

Dated March 28, 1944

Sec'd 10:04 a.m.

Secretary of State,

Washington.

1018, March 28, 9 p.m.

FOR WAR REFUGEE BOARD FROM ACKERMANN.

War Refugee representative No. 5.

Prior to receipt of your cable No. 893 War Refugee Board No. 1, local representatives of OWI already had issued press release and made broadcasts. Press release sent via radio to OWI offices in Naples, Bari, Tunis, Palermo, Sardinia and forward points. Story appeared on front page of all four Algiers papers on March 26 in Stars and Stripes on March 25 and in editorial of one Algiers paper on March 27. United Nations radio at Algiers broadcast story in French, German, Italian and English on March 24 and 25. Have conferred with OWI and following is future program.

(1) Feature parts of President's message will be repeated several times this week on United Nations' radio in four languages.

(2) Radio France will be asked to cooperate.

(3) Prominent French officials have been asked for statements by OWI on a news basis and in addition will be approached indirectly with a view to eliciting some favorable comments.

(4) Further press releases will be issued.

(5) Preparation and dissemination of being discussed. Clippings being forwarded by air mail. Further material will be sent as soon as available.

WEL-700

WEL

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

March 22, 1944

AMERICAN CONSUL

JERUSALEM.

60

War Refugee Board requests you to deliver the
following message from Israel Mereminski, New York,
to Schaul Meyeroff, General Federation of Jewish
Labor, 115 Allenby Rd. Tel-Aviv:

QUOTE Please make available to American
Consulate General for transmission to me through
War Refugee Board fullest possible details
of more recent activities and any suggestions
for action from here. UNQUOTE

HULL
(CLW)

WRB:CLW:AMM

NE

SEP

327/44

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Lisbon
TO: Secretary of State, Washington
DATED: March 28, 1944
NUMBER: 932

CONFIDENTIAL

The substance of the cable sent to the War Refugee Board and Moses Leavitt of Joint Distribution Committee by Joseph Schwartz, follows:

"Because of recent developments in Hungary, International Red Cross is not able to make purchases of food for other occupied countries there. So it is proposed that, by obtaining supplies from South America and the United States, we build stocks in Switzerland for this purpose. Transportation facilities would be furnished by the International Red Cross and all goods thus brought to Switzerland would be distributed by them to places where there is most urgent need. Because of critical situation especially in labor camps, it is urged that you consider this matter fully and advise as soon as possible.

SECRET

WAR REFUGEE BOARD
Executive Office of the President
Washington

FOR RELEASE, MORNING NEWSPAPERS,
Tuesday, March 28, 1944.

RELEASE NO. 5

In a news dispatch from Stockholm, dated March 25, the Associated Press reported that Sweden had turned down an American Government request that some Swedish shipping be used to evacuate Jewish refugees from Rumanian and Black Sea ports to Palestine. The reason given for the Swedish attitude was said to be lack of available shipping. The War Refugee Board confirms that the matter has been under discussion. The fact that no arrangement for Swedish shipping has as yet proved possible does not reflect any negative attitude on the part of the Swedish Government which has continually shown a sympathetic interest in humanitarian efforts of this kind. The Swedish Minister has assured the War Refugee Board that the Swedish Government is prepared to do everything possible to aid the efforts of the Board.

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

Geneva, 27, 1944

W. P. 27

POSTAL CODE

AMLEGATION

STOCKHOLM.

527

FOR THE MINISTER.

Please refer to Department's No. 131 of January 25, in regard to the establishment of the War Refugee Board. The Acting Executive Director of the Board, John W. Pehle, has informed the Department that in conformity with the President's order of January 22, the Board proposes to appoint Mr. Iver Olsen, Treasury representative in Stockholm, as the special representative of the Board with the designation by the Department as special attache to the Legation on War Refugee matters. The President's order provides that the State Department shall appoint such special attaches on the recommendation of the Board, that they shall have diplomatic status and that their duties and responsibilities shall be defined by the Board, in consultation with the State Department.

The Treasury has indicated that it has no objection to Mr. Olsen's accepting this appointment, provided that Olsen does not feel that the new work when added to the duties already being performed by Olsen would constitute too great a burden.

IC, after discussing the matter with Mr. Olsen, the appointment needs with your approval, you would advise him that he is so designated and that he will have diplomatic status. It is assumed that there will be no objection on the part of the Swedish Government to this designation.

authorities informally if you consider it necessary or desirable to do so. You are requested to confirm by telegram Olsen's designation or to advise us promptly if there is any reason why the designation should not be effective at once.

You should advise Olsen that:

(a) He is charged with the duty and responsibility of carrying out the Board's policies and programs in Sweden;

(b) He is responsible to the Minister and should discuss his activities and problems with him regularly and fully;

(c) The Legation will provide him with the necessary communications facilities in carrying on his official duties;

(d) He shall extend all possible assistance to the Minister in carrying out the instructions contained in the Department's reference telegram;

(e) He shall work with and give all assistance to public and private agencies operating in Sweden in this field regardless of whether such organizations are American, foreign or international;

(f) He shall develop and assist in the development of programs and implementation of measures for the rescue, transportation, maintenance and relief of refugees;

(g) He shall forward to the Board recommendations and frequent reports on progress of work and difficulties encountered;

(h) In so far as the Trading with the Enemy Act is concerned, the Secretary of the Treasury has acted in the War Refugee Board and its representatives on the field full authority to cooperate with enemy activities to carry out the purposes of the Act. The Secretary of the Treasury has also telegraphed to the War Refugee Board and its representatives the same full authority to cooperate with enemy activities.

TELEGRAM SENT

March 28, 1944

9 p.m.

This telegram must be
transmitted before being
transmitted to anyone
other than a Governmental
agency. (En)

LEGATION,

STOCKHOLM.

528

FOR THE MINISTER FROM WAR REFUGEE BOARD.

Following for Rabbi Wilhelm Wolbe, 11 Olefsgatten
St., Stockholm, from Rabbi Abraham Kalmanowitz of
Vand Hahatzala Emergency Committee:

QUOTE Contact Rabbi Szmulewicz inquire
health economic status of Rabbinical group in
Shanghai. Utilize every possible way to help
them. Concerned fate Lithuanian Jewry advise
condition there. How you can help especially
Rabbis and scholars. Organize rescue Committee
will make money available. Contact American
Legation inform us through Legation. UNQUOTE

HULL
(GLW)

WRE:GLW:AMN

NOE

SWP

FROM THE MINISTER, BERN, RE:

Please deliver the following message from Andre Meyer, New York, to Jean Frederic Bloch Laine, Hotel de l'Eau, Geneva:

The War Refugee Board which consists of the Secretaries of State, Treasury and War has been created here to take all action to bring relief to and rescue victims of enemy persecution. On March 24 in a public statement, President Roosevelt urged the free peoples of Europe temporarily to open their frontiers to all victims of enemy oppression. He said: QUOTE We shall find havens of refuge for them, and we shall find the means for their maintenance and support until the tyrant is driven from their homelands and they may return. UNQUOTE

Reports have reached here that Swiss government is not admitting Jewish refugees from France except children, old people, pregnant women and those with close relatives in Switzerland. I have consulted War Refugee Board and with its consent I ask you to enlist aid of influential Swiss personalities to inquire into correctness of this report, and if it appears to be correct, for them to intercede with appropriate authorities with view of obtaining on humanitarian grounds modification of Swiss attitude. I will be grateful for whatever you can accomplish or recommend should be done from here. Please let me know of any developments in this matter. You can communicate with me on this subject through the American Legation at Bern who will take messages for transmittal to me by War Refugee Board. Regards. Andre Meyer.

March 28, 1944

5:15 p.m.

PROPOSED CABLE TO MINISTER HARRISON, BERN

Referring to previous cables exchanged concerning the issuance by Vichy of exit permits to Jewish and other children for refuge in Switzerland, you are requested to inquire immediately of appropriate Swiss authorities whether they feel that their negotiations with Vichy would be aided by approaches of governments of Eire and Portugal. If the Swiss consider that such approaches on humanitarian grounds would not embarrass their own efforts and might exercise some beneficial influence either on Berlin or on Vichy, this Government will undertake to approach the governments of Eire and Portugal accordingly.

Please cable results of inquiry.

10/10/2008 10:00 AM

[illegible]

TELETYPE UNIT

ALL

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

March 26, 1944

7 P.M.

Vaad Hahatzala Emergency Committee,
132 Nassau Street,
New York 7, New York.

AMLEGATION,

BERN,

1045

FOR THE MINISTER FROM WAR REFUGEE BOARD.

Following for Isaac Sternbuch, 3 Teufener Strasse,
St. Gallen, from the Vaad Hahatzala Emergency Committee:

QUOTE: Greatly concerned fate Lithuanian
Jews. Do everything possible to save maximum
number especially great religious leaders.
Take all available addresses from Botcko, Eis,
Erlanger and others. Consult Griffel in Turkey
about all phases rescue work send him money for
rescue if required. Expand rescue work in every
way. Give us concrete plans and money will be
no object. Advise if received answer from
Shanghai. Please send periodic reports on all
phases of rescue program. UNQUOTE

WEB:GLW:AMM
3/27/44

WE

NE

SWP

HULL
(GLW)

S/CR

March 27, 1944

147
This telegram must be
paraphrased before being
communicated to anyone
other than a Government
agency. (RM)

March 26, 1944

T. H. H.

RESTRICTED

Vaad Hahatzala Emergency Committee
132 Nassau Street,
New York 7, New York.

AMEMBASSY,

ANKARA.

271

FOR THE AMBASSADOR FROM WAR REFUGEE BOARD.

THIS IS WRB NO. 12.

Following for Jacob Griful, Hotel Continental,
Beyuglu, from the Vaad Hahatzala Emergency Committee:

QUOTE Our Vaad Hahatzala Emergency Committee
ready transmit financial aid for your rescue
work. Consult Louis Kastner other Orthodox
leaders in Turkey and organize strong Committee.
Give us constructive plan of proposed rescue
operations and we will supply necessary funds.
Contact Isaac Sternbuch and Switzerland committee
we have cabled him money and instructions. They
ready give you fullest cooperation. Contact
American Embassy receive and follow Embassy's
instructions and advise us through Embassy.
Rabbis Israel Rosenberg, El Silver Jacob
Levinson, Aron Kotler and Abraham Kalmanowitz
UNQUOTE

HULL
(GLW)

WFB:GLW:AMM
3/27/44

NK

SWP

PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington

TO: American Embassy, Ankara

DATED: March 28, 1944

NUMBER: 272

SECRET

The following is War Refugee Board's no. 8, for Hirschmann.

The information given below which the Board received, may merit investigation relative to the situation generally as well as the particular case concerned:

Attempts are being made by a father and son with name of Frankl to reach Palestine after having escaped from Slovakia to Hungary. Having received Palestine immigration certificates in Hungary, they have all transit visas required except Turkish, which they have been unable to obtain.

As you know, projects involving the rescue or locating of specific individual refugees are not undertaken by the Board, but we believe that this case may be a typical situation which can be taken up with the Government of Turkey

HULL

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, Ankara
TO: Secretary of State, Washington
DATED: March 28, 1944
NUMBER: 549

SECRET

Following is Ankara's No. 10 from the Ambassador and Hirschmann for Pehle War Refugees Board.

The Ankara representative of the International Red Cross and the representative of the Jewish agency in Istanbul inform us that the Bulgarian SS MILKA will arrive in Istanbul March 29 with 250 ~~and four~~ Jewish refugees from Cernowitz who embarked at Constanza. In order that the 250 refugees will be permitted to land in Istanbul, we have assisted in arranging for the issuance of Palestine entry certificates. This was done on the assumption that the vessel declared to be unseaworthy by the International Red Cross (see my cable of March 25, No. 527) will arrive safely. Also, we are helping to arrange for transportation through Turkey to Palestine for these refugees.

STEINHARDT

GAB-9

This telegram must be paraphrased before being communicated to anyone other than a Government Agency. (SC-00)

Ankara

Dated March 28, 1944

Rec'd 4:29 p.m., 29th

Secretary of State

Washington

550, March 28, 3 p.m.

FOR THE WAR REFUGEE BOARD FROM THE AMBASSADOR AND
HIRSCHMANN

Department's 256, March 25; Ankara's 11.

We very much appreciate the Board's commendation and hope there will be no delay in Hirschmann's priority by air as it is important he give the Board a personal account as soon as possible of the situation as it exists here with relation to the Board's work.

STEINHARDT

JT

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, Ankara
TO: Secretary of State, Washington
DATED: March 28, 1944
NUMBER: 554

SECRET

Following is Ankara's 12 for WRB from Hirschmann.

You are informed that the proposals discussed in the Department's cable of March 17, no. 214, received today concerning ships are dealt with fully in our previous telegrams referring especially to my messages of March 15, as 455 and 458.

It is assumed that the Board is looking for means so that it can take advantage of the offer of the Turk Minister for Foreign Affairs to the effect that if the Turk Red Crescent is donated a vessel by the American Government, its operation will be permitted by the Government of Turkey under the Turk flag for the purpose of evacuating refugees from Balkan ports for the duration of the war, thereafter the vessel to remain the property of the Turk Red Crescent.

STILLBANK

42 - 20

PLAIN

ANKARA

Dated March 28, 1944

Rec'd 5:05 p.m., 29th

Secretary of State

Washington

PRESS 556, twenty-eighth

Remarking that establishment of German military and political control in Hungary and adoption of similar measures in Balkans have aroused great anxiety in both England and America, since all elements (including hundreds of thousands of Jews) who would facilitate Germany's internal collapse and capture of European fortress from within had taken refuge in Hungary and other Central European and Balkan countries Togac writes in TASVIRI EFKAR of twenty-sixth that it is for foregoing reason that President Roosevelt in his recent address invited nations of world to open their gates to Jews and other refugees and give them all possible assistance.

STRINFRAD

WNC

PARAPHRASE OF TELEGRAM RECEIVED

FROM: The American Ambassador, Moscow
TO: The Secretary of State, Washington
DATE: March 28, 1944
NUMBER: 1083

SECRET

Last night I spoke to Vyshinski regarding the President's statement of March 24 concerning the persecution of civilians and requested the cooperation of the Russian Government in the psychological program to which Department's number 699 dated March 24 referred. With reference to the above mentioned statement of the President, Mr. Vyshinski was familiar with it and stated that the views of the Russian Government were well known and that they were giving sympathetic consideration to the general subject which had been previously presented to him by me as I have already reported.

This message is being repeated to Ankara, Turkey.

HARRIMAN

DCR:MPL
3/31/44

AIRGRAM

FROM Undersecretary

Dated March 28, 1944

Rec'd April 3, 4p.m.

Secretary of State,

Washington,

A-183, March 28, 12 noon.

In compliance with the Department's circular airgram of February 29, 7:30 p.m., 1944, relative to possible measures for the rescue and relief of the refugees of Europe, Mr. Sparks explored with the Under Secretary for Foreign Affairs the possibility of the issuance by the Uruguayan Government of a declaration of policy similar to that made by President Roosevelt, and the issuance by the Foreign Office of instructions to its representatives in other countries comparable to those contained in the Department's airgram of January 26.

The Under Secretary stated that he believed a declaration of policy might be issued. In this connection he referred to the instructions to the Uruguayan Delegate to the First Inter-American Demographic Congress held in Mexico in October of last year. These instructions, which were published in the "Boletín del Ministerio de Relaciones Exteriores (Segunda Epoca) Tomo XVI, Numero V, Noviembre de 1943", are in effect a declaration of the policy of Uruguay with respect to immigration. While they do not cover the particular question of the speedy rescue and relief of refugees of Europe, it will be noted that the Delegate was instructed that he should oppose, on the grounds of the constitution and national traditions, "any distinction, favorable or unfavorable, which may be attempted on the basis of racial prejudices and doctrines; reject the race theory in all its forms; not accept the classification of immigration by nationality or country of origin....."

- 2 - Montevideo - A-183

On March 23 in response to an inquiry the Under Secretary informed Mr. Sparks that an officer of the Foreign Office had been directed to prepare an appropriate statement.

DAWSON

848
EJS:rvm

CI-738

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

Chungking

Dated March 28, 1944

Rec'd 7:56 p.m.

Secretary of State,
Washington.

541, March 28, 1 p.m.

TO SECRETARY OF THE TREASURY FROM ADLER.

Current status of negotiations on Army expenditures in China.

One. Embassy and Army submitted a proposal to Minister of Finance at end of January involving in essence a rate of 100 to 1 for our expenditures in China. This the Chinese rejected and submitted a counter-proposal of 70 to 1 which we in turn rejected as "not satisfactory and not reasonable." These matters have stood except that Chinese have advanced us CN 1,000,000,000 monthly for our direct expenditures and have proceeded with work on more urgent bases.

Two. Generalissimo apparently getting restless at present situation. Accordingly after securing agreement of War Department Advisor will submit following proposal. At the beginning of each month we will

(S)

-2- 1941, March 28, 1 p.m., from Chungking

We shall decide on a sum of United States dollars to be paid to Chinese Government's account while Chinese will advance our fapi needs during the period. We will (*) set figure we advance for next three months on basis of rate between 100 and 200 probably closer to the former though no reference to exchange rate will be made in agreement. While our fapi requirements will be kept secret Chinese may publicize our United States dollar "contribution" if they think it desirable for stabilization purposes. Decisions on final benefit derived by China and United States respectively to be left to postwar negotiations. Chinese to be urged to sell gold on due currency on joint account to raise part of our fapi requirements.

Three. Embassy is strongly supporting this proposal as present most realistic basis for discussion which I endorse on following grounds.

A. Generalissimo's face is saved by absence of reference to exchange rate which would be difficult to shake without a show-down. At same time tri-monthly rolls between two "contributions" would tend to become a fixed rate of final settlement for obvious reasons.

B. Desirably would immediate show-down lead to more negotiations going apart from political viewpoint.

Thompson

- - - 1941, March 28, 1 p.m., from Chungking.

... still advancing fast and proceeding with construction of more urgent bases, which at present rate of progress will be completed April 15. (*) than head-aches without bases.

G. Chinese more likely to accede to sale of gold at external on joint account than to sale on our sold account; also more gold at external likely to be sold if on joint account as Chinese cooperation essential in sales.

GAUSS

(*) Apparent omissions

REP

CORRECTED COPY

FMR-738

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

Chungking

Dated March 28, 1944

Rec'd 7:56 p.m.

Secretary of State,
Washington.

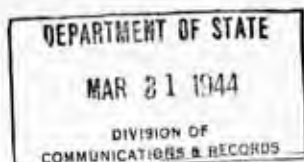
541, March 28, 1 p.m.

TO SECRETARY OF THE TREASURY FROM ADLER

Current status of negotiations on Army
expenditures in China.

One. Embassy and Army submitted a proposal to
Minister of Finance at end of January involving in
essence a rate of 100 to 1 for our expenditures in
China. This the Chinese rejected and submitted a
counter-proposal of 30 to 1 which we in turn rejected
as "not satisfactory and not reasonable." There
matters have stood except that Chinese have advanced
us CN 1,000,000,000 monthly for our direct expenditures
and have proceeded with work on more urgent bases.

Two. Generalissimo apparently getting restless
at present situation. Accordingly after securing
agreement of war Department Adcock will submit
following



-2- 1941, March 28, 1 p.m. from Chungking

following proposal. To the beginning of each three month period we shall decide on a sum of United States dollars to be paid to Chinese Government's account while Chinese will advance our fapi needs during the period. We will repeat figure we advance for next three months on basis of rate between 100 and 200 probably closer to the former though no reference to exchange rate will be made in agreement, while our fapi requirements will be kept secret Chinese may publicize our United States dollar "contribution" if they think it desirable for stabilization purposes. Decisions on final benefit derived by China and United States respectively to be left to postwar negotiations. Chinese to be urged to sell gold on due currency on joint account to raise part of our fapi requirements.

Three. Embassy is strongly supporting this proposal as present most realistic basis for discussion which I endorse on following grounds.

A. Generalissimo's face is saved by absence of reference to exchange rate which would be difficult to shake without a show-down. At same time tri-monthly ratio between two "contributions" would tend to become de facto rate of final settlement for obvious reasons.

B. Desirably avoid immediate show-down and to keep negotiations going apart from political reasons as

Chiang

-3- 1941, March 28, 1 p.m., from Chungking

Chinese still advancing fast and proceeding with construction of more urgent bases, which at present rate of progress will be completed April 15. Better to have bases and headaches after April 15 than headaches without bases.

C. Chinese more likely to accede to sale of gold at cetera on joint account than to sale on our sold account; also more gold at cetera likely to be sold if on joint account as Chinese cooperation essential in sales.

GAUSS

REP

100-381
This telegram must be
cryptographed before being
communicated to anyone
other than a Governmental
agency (ECIO)

Transmitted via R.S.
Dated March 28, 1944
Rec'd 10:25 a.m.

Secretary of State,

Washington.

546, March 28, 6 p.m.

FOR CROWLEY AND SHANNON FEA FROM FOWLER AND LUCKER.

NRC still negotiating with Ministry of Finance as to method of disposal of gold and credit in local currency to be received. They do not wish to make commitment as to quantity they can deliver until that matter settled, but believe they can supply your requirement if they receive amount in local currency they hope to.

GAUSS

WSB

sh:copy
3-29-44

ITALY

Many aircraft were down over MTDI Station. 5th.

RUSSIA

ITALY. 3 small German attacks on bridgehead repulsed.
RUSSIA. Russians have captured KEMENTS-PODOLSKI and have advanced further westwards astride upper DNIESTER. In MOLDAVIA, they have captured 2 localities about 30 miles west of MOGILEV-PODOLSKI.

BURMA. 61 of the Japanese who infiltrated northwest of BUT-HIDUNG have been killed.

3. AIR OPERATIONS

WESTERN FRONT. 26th/27th. ESSEN. 1,001 tons H.E. and 1,765 incendiary dropped including 414 4,000 lb. bombs. 1/2 slight to moderate, searchlights ineffective, not many German fighters. 3 claimed destroyed.

CENTRAL. 472 tons dropped. No cloud but much haze. Objective clearly seen, attack believed successful.

27th. 707 U.S. heavy bombers bombed airfields and aircraft repair works in Central and Southwest FRANCE dropping total of 1,647 tons with good results. Enemy casualties by supporting fighters 34, 15, ours 3 bombers, 10 fighters missing.

27th/28th. 17 tons over bombed objectives in North