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TREASURY DEPARTMENT
Washington

FOR IMMEDIATE RELEASE.
Saturday, July 11, 1942.

Press Service
No. 32-49

Secretary of the Treasury Morgenthau today announced the subscription figures and the basis of allotment for the cash offering of 2 percent Treasury Bonds of 1949-51.

Reports received from the Federal Reserve Banks show that subscriptions aggregate \$3,843,000,000. Subscriptions in amounts up to and including \$25,000, totaling about \$196,000,000, were allotted in full. Subscriptions in amounts over \$25,000 were allotted 52 percent, on a straight percentage basis, but not less than \$25,000 on any one subscription, with adjustments, where necessary, to the \$100 denomination.

Details as to subscriptions and allotments will be announced when final reports are received from the Federal Reserve Banks.

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SPYROS P. SKOURAS
PRESIDENT

444 WEST 56TH ST.
NEW YORK

Beverly Hills, Calif.
July 11, 1942

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

My dear Mr. Morgenthau:

I just received yours of the 3rd which was forwarded from New York to me here in California. (I hope some day I will be fortunate enough to have you here as my guest as I know you could relax and enjoy yourself here.)

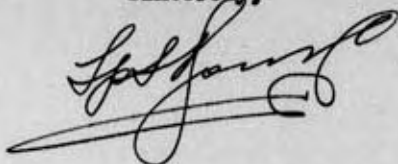
I want to assure you of my wholehearted gratitude to you for giving me this opportunity to offer my services to our great Cause. I am writing to all the Coordinators in the various cities and to those who assisted us in New York as well as Washington, acknowledging our gratitude to them for the successful conclusion of the War Heroes Tour.

I am sending a list of these names to Mr. Gamble, and I hope you will be kind enough to write them a letter, as I know it will have a salutary effect on all of them as these men were responsible in their respective cities for the success of the Tour. I will appreciate it personally if you will grant me this favor.

On my way East I am planning to stop in Washington and I will notify Ted Gamble so he can make an appointment as I want to express my appreciation to you personally.

Hoping that you will again call upon me, and
with very kindest personal regards, I am,

Sincerely,

A handwritten signature in cursive script, appearing to read "L. J. Gurnea", with a long horizontal flourish extending to the left.

July 11, 1942

MEMORANDUM

Provision of Silver to Meet the Needs of
Friendly Foreign Countries

Because of the increasing difficulty of acquiring silver in domestic and foreign markets, this Government has been approached by the governments of friendly foreign countries with the request that Treasury silver be made available to them for coinage and for other essential war uses. Such requests have come from the United Kingdom, Australia, Iran and El Salvador. Two other friendly foreign countries, Ecuador and the Dominican Republic, are also seeking silver for coinage purposes. Undoubtedly there are other countries that will come to this Government for aid in acquiring silver as the available supply of silver in the market becomes scarcer.

The provision of silver to friendly foreign countries would aid the war effort of the United Nations. Silver is used extensively in the aircraft industries, in the armament industries, and in the construction and repair of ships. Some of the silver that friendly foreign countries are seeking in the United States is to be used in war production. The United Kingdom has indicated that it will require 900,000 fine ounces a month for such direct war uses.

Even where silver is to be used for coinage, its provision out of United States Treasury stocks will facilitate the attainment of a high level of war production in the countries requiring silver. An adequate silver coinage facilitates the payment of wages and the distribution of consumer goods, and contributes to the efficiency of the economic system. For this reason an adequate silver coinage is necessary to the uninterrupted maintenance of employment and production in the war industries.

In many respects silver coinage is one of the most essential war uses to which silver can be put. There can be no doubt that if silver for coinage is not available from other sources, it will be necessary for these countries to divert silver and other metals

from essential war uses in order to provide the necessary coins. Such diversion will not only restrict the already limited supply of silver for war industries, but will necessitate the withdrawal of copper, tin, and other metals from war production to be substituted in part for silver coinage.

This strain on the limited supplies of silver and other metals necessary in war production will be felt not only in the countries requiring silver for coinage but also in the United States. Unless Treasury silver is made available to them, the United Kingdom, Australia, and other friendly foreign countries will find it necessary to meet their pressing needs for silver either by acquiring silver in the United States market, or by acquiring silver in Mexico, Canada, and in other silver-producing countries. As nearly all of the silver exported from Mexico, Canada, and other countries in the Western Hemisphere comes to the United States, any silver acquired in those countries will diminish to the same extent the supply of silver available to producers in the United States.

The supply of silver has recently become extremely tight. The Treasury has been informed by the leading silver refiners of the United States that all silver now available for delivery in this country is required for war production. In fact, so short is the supply of silver that the Treasury has not been acquiring silver from foreign sources for several months. The Treasury is now being urged and is considering the notification of outstanding contracts for the delivery of newly-minted domestic silver to the Treasury in order to make such silver available for war production. Under the circumstances, there can be no question that the purchase of market silver by friendly foreign countries, whether such purchases are made in the United States or abroad, will increase the difficulty of providing silver to war industries.

The Treasury has studied the question of providing silver to friendly foreign countries out of the Treasury's holdings of silver, and has consulted with the State Department on the desirability of this policy. The Secretary of State has informed the Secretary of the Treasury of the desirability of making arrangements to provide silver to friendly foreign countries. His letter reads in part:

"In view of the fact that it is generally known that the United States Treasury has large holdings of silver, this Department considers it desirable from the standpoint of our international relations not to find it necessary to refuse reasonable requests of friendly foreign governments for silver for coinage purposes."

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The letter concludes with the statement that the State Department will be highly gratified if some of the silver now held by the United States Treasury is made available to friendly foreign governments.

It is worth noting that in some of the countries requesting silver the need for additional silver coinage is directly related to the presence of the armed forces of the United States and of the United Nations, and the transportation of war supplies to the United Nations. A large part of the silver required by the United Kingdom and Australia for additional coinage is due to the holding and use of silver coins by United States troops stationed in these countries. In Iran, the presence of troops of the United Nations and the transportation of war supplies for the United Nations has added considerably to the need for silver coins in that country.

The amount of silver that will be needed by friendly foreign countries cannot be estimated at this time with precision. We do know that the total amount of silver the Governments of Australia, Iran, Ecuador, El Salvador, and the Dominican Republic have been attempting to acquire is ten million ounces of silver. Some of this silver has already been acquired in the silver markets. But a large part of the current needs of these countries for silver still remains unfilled. In addition, the Government of the United Kingdom has informed us that they will require 2.5 million ounces a month for coinage, and 500,000 ounces a month for other essential war purposes. Available stocks of silver will supply the coinage needs of the United Kingdom until October. Taking account of the immediate needs of the countries now seeking silver, the known needs of the United Kingdom after October, and the needs of other countries that will develop as the available supply of silver in the market is curtailed, it would appear likely that this Government may be asked to lend from 50 to 100 million ounces of silver a year during the war.

The Treasury has discussed with the Senate Special Silver Committee the possibility of lend-lease some of the Treasury's stock of silver to friendly foreign governments. It seems to the Treasury that this is a desirable method, short of legislation, of promptly adding to the supplies of needed silver. It also seems to the Treasury and is the expressed desire of some of the members of the Senate Special Silver Committee that such silver as would be lend-leased to friendly foreign governments be the subject of an agreement, separate from the over-all lend-lease agreement, which would assure the return to the United States of a number of ounces of silver equivalent to the silver lend-leased.

The precise manner in which the Lend-Lease Administration would acquire, lend, and return silver, can be studied jointly by the Treasury and the Lend-Lease Administration. One way would be for the Lend-Lease Administration to acquire silver from the Treasury by using part of its appropriation to redeem silver certificates. This would mean in effect that the Lend-Lease Administration would pay \$1.29 an ounce to the Government for the silver it acquires. A second method might be for the Lend-Lease Administration to purchase newly-mined domestic silver at a slight margin above the 71 cents an ounce which the Treasury is required by law to pay. It may be possible to devise some other means for the acquisition of silver by the Lend-Lease Administration.

The Treasury Department would like to know as soon as possible whether the Lend-Lease Administration is willing in principle to go ahead with arrangements to lend-lease silver. The Treasury Department is prepared to discuss this problem immediately with the Lend-Lease Administration.

Analysis of Exposure to Payroll Savings Plans

July 4, 1942

	Number exposed to payroll savings plans	Total number in the country (estimated)	Percent of total exposed
Part A - Summary by Number of Organizations Exposed			
I. Business organizations			
(1) Firms with 5,000 employees or more.....	477	481	99
(2) Firms with 500 to 4,999 employees.....	4,987	6,089	82
(3) Firms with 100 to 499 employees.....	<u>20,042</u>	<u>27,139</u>	<u>74</u>
(4) Subtotal - large firms.....	25,506	33,709	76
(5) Firms with less than 100 employees.....	<u>87,203</u>	*	*
(6) Total business organizations.....	112,709	*	*
II. Governmental organizations.....	*	*	*
III. Grand total.....	<u>112,709</u>	<u>*</u>	<u>*</u>

Part B - Summary by Number of Employees Exposed

I. Business organizations			
(1) Firms with 5,000 employees or more.....	7,789,558	*	*
(2) Firms with 500 to 4,999 employees.....	6,717,106	*	*
(3) Firms with 100 to 499 employees.....	<u>4,699,537</u>	*	*
(4) Subtotal - large firms.....	19,206,201	*	*
(5) Firms with less than 100 employees.....	<u>2,261,688</u>	*	*
(6) Total business organizations.....	21,467,889	30,000,000 1/	72
II. Governmental organizations			
(1) Federal Government.....	557,603	2,100,000 1/	27
(2) State and local governments.....	<u>1,155,189</u>	<u>2,700,000</u>	<u>43</u>
(3) Total governmental organizations.....	<u>1,712,792</u>	<u>4,800,000</u>	<u>36</u>
III. Grand total.....	<u>23,180,681</u>	<u>34,800,000 1/</u>	<u>67</u>

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

July 11, 1942.

1/ Excludes agricultural employees, military personnel, employees on WPA or NYA or CCC projects, proprietors, firm members, self-employed, casual workers and persons in domestic service.

* Data not available.

Firms Employing 100 to 499 Persons Participating in Payroll Savings Plans

(As reported by the Defense Savings Staff's State Administrators)

State	Number of firms with payroll savings plans			Total number of firms (estimated)	Percent of total having payroll savings plans		
	Apr. 18	June 27	July 4		Apr. 18	June 27	July 4
Alabama.....	149	229	229*	285	52	80	80
Arizona.....	43	59	59	64	67	92	92
Arkansas.....	44	50	50	142	31	35	35
Northern California.....	512	629	629	629	81	100	100
Southern California.....	756	872	877	1,178	64	74	74
Colorado.....	113	123	124	124	91	99	100
Connecticut.....	277	318	328	622	45	51	53
Delaware.....	21	50	51	87	24	57	59
District of Columbia.....	52	94	96	152	34	62	63
Florida.....	147	181	182	182	81	99	100
Georgia.....	133	281	295	590	23	48	50
Idaho.....	31	31	31*	39	79	79	79
Illinois.....	1,300	1,627	1,656	2,253	58	72	74
Indiana.....	415	589	590	593	70	99	99
Iowa.....	165	201	201*	272	61	74	74
Kansas.....	276	278	279	279	99	99	100
Kentucky.....	136	182	182	313	43	58	58
Louisiana.....	179	257	257	385	46	67	67
Maine.....	60	119	122	198	30	60	62
Maryland.....	177	235	241	405	44	58	60
Massachusetts.....	639	785	806	1,532	42	51	53
Michigan.....	689	865	870	1,030	67	84	84
Minnesota.....	376	418	423	423	89	99	100
Mississippi.....	59	63	63*	143	41	44	44
Missouri.....	472	607	622	664	71	91	94
Montana.....	40	45	45	45	89	100	100
Nebraska.....	103	112	112	123	84	91	91
Nevada.....	14	16	16	21	67	76	76
New Hampshire.....	89	109	109*	145	61	75	75
New Jersey.....	463	721	750	870	53	83	86
New Mexico.....	33	33	33*	42	79	79	79
New York.....	2,060	2,961	3,064	4,257	48	70	72
North Carolina.....	282	399	402	499	57	80	81
North Dakota.....	14	19	19*	29	48	66	66
Ohio.....	1,126	1,236	1,242	1,740	65	71	71
Oklahoma.....	166	215	217	348	48	62	62
Oregon.....	211	267	271	271	78	99	100
Pennsylvania.....	1,682	1,951	1,967	2,035	83	96	97
Rhode Island.....	154	199	216	224	69	89	96
South Carolina.....	71	130	131	174	41	75	75
South Dakota.....	21	24	24*	24	88	100	100
Tennessee.....	199	232	244	449	44	52	54
Texas.....	326	487	490	1,378	24	35	36
Utah.....	36	44	44*	111	32	40	40
Vermont.....	59	60	61	63	94	95	97
Virginia.....	281	358	360	360	78	99	100
Washington.....	234	317	317*	323	72	98	98
West Virginia.....	134	181	181	272	49	67	67
Wisconsin.....	278	390	395	680	41	57	58
Wyoming.....	17	18	18*	18	94	100	100
Alaska.....	2	2	2*	2	100	100	100
Railroads.....	49	49	49	52	94	94	94
Total.....	15,365	19,718	20,042	27,139	57	73	74

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

July 11, 1942.

* Data are for June 27, inasmuch as no July 4 report was received.

Regraded Unclassified

Firms Employing 500 Persons or More Participating in Payroll Savings Plans
(As reported by the Defense Savings Staff's State Administrators)

State	Number of firms with payroll savings plans			Total number of firms (estimated)	Percent of total having payroll savings plans		
	Apr. 18	June 27	July 4		Apr. 18	June 27	July 4
Alabama.....	41	62	62*	83	49	75	75
Arizona.....	9	10	10	13	69	77	77
Arkansas.....	16	16	16	22	73	73	73
Northern California.....	122	125	125	170	72	74	74
Southern California.....	121	131	132	140	86	94	94
Colorado.....	25	29	29	30	83	97	97
Connecticut.....	114	119	122	154	74	77	79
Delaware.....	15	18	18	22	68	82	82
District of Columbia.....	32	33	34	53	60	62	64
Florida.....	28	32	32	62	45	52	52
Georgia.....	86	106	109	112	77	95	97
Idaho.....	11	11	11*	11	100	100	100
Illinois.....	391	427	432	552	71	77	78
Indiana.....	88	126	126	164	54	77	77
Iowa.....	22	29	29*	39	56	74	74
Kansas.....	23	24	24	24	96	100	100
Kentucky.....	38	48	48	72	53	67	67
Louisiana.....	29	43	43	76	38	57	57
Maine.....	48	57	57	60	80	95	95
Maryland.....	84	93	93	110	76	85	85
Massachusetts.....	237	278	281	333	71	83	84
Michigan.....	265	279	280	303	87	92	92
Minnesota.....	79	80	80	82	96	98	98
Mississippi.....	26	31	31*	38	68	82	82
Missouri.....	103	120	121	138	75	87	88
Montana.....	3	3	3	3	100	100	100
Nebraska.....	23	24	24	31	74	77	77
Nevada.....	4	4	4	5	80	80	80
New Hampshire.....	29	32	32*	32	91	100	100
New Jersey.....	142	173	174	207	69	84	84
New Mexico.....	5	5	5*	5	100	100	100
New York.....	759	823	830	1,076	71	76	77
North Carolina.....	103	129	129	139	74	93	93
North Dakota.....	0	0	0	0	0	0	0
Ohio.....	412	427	428	496	83	86	86
Oklahoma.....	31	39	39	48	65	81	81
Oregon.....	48	54	54	54	89	100	100
Pennsylvania.....	551	580	581	625	88	93	93
Rhode Island.....	61	71	71	83	73	86	86
South Carolina.....	84	94	94	103	82	91	91
South Dakota.....	5	5	5*	5	100	100	100
Tennessee.....	50	57	59	110	45	52	54
Texas.....	63	79	79	137	46	58	58
Utah.....	8	10	10*	15	53	67	67
Vermont.....	12	12	12	12	100	100	100
Virginia.....	93	103	103	103	90	100	100
Washington.....	49	66	66*	75	65	88	88
West Virginia.....	36	65	66	70	51	93	94
Wisconsin.....	127	138	138	154	82	90	90
Wyoming.....	1	1	1*	1	100	100	100
Alaska.....	3	3	3*	3	100	100	100
Railroads.....	109	109	109	115	95	95	95
Total.....	4,864	5,433	5,464	6,570	74	83	83

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

July 11, 1942.

* Data are for June 27, inasmuch as no July 4 report was received.

Regraded Unclassified

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE JUL 11 1942

TO Secretary Morgenthau

FROM Mr. Haas

Subject: Chairman Eccles' Comments on Canadian Public Finance

In a meeting in your office last week, Chairman Eccles read a dispatch to the effect that the total borrowings of the Canadian government from its central bank and from commercial banks during the past fiscal year amounted to only \$40 millions. He said that total Canadian borrowings during this period were about \$2.5 billions. He then went on to contrast this record of almost total abstention from bank borrowing in Canada with the record of the United States.

Chairman Eccles' comments were made under a misapprehension. The Canadian record is good, but not nearly as good as indicated by his comments.

Chairman Eccles' comments were based upon a statement in the annual budget message of Mr. Ilsley, the Canadian Finance Minister, as follows:

"Thus, aside from the increase in Treasury bills, [amounting to \$40 millions] there was no new direct borrowing from the Bank of Canada or the chartered banks during the year."

The emphasis in this quotation should be placed on the word "direct", -- i.e. acquired on direct subscription -- as available data indicate that holdings of Dominion securities by these institutions increased substantially more than this during the fiscal year ended March 31, 1942. During this period, holdings of Dominion and Provincial securities by the Bank of Canada and the chartered (commercial) banks increased \$187 millions. No breakdown of this figure is available, but it is understood that holdings of Provincial

Secretary Morgenthau - 2

securities have remained fairly constant and that the entire increase can be attributed to Dominion obligations.

Net borrowings within the Dominion by the government totaled \$1,868 millions during the fiscal year.^{1/} Of this amount, the Bank of Canada and the chartered banks absorbed about 10 percent.

During the fiscal year ended June 30, 1942, the Federal Reserve Banks in this country and the commercial banks covered by the Treasury's Survey of Ownership of Government Securities showed an increase of about \$6.2 billions in their holdings of United States Government securities, direct and guaranteed, or approximately 28 percent of the increase of \$21.8 billions in the direct and guaranteed debt of the United States during the period.

^{1/} During the fiscal year ended March 31, 1942, net borrowings of the Dominion government totaled only \$1,493 millions. The figure \$1,868 millions represents the net flotations in the Dominion during the year, the difference being accounted for by the redemption of securities in New York and London.

Chairman Eccles' figure of \$2.5 billions is evidently based on the "total borrowings during the year" of \$2,424 millions cited by the Finance Minister. This figure includes refunding, however, and so cannot properly be compared with any figure on the net absorption of securities.

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Treasury Department
Division of Monetary Research

Date.....July 13.....19 42

To: Secretary Morgenthau

From: Mr. White

Original of this report appended
to prepared letter to President.

14

Treasury Department
Division of Monetary Research

Date.....19

To: Miss Chauncey

From: Mr. White

The tables for transmittal to the Secretary of State, the Coordinator of Information and Mr. Perkins differ from those being sent to the President in that certain military figures are not broken down.

July 11, 1942

Exports to Russia, Free China, Burma and other
blocked countries, as reported to the Treasury
Department during the ten-day period ending
June 30, 1942

1. Exports to Russia

Exports to Russia as reported during the ten-day period ending June 30, 1942 amounted to about \$50,000,000 as compared with about \$54,000,000 during the previous ten-day period. Among the military equipment exported during the period under review were 69 one engine pursuit and fighter planes, 11 two engine light bombers, 56 two engine medium bombers and 117 tanks. (See Appendix C.)

2. Exports to Free China and Burma

Exports to Free China as reported during the ten-day period under review amounted to \$1,664,000 as compared with \$2,707,000 during the previous ten-day period. Military equipment accounted for about \$1,106,000 of the total exported. (See Appendix D.)

Exports to Burma as reported during the period under review amounted to about \$60. (See Appendix E.)

3. Exports to France

No exports to France were reported during the period under review.

4. Exports to other blocked countries

Exports to other blocked countries are given in Appendix A. Exports to Switzerland and Portugal were most important, amounting to \$591,000 and \$165,000, respectively.

ISF/efs
7/11/42

SUMMARY OF UNITED STATES
DOMESTIC EXPORTS TO SELECTED COUNTRIES
AS REPORTED TO THE TREASURY DEPARTMENT
FROM EXPORT DECLARATIONS RECEIVED
DURING THE PERIOD INDICATED 1/

July 28, 1941 to June 30, 1942.

(In thousands of dollars)

	July 28 to June 10	Period ended June 20	Period ended June 30	Total Domestic Exports
S. S. R.	\$534,073	\$53,799	\$49,919	\$637,791
China	81,793	2,707	1,664	86,164
2/	12,435	—	5/	12,435
nce 3/	56	—	—	56
in	2,849	—	—	2,849
Switzerland	10,710	5/	591	11,301
den	17,778	—	2	17,780
Portugal	9,027	9	165	9,201
French North Africa 4/	6,283	—	5/	6,283

Treasury Department, Division of Monetary Research

July 9, 1942.

Many of the export declarations are received with a lag of several days or more. Therefore this compilation does not accurately represent the actual shipment of a particular period. The longer the period covered, the closer will these figures come to Department of Commerce revised figures.

From September 11, 1941 to date — it is presumed that a large percentage of material listed here, consigned to Burma, is destined for Free China.

Includes both Occupied and Unoccupied France — no breakdown is obtainable from Department of Commerce.

Includes Morocco, Algeria, and Tunisia.

Less than \$500.

Trl 7/9/42

SECRET

17

APPENDIX B

Exports from the U. S. to Free China, Burma and
U.S.S.R. as reported to the Treasury Department
July 28, 1941 - June 30, 1942 1/
(Thousands of Dollars)

	Exports to Free China	Exports to Burma 3/	Exports to U.S.S.R.
July 28 - Aug. 2	395		4,523
Aug. 4 - Aug. 9	-		551
Aug. 11 - Aug. 16	309		986
Aug. 18 - Aug. 23	2		2,735
Aug. 25 - Aug. 30	1		1,023
Sept. 2 - Sept. 6	204		4,280
Sept. 8 - Sept. 13	2,281 2/		5,217
Sept. 15 - Sept. 20	3,822 2/		752
Sept. 22 - Sept. 27	110	449	2,333
Sept. 29 - Oct. 4	1,225	684	323
Oct. 6 - Oct. 11	5,312	1,157	6,845
Oct. 13 - Oct. 18	5	35	1,924
Oct. 20 - Oct. 25	269	403	5,623
Oct. 27 - Nov. 1	4,772	58	4,484
Nov. 3 - Nov. 8	1,672	342	4,552
Nov. 10 - Nov. 15	2,851	88	2,677
Nov. 17 - Nov. 22	1,228	1,021	3,581
Nov. 24 - Nov. 29	3,239	1,364	2,436
Dec. 1 - Dec. 6	791	64	3,609
Dec. 8 - Dec. 13	2,337	18	12,040
Dec. 15 - Dec. 20	111	8	4,580
Dec. 22 - Dec. 27	1	196	1,829
Dec. 29 - Jan. 3	35	2	3,993
Jan. 5 - Jan. 10	91	1,073	8,247
Jan. 12 - Jan. 17	1,695	447	5,874
Jan. 19 - Jan. 24	-	-	3,885
Jan. 26 - Jan. 31	6,938	923	9,608
Feb. 1 - Feb. 10 4/	4,889	1,054	13,315
Feb. 10 - Feb. 20	4,853	583	26,174
Feb. 20 - Feb. 28 5/	2,921	-	28,119
Mar. 1 - Mar. 10	2,879	23	32,509
Mar. 10 - Mar. 20	8,058	3	28,556
Mar. 20 - Mar. 31 6/	2	2	42,435
Apr. 1 - Apr. 10	4,836	447	51,698
Apr. 11 - Apr. 20	5,335	639	66,906
Apr. 21 - Apr. 30	2,827	-	50,958
May 1 - May 10 7/	296	-	28,652
May 11 - May 20	1,872	5	18,000
May 21 - May 31 6/	2,533	-	26,180
June 1 - June 10	3,399	234	12,764
June 11 - June 20	2,707	-	53,799
June 21 - June 30	1,664	- .06	49,919
Total	\$88,767	\$11,322.06	\$638,494

APPENDIX B

Page 2

1. These figures are in part taken from copies of shipping manifests.
2. Figures for exports to Free China during these weeks include exports to Rangoon which are presumed to be destined for Free China.
3. It is presumed that a large percentage of exports to Burma are destined for Free China.
4. Beginning with February 1 figures will be given for 10-day period instead of week except where otherwise indicated.
5. 8-day period.
6. 11-day period.
7. Due to changes in reporting procedure by the Department of Commerce this report is incomplete for the period indicated.

Treasury Department, Division of Monetary Research

July 11, 1942

ISF/efs
7/11/42

SECRET

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APPENDIX C

Principal Exports from U. S. to U. S. S. R.
as reported to the Treasury Department
during the ten-day period ending
June 30, 1942

	Unit of Quantity	Quantity	Value (Thousands of dollars)
TOTAL EXPORTS			\$ 49,919
Principal Items:			
Aircraft			14,510
Pursuit and fighter (1 engine)	No.	69	
Light bombers (2 engine)	No.	11	
Medium bombers (2 engine)	No.	56	
Military tanks			9,076
Light tanks	No.	2	
Medium tanks	No.	115	
Sub-machine guns - .45 cal.	No.	21,980	4,440
Ammunition			4,228
.30 caliber	No.	15,285,500	
.32, .38, .45 caliber	No.	3,170,000	
.455, .50 caliber	No.	3,859,900	
3 inch .50 caliber	No.	1,000	
22 mm. Gerlikom	No.	157,000	
37 mm. anti-aircraft	No.	33,020	
37 mm. tank and anti-tank	No.	134,780	
75 mm. artillery	No.	33,638	
81 mm. mortar shells	No.	36,500	
Fuses	No.	13,150	
Components for small arms	-	-	
Aircraft parts and accessories	-	-	2,631
Pork and sausage, canned	Lb.	5,977,769	2,070
Motor trucks	No.	690	1,458
Sole leather	Lb.	2,600,167	1,145
Copper wire, bare and insulated	Lb.	3,607,338	924
Parts and accessories for guns	-	-	784
Steel bars	Lb.	5,777,867	707
Brass and bronze plates, sheets & bars	Lb.	2,786,736	529
Diesel marine engines	No.	27	477
Steel sheets and strips	Lb.	9,050,886	474
Trinitro toluene (T.N.T.)	Lb.	3,564,720	424
Smokeless powder	Lb.	1,495,000	386

Treasury Department, Division of Monetary Research
SF/efs 7/11/42

July 11, 1942

Regraded Unclassified

APPENDIX D

**Principal Exports from U. S. to Free China
as reported to the Treasury Department
during the ten-day period ending
June 30, 1942**

(Thousands of Dollars)

TOTAL EXPORTS**\$ 1,664****Principal Items:**

Military equipment	1,106
Other iron and steel manufactures	288
Other vegetable fiber manufactures	66
Radio transmitting and receiving sets and parts	40
Medicinal and pharmaceutical preparations	28
Telephone and telegraph apparatus and parts	23
Tires and tubes, other than auto and truck	16
Writing paper	13

Treasury Department, Division of Monetary Research

July 11, 1942

ISF/efs
7/11/42

SECRET

21

APPENDIX E

**Principal Exports from U. S. to Burma
as reported to the Treasury Department
during the ten-day period ending
June 30, 1942**

(Thousands of Dollars)

TOTAL EXPORTS

\$.056

Principal Item:

Motion picture film, exposed

.056

Treasury Department, Division of Monetary Research July 11, 1942

**ISF/efs
7/11/42**

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TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE July 11, 1942.

TO THE SECRETARY
FROM PETER ODEGARD

I thought you might be interested in the enclosed comment concerning the English Debt. It is taken from THE HISTORY OF ENGLAND From The Accession Of James II, by Thomas Babington Macaulay, Vol. IV.

Such was the origin of that debt which has since become the greatest prodigy that ever perplexed the sagacity and confounded the pride of statesmen and philosophers. At every stage in the growth of that debt the nation has set up the same cry of anguish and despair. At every stage in the growth of that debt it has been seriously asserted by wise men that bankruptcy and ruin were at hand. Yet still the debt went on growing; and still bankruptcy and ruin were as remote as ever. When the great contest with Lewis the Fourteenth was finally terminated by the Peace of Utrecht the nation owed about fifty millions; and that debt was considered, not merely by the rude multitude, not merely by foxhunting squires and coffee-house orators, but by acute and profound thinkers, as an incumbrance which would permanently cripple the body politic. Nevertheless trade flourished: wealth increased: the nation became richer and richer. Then came the war of the Austrian Succession; and the debt rose to eighty millions. Pamphleteers, historians, and orators pronounced that now, at all events, our case was desperate. Yet the signs of increasing prosperity, signs which could neither be counterfeited nor concealed, ought to have satisfied observant and reflecting men that a debt of eighty millions was less to the England which was governed by Pelham than a debt of fifty millions had been to the England which was governed by Oxford. Soon war again broke forth; and under the energetic and prodigal administration of the first William Pitt, the debt rapidly swelled to a hundred and forty millions. As soon as the first intoxication of victory was over, men of theory and men of business almost unanimously pronounced that the fatal day had now really arrived. The only statesman, indeed, active or speculative, who was too wise to share in the general delusion was Edmund Burke. David Hume, undoubtedly one of the most profound political economists of his time, declared that our madness had exceeded the madness of the Crusaders. Richard Coeur de Lion and Saint Lewis had not gone in the face of arithmetical demonstration. It was impossible to prove by figures that the road to Paradise did not lie through the Holy Land: but it was possible to prove by figures that the road to national ruin was through the national debt. It was idle, however, now to talk about the road; we had done with the road: we had reached the goal: all was over: all the revenues of the island north of Trent and west of Reading were mortgaged. Better for us to have been conquered by Prussia or Austria than to be saddled with the interest of a hundred and forty millions. And yet this great philosopher - for such he was - had only to open his eyes, and to see improvement all around him, cities increasing, cultivation extending, marts too small for the crowd of buyers and sellers, harbors insufficient to contain the shipping, artificial rivers joining the chief inland seats of industry to the chief seaports, streets better lighted, houses better furnished, richer wares exposed to sale in statelier shops, swifter carriages rolling along smoother roads. He had, indeed, only to compare the Edinburgh of his boyhood with the Edinburgh of his old age. His prediction remains to posterity, a memorable instance of the weakness from which the strongest minds are not exempt. Adam Smith saw a little, and but a little further. He admitted that, immense as the pressure was, the nation did actually sustain it and thrive under it in a way which nobody could have foreseen. But he warned his countrymen not to repeat so hazardous an experiment. The limit had been

Such was the origin of that debt which has since become the greatest prodigy that ever perplexed the sagacity and confounded the pride of statesmen and philosophers. At every stage in the growth of that debt the nation has set up the same cry of anguish and despair. At every stage in the growth of that debt it has been seriously asserted by wise men that bankruptcy and ruin were at hand. Yet still the debt went on growing; and still bankruptcy and ruin were as remote as ever. When the great contest with Lewis the Fourteenth was finally terminated by the Peace of Utrecht the nation owed about fifty millions; and that debt was considered, not merely by the rude multitude, not merely by foxhunting squires and coffee-house orators, but by acute and profound thinkers, as an incumbrance which would permanently cripple the body politic. Nevertheless trade flourished: wealth increased: the nation became richer and richer. Then came the war of the Austrian Succession; and the debt rose to eighty millions. Pamphleteers, historians, and orators pronounced that now, at all events, our case was desperate. Yet the signs of increasing prosperity, signs which could neither be counterfeited nor concealed, ought to have satisfied observant and reflecting men that a debt of eighty millions was less to the England which was governed by Pelham than a debt of fifty millions had been to the England which was governed by Oxford. Soon war again broke forth; and under the energetic and prodigal administration of the first William Pitt, the debt rapidly swelled to a hundred and forty millions. As soon as the first intoxication of victory was over, men of theory and men of business almost unanimously pronounced that the fatal day had now really arrived. The only statesman, indeed, active or speculative, who was too wise to share in the general delusion was Edmund Burke. David Hume, undoubtedly one of the most profound political economists of his time, declared that our madness had exceeded the madness of the Crusaders. Richard Coeur de Lion and Saint Lewis had not gone in the face of arithmetical demonstration. It was impossible to prove by figures that the road to Paradise did not lie through the Holy Land: but it was possible to prove by figures that the road to national ruin was through the national debt. It was idle, however, now to talk about the road; we had done with the road: we had reached the goal: all was over: all the revenues of the island north of Trent and west of Reading were mortgaged. Better for us to have been conquered by Prussia or Austria than to be saddled with the interest of a hundred and forty millions. And yet this great philosopher - for such he was - had only to open his eyes, and to see improvement all around him, cities increasing, cultivation extending, marts too small for the crowd of buyers and sellers, harbors insufficient to contain the shipping, artificial rivers joining the chief inland seats of industry to the chief seaports, streets better lighted, houses better furnished, richer wares exposed to sale in statelier shops, swifter carriages rolling along smoother roads. He had, indeed, only to compare the Edinburgh of his boyhood with the Edinburgh of his old age. His prediction remains to posterity, a memorable instance of the weakness from which the strongest minds are not exempt. Adam Smith saw a little, and but a little further. He admitted that, immense as the pressure was, the nation did actually sustain it and thrive under it in a way which nobody could have foreseen. But he warned his countrymen not to repeat so hazardous an experiment. The limit had been

reached. Even a small increase might be fatal. Not less gloomy was the view which George Grenville, a minister eminently diligent and practical, took of our financial situation. The nation must, he conceived, sink under a debt of a hundred and forty millions, unless a portion of the load were borne by the American colonies. The attempt to lay a portion of the load on the American colonies produced another war. That war left us with an additional hundred millions of debt, and without the colonies whose help had been represented as indispensable. Again England was given over; and again the strange patient persisted in becoming stronger and more blooming in spite of all the diagnostics and prognostics of State physicians. As she had been visibly more prosperous with a debt of one hundred and forty millions than with a debt of fifty millions, so she was visibly more prosperous with a debt of two hundred and forty millions than with a debt of one hundred and forty millions. Soon, however, the wars which sprang from the French Revolution, and which far exceeded in cost any that the world had ever seen, tasked the powers of public credit to the utmost. When the world was again at rest the funded debt of England amounted to eight hundred millions. If the most enlightened man had been told, in 1792, that in 1815, the interest on eight hundred millions would be duly paid to the day at the Bank, he would have been as hard of belief as if he had been told that the government would be in possession of the lamp of Aladdin or of the purse of Fortunatus. It was in truth a gigantic, a fabulous, debt; and we can hardly wonder that the cry of despair should have been louder than ever. But again that cry was found to have been as unreasonable as ever. After a few years of exhaustion, England recovered herself. Yet, like Addison's valetudinarian, who continued to whimper that he was dying of consumption till he became so fat that he was shamed into silence, she went on complaining that she was sunk in poverty till her wealth showed itself by tokens which made her complaints ridiculous. The beggared, the bankrupt, society not only proved able to meet all its obligations, but while meeting those obligations, grew richer and richer so fast that the growth could almost be discerned by the eye. In every county, we saw wastes recently turned into gardens: in every city, we saw new streets, and squares, and markets, more brilliant lamps, more abundant supplies of water: in the suburbs of every great seat of industry, we saw villas multiplying fast, each embosomed in its gay little paradise of lilacs and roses. While shallow politicians were repeating that the energies of the people were borne down by the weight of the public burdens, the first journey was performed by steam on a railway. Soon the island was intersected by railways. A sum exceeding the whole amount of the national debt at the end of the American war was, in a few years, voluntarily expended by this ruined people on viaducts, tunnels, embankments, bridges, stations, engines. Meanwhile taxation was almost constantly becoming lighter and lighter: yet still the Exchequer was full. It may be now affirmed without fear of contradiction that we find it as easy to pay the interest of eight hundred millions as our ancestors found it, a century ago, to pay the interest of eighty millions.

It can hardly be doubted that there must have been some great fallacy in the notions of those who uttered and of those who believed that long succession of confident predictions, so signally falsified by a long succession

of indisputable facts. To point out that fallacy is the office rather of the political economist than of the historian. Here it is sufficient to say that the prophets of evil were under a double delusion. They erroneously imagined that there was an exact analogy between the case of an individual who is in debt to another individual and the case of a society which is in debt to a part of itself; and this analogy led them into endless mistakes about the effect of the system of funding. They were under an error not less serious touching the resources of the country. They made no allowance for the effect produced by the incessant progress of every experimental science, and by the incessant efforts of every man to get on in life. They saw that the debt grew; and they forgot that other things grew as well as the debt.

A long experience justifies us in believing that England may in the twentieth century, be better able to bear a debt of sixteen hundred millions than she is at the present time to bear her present load. But be this as it may, those who so confidently predicted that she must sink, first under a debt of fifty millions, then under a debt of eighty millions, then under a debt of a hundred and forty millions, then under a debt of two hundred and forty millions, and lastly under a debt of eight hundred millions, were beyond all doubt under a two-fold mistake. They greatly overrated the pressure of the burden: they greatly underrated the strength by which the burden was to be borne.

It may be desirable to add a few words touching the way in which the system of funding has affected the interests of the great commonwealth of nations. If it be true that whatever gives to intelligence an advantage over brute force, and to honesty an advantage over dishonesty, has a tendency to promote the happiness and virtue of our race, it can scarcely be denied that, in the largest view, the effect of this system has been salutary. For it is manifest that all credit depends on two things, on the power of a debtor to pay debts, and on his inclination to pay them. The power of a society to pay debts is proportioned to the progress which that society has made in industry, in commerce, and in all the arts and sciences which flourish under the benignant influence of freedom and of equal law. The inclination of a society to pay debts is proportioned to the degree in which that society respects the obligations of plighted faith. Of the strength which consists in extent of territory and in number of fighting men, a rude despot who knows no law but his own childish fancies and headstrong passions, or a convention of socialists which proclaims all property to be robbery, may have more than falls to the lot of the best and wisest government. But the strength which is derived from the confidence of capitalists, such a despot, such a convention, never can possess. That strength - and it is a strength which has decided the event of more than one great conflict - flies, by the law of its nature, from barbarism and fraud, from tyranny and anarchy to follow civilization and virtue, liberty and order.

**BRITISH AIR COMMISSION**

1785 MASSACHUSETTS AVENUE

WASHINGTON, D. C.

TELEPHONE HOBART 9000

PLEASE QUOTE

REFERENCE NO. _____

With the compliments of British Air Commission
who enclose Statement No. 41 - Aircraft Despatched
- for week ended July 7, 1942.

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

July 11, 1942.

REST SECRETSTATEMENT NO. 41AIRCRAFT DESPATCHED FROM THE UNITED STATES WEEKENDED JULY 7th, 1942

TYPE	DESTINATION	ASSEMBLY POINT	BY SEA	BY AIR	FLIGHT DEL'D FOR USE IN CANADA
<u>ALL</u>					
Tracobra	U.K.	U.K.	1		
<u>BEING</u>					
17E	U.K.	Canada en route		7	
Artress II					
<u>CONSOLIDATED</u>					
24 D	U.K.	Canada en route		10	
<u>AIRCHILD</u>					
26 Cornell	Canada	Canada			7
<u>CHECKED</u>					
28 Hudson VI	South Africa	South Africa		4	
"	United Kingdom	Canada en route		16	
28 Hudson VIA	" "	" "		1	
"	South Africa	South Africa		13	
60 Lodestar IIA	Middle East	Middle East		1	
<u>JOHN MARTIN</u>					
Ultimore	South Africa	Capetown	5		
"	Middle East	Port Sudan	3		
<u>NORTH AMERICA</u>					
25C	U.K.	Canada en route		19	
stang	U.K.	U.K.	16		
<u>PEARMAN</u>					
27	Canada	Canada			23
<u>CHECKED</u>					
ENTURA	U.K.	Canada en route		4	
"	Canada	Canada			4
<u>SLATER</u>					
ENGANCE	India	Bombay	6		
"	U.K.	U.K.	2		
<u>TOTALS</u>			33	75	34

British Air Commission
July 11th, 1942.

TREASURY DEPARTMENT
Division of Monetary Research
Exchange Stabilization Section

July 15, 1942

To: Mr. Fohle
From: Mr. Dietrich

I assume that you will provide the British with the answer which they request.

COPY

BRITISH EMBASSY,

SAFE HAND

WASHINGTON, D.C.

TF-258

11th July, 1942.

Dear Mr. Dietrich,

I should like to refer to my letter of the 10th March, No. W.T. 1062/2/42, and to the lists prepared by the British Treasury of bearer securities reported to have fallen into enemy hands. I enclose a copy of a letter from the Bank of England to the Trading with the Enemy Department in London suggesting that in order to save paper no new additions should be made to the list. This would exclude particularly securities believed to have fallen into Japanese hands in the Far East. London have asked us to obtain your views upon this proposal. You will appreciate that if the proposal is adopted, the information would not be published to the New York Federal Reserve Banks and the New York Stock Exchange. I should be grateful if you will let me have your views so that I may inform London.

Yours sincerely,

(Signed) W. Ritchie.

Mr. Frank Dietrich,
Stabilization Office,
Room 279, U.S. Treasury Department,
Washington,
D.C.

COPY:lap-7/15/42

COPY

12th June, 1942

Dear Gregory,

We have recently had reason to be disturbed about the length of the Stop List, which is likely to become intolerably large as we receive lists of bonds in Far Eastern hands.

Since the entry of Japan into the war we have had to add very considerably to our lists, and enclosed you will find lists of Royal Dutch and Bataafsche Petroleum Securities which have fallen into Japanese hands. It is my opinion that the publication of so many numbers of individual share warrants is a great waste of paper - at any rate, the publication by the Exchange Telegraph would be.

I had it in mind some time ago to suggest to you that we might avoid further additions to the lists on grounds of paper economy, but M.E.W. have recently shown some interest in the lists, which, as you know, now circulate to the Dominions, the Federal Reserve Bank and the Banco Central in Argentina. Do you think it would be worth while considering the position with the Departments?

In cases such as the enclosed we might be content to indicate that the numbers believed to be in enemy hands were so numerous that persons dealing with securities would be well advised to make reference to the Registrars. This would somewhat complicate dealings in Royal Dutch, but I do not suppose that this is a fact which should influence us unduly.

I am sending a copy of this letter to Ward.

Yours sincerely,

(Sgd.) G.L.F. Bolton

H. S. Gregory, Esq.

COPY:lap-7/15/42

MJF

Rio de Janeiro

This telegram must be
paraphrased before being Dated July 11, 1942
communicated to anyone
other than a Governmental Rec'd 7:19 p.m.
agency. (BR)

Secretary of State,

Washington.

2500, July 11, 6 p.m.

Department's circular June 23, 11 p.m.

One. Exchange brokers reported that there is no market for lots of over \$50. Small dollar purchases presumably by sailors and travelers are being made at 14.5 to 16 milreis. Unconfirmed report indicates larger sums being offered at 12 milreis.

Two. Black market trade probably does not exceed a few hundred dollars daily. Legitimate sales to Bank of Brazil made with consular approval running at approximate rate of \$30,000 monthly divided 15,000 Natal 5,000 Belem and 10,000 Rio de Janeiro. This volume is tending to decrease as shipping companies are paying crews in milreis.

Three. Frenchman is attempting to find \$300,000 all in fifty dollar notes in packets of \$5,000 reported obtained in Paris a year ago. Embassy has obtained serial numbers of \$35,000 of this lot. They are as follows: B02055401 A to B02056100 A. Another Frenchman Marcel

Aboudaran

-2- #2500. July 11, 6 p.m. from Rio de Janeiro

Aboudaran is attempting to dispose of \$31,000 reported held by him in Buenos Aires. British Embassy reports he left Paris spring of 1941. Embassy at Buenos Aires has been informed.

CAFFERY

WWC

DEPARTMENT OF STATE
WASHINGTON

In reply refer to
FD

July 11, 1942

The Secretary of State presents his compliments to the Honorable the Secretary of the Treasury and encloses copies of a paraphrase of telegram no. 470 dated July 10, 1942, from the American Consulate, Bombay, India, concerning an announcement that the National City Bank of New York is going to close its branch at Bombay. Despatch no. 596, dated June 23, mentioned therein has not as yet been received in the Department.

Enclosure:

From Consulate, Bombay,
no. 470, July 10, 1942.

eh:copy
7-17-42

DEPARTMENT OF STATE
WASHINGTON

In reply refer to
FD

July 11, 1942

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Enclosure:

From Consulate, Bombay,
no. 470, July 10, 1942.

eh:copy
7-17-42

U.S. SECRET
BRITISH MOST SECRET

COPY NO. 13

OPTEL NUMBER 236.

Information received up to 7 A.M. 11th July, 1942.

1. NAVAL

HOME WATERS: Night 9th/10th. Two of our steam gunboats engaged eight enemy minesweepers off Naples. One sunk, one probably sunk and four damaged. One of our S.G.B's (?slightly damaged) by hostile ramming.

2. MILITARY

RUSSIA: The German thrust against Voronesh has made no further progress. The thrust North-East of Kharkov has reached Rossosh (100 miles South of Voronesh on Moscow-Rostov Railway).

3. AIR OPERATIONS

WESTERN FRONT: 10th. Four Spitfires attacked goods trains, wireless station near Dieppe and Gasometers near Le Treport, the latter being set on fire.

10th/11th. Four enemy aircraft operated in Lyme Bay, some damage caused to railway line near Weymouth. No casualties reported.

MALTA: Between 4.56 P/M 9th and 8.35 A.M. 10th about 120 aircraft attacked. Our fighters destroyed 19 and damaged 8 whilst A.A. destroyed another. We lost two Spitfires (One pilot safe.)

C O P Y

STANDARD FORM No. 14-A
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

TREASURY DEPARTMENT

WASHINGTON

35

CHARGE TREASURY DEPARTMENT, APPROPRIATION FOR

(The appropriation from which payable must be stated on above line)

U. S. GOVERNMENT PRINTING OFFICE

9-14117

C O P Y

1923 46 COLLECT NT GOVT TD WD BEACON NY 12

HAROLD GRAVES

DLR 830 AM OFFICE OF SECRETARY OF THE TREASURY
WASH DC

PLEASE INQUIRE OF ARMY AIR CORPS BOWLING FIELD WHETHER THEY ARE DOING
ANYTHING ABOUT OUR WAR BONDS I HAVE BEEN INFORMED THAT THEY ARE NOT
DOING ANYTHING. PLEASE INFORM BEN HAMM ITS OK TO GO AHEAD WITH QUOTE
PASSPORT FOR VICTORY UNQUOTE COPY TO MRS KLOTZ

HENRY MORGANTHAU JR.

C O P Y

STANDARD FORM NO. 14A
APPROVED BY THE PRESIDENT
MARCH 10, 1926

TELEGRAM

OFFICIAL BUSINESS—GOVERNMENT RATES

TREASURY DEPARTMENT
WASHINGTON

35

CHARGE TREASURY DEPARTMENT, APPROPRIATION FOR

(The appropriation from which payable must be stated on above line)

U. S. GOVERNMENT PRINTING OFFICE

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C O P Y

923 46 COLLECT NT GOVT TD WD BEACON NY 12

HAROLD GRAVES

DLR 830 AM OFFICE OF SECRETARY OF THE TREASURY
WASH DC

PLEASE INQUIRE OF ARMY AIR CORPS BOWLING FIELD WHETHER THEY ARE DOING
ANYTHING ABOUT OUR WAR BONDS I HAVE BEEN INFORMED THAT THEY ARE NOT
DOING ANYTHING. PLEASE INFORM BEN HAMM ITS OK TO GO AHEAD WITH QUOTE
PASSPORT FOR VICTORY UNQUOTE COPY TO MRS KLOTZ

HENRY MORGANTHAU JR.

MINISTRY OF FINANCE

Chungking, July 12, 1942.

Mr. Henry Morgenthau, Jr.,
Secretary of Treasury,
Washington, D. C.,
U. S. A.

Dear Mr. Secretary,

When Mr. A. M. Fox returned from the States end of last May, he handed to me your kind personal message dated May 1, 1942. We have been conscious of and grateful for your helpful interest in our country and your cooperative spirit in expediting the conclusion of our negotiations on financial aid to China. In this connection, I am particularly appreciative of your sympathetic understanding of China's economic and financial difficulties resulting from our five years of war and I wish to express my heartfelt thanks for your welcome assurance to help us overcome those difficulties with the goodwill and facilities of the Treasury of the United States.

We had hoped that with his knowledge of the latest developments in America, Mr. Fox would be able to render a greater and longer service to China's war efforts. Unfortunately, his useful life was cut short when, in the early morning of June 21, he passed away quietly and unexpectedly in his sleep. It was a great shock and disappointment to us, as we were not aware that he had such serious heart trouble. But Mr. Fox can rest

MINISTRY OF FINANCE

- 2 -

Mr. Henry Morgenthau, Jr.:

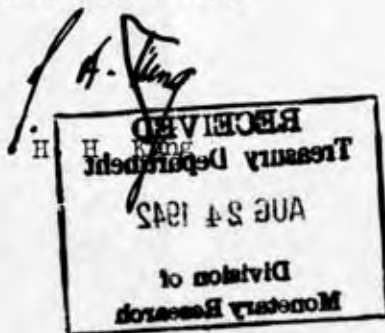
in peace, because in the short year he spent in China, he had won our warm friendship and contributed his efforts towards a closer cooperation between America and China.

Your recommendation of Mr. Solomon Adler as the Acting Alternate American Member of the Stabilization Board, until a successor to Mr. Fox is appointed, was a wise one in view of Mr. Adler's experiences in the U. S. Treasury and his close contact with the other Members of the Stabilization Board here. I have already requested Ambassador Gauss to transmit my concurrence to you.

Col. William Mayer of the U.S. Military Mission is leaving for the States and has kindly consented to take this message to you.

I trust this letter will find you in the best of health.

Yours sincerely,



48 WALL STREET
NEW YORK, N. Y.

C. J. DEVINE

July 12th 1942.

Dear Mr. Secretary;

I wish to express my grateful appreciation for your kindness in helping me solve my recent farm problem. Without your assistance I really would have been in great difficulty. It was most generous of you to render me aid when your time is so valuable.

The announcement Saturday of the total subscriptions and the 52% allotment was certainly good news.

With kindest personal regards.

Respectfully

Chris Devine

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

COPY NO. 13

BRITISH MOST SECRET
U.S. SECRET

OPTEL No. 238

Incorporates OPTEL No. 237

Information received up to 7 A.M., 12th July, 1942.

1. NAVAL

NORTHERN WATERS. Now known that a further bombing attack was made on ships of Russian convoy on night 9th/10th. Two ships were sunk and three probably sunk.

2. RUSSIA

The Russians are attacking North and Northwest of OREL in an effort to influence the fighting in the UKRAINE. East and Southeast of KHARKOV the Germans have made further progress on a widened front.

3. AIR OPERATIONS

WESTERN FRONT. 11th. 24 Lancasters attacked submarine slips at DANZIG at about 2130 from between 7,000 and 600 feet in medium cloud conditions. 2 Lancasters missing. 3 Mosquitoes attacked the shipyard at FLENSBURG (DENMARK) from 50 feet. Bombs are believed to have hit submarine building slip and adjacent gas works. 1 aircraft missing. Fighters destroyed a railway engine and damaged two goods trains in OSTEND area. Night 11th/12th. 49 aircraft despatched sea-mining off FRISIAN ISLANDS, HELIGOLAND and in ELBE ESTUARY. 2 missing. About 11 enemy aircraft operated off southwest and east coast. Slight damage and a few casualties reported at LOWESTOFT and great YARMOUTH.

MALTA. During morning 11th about 40 enemy aircraft attacked. 3 destroyed and 3 damaged by our fighters.

MEMORANDUM

To: Secretary Morgenthau

From: Mr. Paul

July 13, 1942

I had a telephone conversation with the Secretary at 6:15 P. M., July 10, 1942, at which time I told him about Cooper's motion to allow to the soldiers and sailors in active service the old exemption of \$750 and \$1,500 for single and married persons, respectively, lowering the exemption as per Committee plan only in the case of others than soldiers and sailors in active service. I told him the objections made to the motion and he agreed that he, as Secretary, would support or go along with Cooper on his motion.

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WN CHICAGO ILL 1049A JUL 13 1942

HON HENRY MORGENTHAU JR

1942 JUL 13

DM

3:24
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SECY OF TREAS

MAY I SEE YOU FEW MINUTES ANY TIME WEDNESDAY YOUR
CONVENIENCE? WOULD APPRECIATE WIRE COLLECT 1313 EAST 60
STREET CHICAGO

FRANK BANE COUNCIL OF STATE GOVERNMENTS

155P

July 14 -

Sullivan spoke with
Mr. about this and
said it is clear
news from Sullivan followed - 7/16

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE July 13, 1942

TO Mrs. Klotz

FROM Julian Street, Jr.

Herewith is an extract from a letter from Private Richard Litton who wrote words to "Save the American Way" regarding his American Citizenship which he has been granted, thanks to Mr. Morgenthau's efforts.

"One thing positive has been accomplished. I received my final citizenship papers last week, so I am now an American, in fact as well as in spirit. Perhaps you would forward this information to the Secretary with my sincere appreciation of his interest and help. I wonder if this will simplify the contract situation? Incidentally, my Mother wrote me she had read about the song in the Daily Telegraph over there."



The Secretary⁴³

TREASURY BILLS

	<u>July 15</u>	<u>July 8</u>	<u>July 1</u>	<u>June 24</u>
Amount offered	\$300 M	\$300 M	\$300 M	\$300 M
Bids tendered	651	646	671	710
Low rate	.316%	.297%	.237%	.275%
High rate	.372	.372	.368	.368
Average rate	.365	.365	.360	.362
Amount in New York	\$151 M	\$173 M	\$200 M	\$157 M
Amount in Chicago	59	38	34	79
Amount in San Francisco ...	17	16	12	13
Amount in balance of country	73	73	54	51

dwfB

July 13, 1942

July 13, 1942

MEMORANDUM FOR THE SECRETARY'S FILES

Meeting in Mr. White's office
July 13, 1942
2:30 p.m.

Present: Dr. Kan Lee
Mr. White
Mr. Friedman

Mr. White read to Dr. Kan Lee proposed cable to Dr. Kung on 1937 arrangement. Dr. Lee expressed his own personal approval and said he would pass on information to Dr. Soong, but he could not commit Chungking. Dr. Lee raised question as to whether gold held as collateral was sufficient to cover repurchase. He was told that it was and that this information would be put in the cable. He was promised copy of the cable.

ISF/efs
7/14/42

July 13, 1942

American Embassy,
Chungking (China).

For Adler from Secretary Morgenthau.

Reference your cable of June 30, 1942, No. TF 46, regarding 1937 arrangement.

Please advise Dr. Kung that the Treasury is glad to cooperate with him in liquidating the debt owed by the Central Bank of China to the U. S. Stabilisation Fund amounting to approximately \$19 million. The Treasury fully appreciates and understands Dr. Kung's desire that China have earmarked gold in the United States as a symbol of goodwill between the Ministry of Finance and the Treasury.

Since the 1937 arrangement and the 1942 financial aid agreement stem from different statutory provisions, and in order that the record will be unquestionable that the 1937 arrangement will have been liquidated without recourse to other sources of financial aid, it is suggested that China use the gold now being held as collateral in the Federal Reserve Bank to repurchase the outstanding yuan purchased by the United States under the 1937 arrangement amounting to approximately \$19 million. The Treasury believes that this procedure is definitely in the interests of China from the point of view of maintaining China's splendid record.

The Treasury is ready, as part of its program of assisting China, to consider a request from China that dollars be made available to China from the \$500 financial aid to be used to purchase gold to be held on earmark in the Federal Reserve Bank, New York.

It should be made clear to Dr. Kung that, as in the past, the Treasury stands ready to cooperate fully with the Chinese Ministry of Finance.

BB/ISF/sfs 7/13/42

OFFICE OF LEND-LEASE ADMINISTRATION
Five-Fifteen 22d Street, N.W.

E.R. Stettinius, Jr.
Administrator

July 13, 1942

Dr. Harry D. White
Treasury Department
Division of Monetary
Research
Washington, D. C.

Dear Harry,

Your memorandum of the 11th has reached me just as I was leaving the office for my trip overseas.

I have turned it over to Tom McCabe and you may be sure he will have the matter analyzed and follow through with you promptly.

Sincerely yours,

(Signed) Ed

E.R. Stettinius, Jr.

C
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P
Y

D

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July 13, 1942

WAR SAVINGS STAFF

MR. GRAVES

Office of the Assistant to the
Secretary

Odegard, Peter H.

Odegard, Peter H.

Assistant to the Secretary CAF-12

\$8000 per annum

Past Experience:

Lecturer, author and professor of political science.

Present Duties:

Consultant to the Secretary in matters pertaining to the
War Savings Program.

Office of Assistant to the
Secretary

Gamble, Ted R.

Gamble, Ted R.

Assistant to the Secretary

1½ a year

Past Experience:

Owner of chain of motion picture theatres; active in civic promotional activities; State Administrator of War Savings Staff of Oregon.

Present Duties:

Consultant to the Secretary for field promotional and policy matters; assistant to Mr. Harold N. Graves.

Office of Executive Director

Edwards, B. M.

Edwards, B. M.

Consultant

CAF-15

\$22.22 Per Diem

Past Experience:

In the absence of Mr. Edwards - President, The South Carolina National Bank, Columbia, South Carolina.

Present Duties:

Contacts banks and banking associations for the War Savings Staff whenever necessary.

MR. SLOAN

Office of Executive Director

Sloan, Eugene Williams

Sloan, Eugene Williams

Executive Director CAF-15 \$8000

Past Experience:

Graduate Princeton. Ten years shoe manufacturing as factory worker, salesman, merchandise manager, General Sales Manager. Captain Field Artillery A.E.F. Vice Pres. William R. Compton Company, Vice Pres. Chatham Phenix Corporation. Assistant to Under Secretary of Treasury. Chief, Division of Savings Bonds.

Present Duties:

Generally responsible for administration of the War Savings Staff.

Office of Executive Director

Powel, Harford

Powel, Harford Consulting Expert CAF-15 \$8000

Past Experience:

President, Harvard Lampoon. Promotion Manager, Vogue. Editor, Harper's Bazaar, Collier's Weekly, Youth's Companion. Captain, Air Service. General Executive, Barton, Durstine and Osborne, Inc., Institute of Public Relations, Inc. Author, many books and magazine articles.

Present Duties:

Executive contacts, plans and correspondence, addresses to civic gatherings and business conventions, editorial direction "The Minute Man".

OFFICE OF THE EXECUTIVE DIRECTOR

Earle A. Buckley

Buckley, Earle A. - Consulting Expert CAF-15 \$22.22 Per Diem

Past Experience:

Observer in Naval Air Force during World War I (about 2 years); reporter for the Philadelphia Evening Ledger (1 year); wrote copy for two of Philadelphia's larger advertising agencies (1 year); President, The Earle A. Buckley Organization, Philadelphia, an advertising agency specializing in Direct Mail and Sales Promotion (21 years).

Author - McGraw-Hill books, "How to Write Better Business Letters" and "How to Sell by Mail".

Chief of the Mail Order Division of the War Savings Staff.

Present Duties:

Special Staff Assistant to the Executive Director of the War Savings Staff.

Office of Executive Director
Betts, Elizabeth R.

Betts, Elizabeth R.

Return Analyst

CAF-10

\$3500

Past Experience:

Assistant Instructor in Statistics, Barnard College (1 term);
stock market forecaster with private operator (3 years
part-time); statistician and office manager, Commission
on Administration of Justice, N. Y. State (2 years);
Junior Economist with Farm Credit Administration (3 months);
Research Assistant in Office of Secretary (7½ years).

Present Duties:

Chief of Promotional Research in charge of all statistical
reports on promotional activities of War Savings Staff;
prepares analyses of sales statistics in effort to evaluate
effectiveness of promotional activities; in charge of all
mailing lists.

Office of Executive Director

Ready, Margaret C.

Ready, Margaret C.

Secretary

CAF-6

\$2600

Past Experience:

LLB - D. C. Bar. Secretary to Chief, Division of
Savings Bonds, Treasury Department, nine years

Present Duties:

Secretary to Executive Director

OFFICE OF THE EXECUTIVE DIRECTOR

Charles W. Adams

Adams, Charles W. Administrative Assistant CAF-12 \$4,600

Past Experience:

Appointed in the Treasury Department on September 6, 1935. Prior to present position, service for the most part was under the direction of Mr. Harold N. Graves, Assistant to the Secretary, conducting investigative surveys and formulating plans for reorganization of the Bureau of Internal Revenue, Procurement Division, and the Foreign Funds Control Division of the Office of the Secretary.

Present Duties:

Serve as Administrative Assistant to the Executive Director of the War Savings Staff, and when designated, act for the Executive Director on administrative and personnel matters; serve as Budget Office for the War Savings Staff; serve in an advisory and consulting capacity with respect to administrative and fiscal policies; represent the Executive Director and the War Savings Staff on intra-departmental activities and perform related duties as assigned by the Executive Director of the War Savings Staff.

OFFICE OF EXECUTIVE DIRECTOR

Bill McDonald

McDonald, BillAssistant Administrative Assistant to the
Executive Director CAF-11 \$3800Past Experience:

Teacher, public schools, Alabama (1 year); bookkeeper (1 year); Probate Court Clerk (4 years); clerk, asst. section chief and division administrative asst., NRA (3 years); Asst. Regional Division Chief, Farm Security Administration (2 years); Chief Clerk and Administrative Assistant, Bureau of Agricultural Economics and Soil Conservation (3½ years).

Present Duties:

Assist the Administrative Assistant to the Executive Director in supervising and directing the administrative functions of the Staff, including budgets and accounts, personnel employment and management, the procurement of supplies, equipment and space, and related administrative duties.

OFFICE OF THE EXECUTIVE DIRECTOR

James W. Bray

Bray, James W. Assistant Defense Securities CAF-7 \$2600
 Promotion Specialist

Past Experience: Developed and promoted sale of real estate (2 years);
 Credit Department, Potomac Electric Power (5 years).

Present Duties: Determine the most advantageous course to follow
 in procuring the needs of the staff with respect to
 supplies, equipment etc.; also manages leases for
 space and contracts for utilities etc.

OFFICE OF THE EXECUTIVE DIRECTOR

Juanita M. Jones

Jones, Juanita M.

Junior Administrative Assistant

CAF-7 \$2600

Past Experience:

Personnel clerk, Alcohol Tax Unit, Bureau of Internal Revenue and its predecessor agencies (16½ years).

Present Duties:

In charge of personnel activities for the War Savings Staff, supervising and personally handling matters concerning the appointment, promotion, transfer, separation, classification, etc. of the Staff's personnel; supervising the preparation of information for the pay rolls, the maintenance of time and leave, personnel, and the preparation and issuance of travel orders, credentials, etc.

MR. COYNE

Office of Field Director

Coyne, Robert W.

Coyne, Robert W.

Field Director

CAF-15

\$8000

Past Experience:

In charge of criminal investigation for the Alcohol Tax Unit and its predecessor agencies (10 years); conducted lecture courses in constitutional law in Treasury School of Inspection for Officers; present position with Bureau of Internal Revenue in Boston with supervision over New England states; formerly in charge of similar offices in Chicago, St. Paul and Kansas City.

Present Duties:

General Assistant to the Field Director with primary responsibility for the director of activities in the New England States and New York, New Jersey, Delaware and Pennsylvania.

Office of Field Director

Olney, Laurence M.

Olney, Laurence M. Associate Field Director CAF-14 \$6500

Past Experience: Public accountant (3 years); special agent and supervising accountant with Federal Bureau of Investigation (7 years); Special Agent assigned to investigation of income tax violations, reorganization of Treasury divisions including Procurement Division and Foreign Funds Control with Intelligence Unit, Bureau of Internal Revenue (8 years).

Present Duties: Assistant to the Field Director as resident Associate Field Director in charge of office personnel, and supervision and direction of functions of the Field Director's Office; also executes policy and assists in the direction of the Field offices.

Office of Field Director

Fisher, Boyd

Fisher, Boyd

Associate Field Director

CAF-14 \$6500

Past Experience: Advisor in factory management, author, newspaper writer, educator (25 years); in Government service, in executive positions, Ohio State Relief and Rural Electrification (10 years).

Present Duties: Regional Supervisor for Field Division over

Ohio	Minnesota
Indiana	Iowa
Illinois	Nebraska
Michigan	Missouri
Wisconsin	Kansas

In the Field most of the time, handling problems of relationship between Staff in Washington and Offices of State Administrators, to reduce correspondence, delays and misunderstandings, and to gain acceptance and promote uniform application of plans flowing out of the Secretary's office.

Office of Field Director

Ross, Earl T.

Ross, Earl T. Associate Field Director CAF-13 \$5600

Past Experience: In the absence of Mr. Ross: Instructor, Elko County High School (1 year); Nevada representative, New York Life Insurance Company (25 years); National Advice Commentator, American Legion (1938-39).

Present Duties: Field representative assisting in the organization of states, in promotional work, and as liaison officer for the War Savings Staff, in industries, organizations and governmental units in the installation of Payroll Savings Plans. Now Associate Field Director in direct charge of the following States:

North Dakota
South Dakota
Montana
Wyoming
Idaho

Nevada
Utah
Colorado
Arizona
New Mexico

Office of Field Director

Glenn, A. C.

Glenn, A. C. Associate Field Director GAF-13 \$5600

Past Experience: Financial Regional Director of General Motors
Acceptance Corporation, Atlanta (15 years);
contacted all the banks and financial institutions
in the South.

Present Duties: Associate Field Director, in direct charge of
the following States:

Tennessee	Arkansas
North Carolina	Louisiana
South Carolina	Mississippi
Alabama	Georgia
Oklahoma	Florida

Office of Field Director,
Women's Division

Elliott, Harriet

Elliott, Harriet Associate Field Director CAF-15 \$8000

Past Experience:

Since 1913, Professor of Political Science at Women's College, University of North Carolina; Dean of Women since 1935; member of National Defense Commission set up by the President in 1940; recently made President of State Social Service Conferences; Board Member, American Association of University Women; active in National Federation of Women's Clubs.

Present Duties:

Director of the Women's Division.

OFFICE OF FIELD DIRECTOR,
WOMEN'S DIVISION

DALLAS, HELEN

<u>Dallas, Helen</u>	Advertising Specialist	CAF-11	\$3800
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Past Experience: Club editor, San Francisco Examiner, (1 year); Society and Women's Editor, San Francisco Examiner (1 year); feature writer, New York Times (3 years); food economics editor, New York Times (1 year); Director of Publications Institute for Consumer Education (2 years).

Present Duties: Chief of Women's Section, correlating War Savings policy into women's activities, supervising publications program, correlating publications program with national organizations program and with State and Local Women's Committees, correlating national organizations program with State and Local Women's Committee activities and developing schedule for national advisers of women's activities.

OFFICE OF FIELD DIRECTOR,
WOMEN'S DIVISION

CROOK, DOROTHY D.

Crook, Dorothy D.

Senior Defense Securities Promotion Specialist CAF-12
\$12.77 per diem

st Experience

Director of Public Affairs, National Federation of Business and Professional Women's Clubs (from October 1939 and currently); Senior Economist, Chase National Bank (3 years); research assistant in Office of Secretary of the Treasury (2 years); editorial assistant, Division of Press Intelligence (1 year).

esent Duties

Contacts women's national organizations to integrate the War Savings Program with each organization's program of activities; writes articles, prepares materials for study groups and arranges for speakers at national conventions.

Office of Field Director.
Women's Division

Blake, Mabelle B.

Blake, Mabelle B. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience:

Professor of Education and Personnel Director, Smith College (1925-32); President of Chicago Teachers College (1932-35); teacher of psychology, Wheelock School, Boston (1935-38); teacher of psychology, Bradford Junior College (1938-41); research studies in remedial reading, Harvard University, School of Education.

Present Duties:

Works generally in connection with women's activities; works with women's organizations.

OFFICE OF FIELD DIRECTOR
WOMEN'S DIVISION

ATKINSON, DOROTHY B. (MRS.)

Atkinson, Dorothy B. (Mrs.) Defense Securities Promotion Specialist CAF-11
\$10.55 per diem

past Experience: Chairman of National Endowment Committee and Vice President, Association of University Women; trustee, Wellesley College; vice chairman, Minneapolis Community Fund; Committee chairman, Finance Committee, Minneapolis Women's Clubs.

present Duties: Regional advisor for women's activities working with State Administrators in the field, stimulating, promoting, advising, and directing the activities of women's organizations; assists in setting up state women's committees; holds meetings with state and local women's organization leaders; also speaks before national conventions and regional meetings.

OFFICE OF FIELD DIRECTOR
WOMEN'S DIVISION

McADOO, MRS. ELEANOR WILSON

McAdoo, Mrs. Eleanor Wilson:

Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience:

National Chairman of Women's Division Liberty Bond Campaign;
author of numerous magazine articles; radio broadcaster.

Present Duties:

Regional advisor for Women's activities working with
State Administrators in the field, stimulating, promoting,
advising, and directing the activities of Women's
organizations; assists in setting up state women's committees;
holds meetings with state and local women's organization
leaders; also speaks before national conventions and regional
meetings.

OFFICE OF FIELD DIRECTOR
WOMEN'S DIVISION

GANS, HELENE MRS.

Gans, Helene (Mrs.)

Defense Securities Promotion Specialist CAF-11 \$3800

Previous Experience

Executive Secretary of the Consumer League of New York;
Executive Secretary of State-wide conferences on Social
Legislation for New York state; Special Agent for the
Bureau of Labor Statistics of the U.S. Department of Labor;
Executive Secretary, Chicago Little Theatre.

Present Duties:

Regional advisor for Women's activities working with State
Administrators in the field, stimulating, promoting, advising,
and directing the activities of women's organizations; assists
in setting up state women's committees; holds meeting with
state and local women's organization leaders; speaks before
national conventions and regional meetings.

OFFICE OF FIELD DIRECTOR
WOMEN'S DIVISION

Hubbel (Mrs.) Miriam J.

HUBBEL, MIRIAM J.

Correspondence Clerk CAF-4 \$1800

Past Experience:

Stenographer, Stephens College (1 month),
investment office (6 months) University of
Wisconsin (intermittently 5 years); Secretary
to director of girl's camp (4 months), at two
radio stations (1 year, 2 months).

Present Duties:

Edits all manuscripts, letters and other out-
going material; in charge of files; in charge
of mimeographing, dupligrating.

OFFICE OF FIELD DIRECTOR

Engelsman, Ralph G.

Ralph G. Engelsman, Associate Field Director CAF-14 \$6500Past Experience:

In Life Insurance business for past 23 years.
(9 years as Agent with Equitable Life;
14 years as General Agent of Penn Mutual;
lectured at New York University (6 years)
on life insurance salesmanship; author of
eight books; author of monthly column on
salesmanship in insurance magazines (14 years);
active in Life Underwriters organization work;
former President of New York City Assn. and
New York State Assn. of Life Underwriters.

Present Duties:

Payroll Savings Specialist -
Associate Field Director.

OFFICE OF THE FIELD DIRECTOR

E. Dickerson Jenkins

Jenkins, E. Dickerson Senior Defense Securities Promotion
Specialist CAF-12 \$4600

Past Experience:

Salesman and assistant to sales manager, Stroud and Company, Bankers, Philadelphia, Pa. (5 years)
President and Manager, Rancho de La Osa, Inc., ranching. (9 years) One year with U. S. Treasury and as Chairman, War Savings Committee, Pima County, Arizona.

Present Duties:

As a member of Operations Unit, directs assignment and distribution of correspondence directed to the Office of the Field Director; assists in preparation of instructions for members of the Field organization; and participates generally in correspondence and liaison activities of the Unit.

Office of Field Director

Touchstone, Jonas S.

Touchstone, Jonas S. Consulting Expert CAF-14 \$6500

Past Experience: In the insurance business for over 20 years; head of the Jonas S. Touchstone Agency with headquarters in Los Angeles and 13 branches throughout the country; this agency deals in salary savings insurance largely with railroads; member of National Association of Life Underwriters for over 20 years.

Present Duties: Consultant on matters dealing with the installation and successful operation of Payroll Savings Plans throughout the country; personal contact with large industrial concerns throughout the country in various branches of industry, particularly railroads, steel industry, petroleum industry, and the airplane industry.

Office of Field Director

Master, Harold B.

Master, Harold B. Principal Defense Securities Promotion Specialist
CAF-13 \$5600

Past Experience: Assistant Statistician, Reconstruction Finance Corporation (1 year); Senior Finance Examiner and Executive Assistant to the Director of Finance Division, Public Works Administration (3 years); Senior Business Economist and Head, Municipal Finance Unit, Works Project Administration (5 years).

Present Duties: As Chief of the Operations Unit, functions as Assistant to the resident Associate Field Director and is generally responsible for preparation of instructions to the field organization and development of bond and stamp promotions in collaboration with other Divisions of the War Savings Staff.

Office of Field Director

Paige, Robert M.

Paige, Robert M. Principal Defense Securities Promotion Specialist
CAF-13 \$5600

Past Experience: Assistant Director, Public Administration Clearing House, Chicago (10 years); also, during most of this time, Secretary-Treasurer, Governmental Research Association and American Society for Public Administration.

Present Duties: Editor of the news letter, "The Minute Man".

Office of Field Director

Partain, Lloyd E.

Partain, Lloyd E. Principal Defense Securities Promotion Specialist
CAF-13 \$5600

Past Experience: Principal and teacher in grade and high school, instructor of Smith-Hughes Vocational Agriculture in high school and teacher-training in Oklahoma A. & M. College (7 years); technician, information specialist and Assistant State Coordinator in Oklahoma for Soil Conservation Service, USDA (2 years); liaison relations officer, States Relations Division, S. C. S., USDA, Washington, D. C. (5½ years).

Present Duties: Agricultural consultant, as a field representative contacts agricultural agencies and organizations; analyzes agricultural information for use of the War Savings Staff.

Office of Field Director

Blyth, James A.

Blyth, James A. Consulting Expert CAF-14 \$6500

Past Experience: War work with overseas YMCA, China and Philippines (5 years); national campaigner with Near East Relief (5 years); national campaigner with American City Bureau (15 years).

Present Duties: Chief, Organization and Reports Unit; instructs all State Chairmen, State Administrators, Deputy State Administrators and Washington Field Representatives in organization and promotion procedures; analyzes and prepares constructive replies to State Administrators' activity reports, Field Representatives' reports and all proposed organizational and promotional plans.

Office of Field Director

Read, Harlan E.

Read, Harlan E. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: Auditor (6 years) and owner (17 years), system of 22 business colleges in Middle West; editor and publisher of Business Monthly Magazine; editor of commercial texts for the Macmillan Co.; radio news commentator (WOR and KMOX, also some for CBS and EBS); European pre-war reporter for Transradio Press; has syndicated a column in 360 newspapers; has conducted a City Forum; has written or edited 26 books on commercial and economic subjects; has delivered about a thousand lectures.

Present Duties: Acknowledges, analyzes and reports upon suggestions sent in by outsiders and promotional plans successfully inaugurated by Local Committees; makes suggestions based upon them; condenses suggested activities for Local Committees; supervises records of names of State and Local Committee-men; and analyzes copy submitted to the Field Director's Office.

OFFICE OF FIELD DIRECTOR

William Hirzel

Hirzel, William Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience:

General farm work; clerk in country store; assistant Postmaster of Fourth Class office; Philippine Government Civil Service as clerk, bookkeeper, assistant accountant, (7½ years;) auditor for War Relief Commission of the Rockefeller Foundation in Europe, (1 yr.) accountant for American Red Cross in Paris, (6 weeks;) accountant and Chief Clerk of Disbursing and Legal Division, United States Air Service, AEF, France, (two years); with American Trading Company in China and Japan as Accountant, Assistant Manager, Manager, Director and President of Far Eastern subsidiary, (22 years); office manager of War Bond Pledge Campaign of Greater New York City.

Present Duties:

Promotion of the sale of War Savings Bonds through the Payroll Savings Plan and by other means.

Office of Field Director

O'Malley, R. H.

O'Malley, Raphael H. Senior Defense Securities Promotional Specialist
CAF-12 \$4600

Past Experience: Assistant Chief Procedure Section, Bureau of Accounts, Treasury Department (6 years); supervised section advising State Accountants-in-Charge as to legality of expenditures under the several Emergency Relief Appropriation Acts.

Present Duties: Supervises employees engaged on Payroll Savings promotion and maintains statistical records and general correspondence with State offices and the general public on the sale of War Savings Bonds through Payroll Savings Plans; liaison between War Savings Staff and other Federal departments and agencies on technical questions.

Office of the Field Director

Wolfe, Lawton B.

Wolfe, Lawton B. Defense Securities Promotion Specialist CAF-11 \$3800

Past Experience: Field representative and credit man, General Motors Acceptance Corporation (3½ years); solicitor, Commercial Credit Corporation (4 years); analyst, Regulation W., Federal Reserve Bank, N. Y. C.

Present Duties: Collects, analyzes and disseminates information on successful Payroll Savings Plan promotions; promotes advertising and sales ideas on payroll savings; furnishes background payroll savings material for news articles; furthers payroll savings installations through sales promotion letters to private companies and State Administrators.

Office of Field Director

Malone, Herbert C.

Malone, Herbert C. Principal Clerk (Correspondence) CAF-6 \$2300

Past Experience: Professor at various universities with experience in public relations work (7 years); research assistant in economics loaned to Labor Department for special studies, also with Civil Service Commission and Office of Education, research specialist and Liaison Officer with the President's Committee for Improvement of Civil Service, reviewer of foreign exchange applications, all for Treasury (6 years).

Present Duties: Analyzes correspondence from State offices and the general public on promotion and sale of bonds through the payroll savings plan.

Office of Field Director

Merril, Theodore T.

Merrill, Theodore T. Assistant Defense Securities Promotion Specialist
CAF-7 \$2600

Past Experience: Reporter, columnist printer, proofreader and
manager for daily and weekly newspapers
(25 years).

Present Duties: As a member of the Operations Unit, collaborates
with the Press and Radio Sections in handling
inquiries from and preparing suggestions for,
the field relating to press and publicity
materials.

Office of Field Director

Rapp, Merton H.

Rapp, Merton H. Assistant Defense Securities Promotion Specialist
CAF-7 \$2600

Past Experience: Instructor of English, University of Iowa (1 year); Professor of English, University of DePaul (3 years); also writer, public speaker, manager of community lecture series.

Present Duties: As a member of the staff of the Operations unit, handles wide variety of inquiries, received from the field organization and the public, and assists in the preparation of field instructions and development of promotions.

Office of Field Director

Fowler, Robert W.

Fowler, Robert W. Senior Defense Securities Promotion CAF-12 \$4600

Past Experience: General agent and special agent, selling insurance to industry through pay-roll deductions, Lincoln National Life Insurance Company (30 years); member of National Association of Life Underwriters for more than 20 years.

Present Duties: Field representative, primarily concerned with the installation and successful operation of payroll savings plans, and the coordination of the Life Underwriters Association with Local Committees in promoting sale of War Savings Bonds through payroll savings.

Office of Field Director

Bosse, George S.

Bosse, George S. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: Credit investigator, National Bank of Commerce, N. Y. C. (7 years); credit correspondent, Guaranty Trust, N. Y. C., (1 year); credit man, National City Bank, N. Y. C., (4 years); new business representative, Grace National Bank (3 years); New York Representative, Atlantic Bank of Boston (5 years); "trouble shooter", Irving Trust Co., N. Y. C. (1 year); representative, J. & M. Seligman Co. (3 years); Assistant supervisor, New York World's Fair (1 year).

Present Duties: Aside from general field duties of a field representative, specializes in contacting state Governors, Mayors, etc., for the installation of Payroll Savings Plans among state, county, and municipal employees; assisting Field Director Coyne in plans for pledge campaign in Massachusetts.

Office of Field Director

Sangston, H. Earl

Sangston, H. Earl Defense Securities Promotion Specialist CAF-11 \$3800

Past Experience: Sales and promotional experience (3 years); examiner of mortgage loans, in charge of files, bank examiner, examiner and auditor of Government administrative accounts, Federal Home Loan Bank Board.

Present Duties: Field representative; organizes field offices; instructs field personnel in use of Government forms; supervises the requisitioning of informational and display material for the field organizations.

Office of Field Director

Morse, Jarvis M.

Morse, Jarvis M. Associate Defense Securities Promotion Specialist
CAF-9 \$3200

Past Experience: Instructor in history, Yale University (4 years); Instructor in history (3 years) and assistant professor (8 years), Brown University; State Director for Rhode Island, Federal Writers Project, W. P. A.

Present Duties: As Assistant Chief of the Operations Unit, prepares and reviews correspondence with the Field Organization and the public, and drafts instructions and announcements to the Field Organization.

Office of Field Director

Morse, Jarvis M.

Morse, Jarvis M. Associate Defense Securities Promotion Specialist
CAF-9 \$3200

Past Experience: Instructor in history, Yale University (4 years); Instructor in history (3 years) and assistant professor (8 years), Brown University; State Director for Rhode Island, Federal Writers Project, W. P. A.

Present Duties: As Assistant Chief of the Operations Unit, prepares and reviews correspondence with the Field Organization and the public, and drafts instructions and announcements to the Field Organization.

Office of Field Director

Hall, James O. V.

Hall, James O. V. Associate Defense Securities Promotion Specialist
CAF-9 \$3200

Past Experience: Business development representative, Universal Credit Company (11 years); manager, Consumer Credit Department, First National Bank of New Rochelle (2 years).

Present Duties: As member of Operations Unit, supervises the distribution of informational and display material to the field.

Office of the Field Director

O'Connor, Albert D.

O'Connor, Albert D. Senior Defense Securities Promotion Specialist
GAF-12 \$4600

Past Experience: FBI clerk and special agent, Justice Department (5 years); special agent, Internal Revenue Department (1 year); bond salesman (3 years); Vice President and Sales Manager, Waggerman & Brauner (3 years); Supervisor, Code Authority, wholesale beer industry (6 years); Director, Distillers Spirits Exhibit, Inc. (1 year).

Present Duties: Field representative; assisting Associate Field Director Coyne in the following states:

Maine	Connecticut
New Hampshire	Rhode Island
Vermont	Pennsylvania
New York	New Jersey
Massachusetts	Delaware

Assists in organization of state and local committees; specializes in installation of payroll savings plans.

Office of Field Director

Hynes, Edward L. 2nd

Hynes, Edward L. Senior Defense Securities Promotion Specialist,
CAF-12 \$4600.

Past Experience: Assistant Librarian in charge of night force, Periodical Division, Library of Congress (10 years); lawyer, admitted to practice in District Court of the U. S. for D. C. and U. S. Court of Appeals.

Present Duties: Field representative, assisting in the organization of States, in promotional work, and as liaison officer for the War Savings Staff, in industries, organizations and governmental units in the installation of Payroll Savings Plans; assisting Mr. Earl T. Ross in the following States:

North Dakota	Nevada
South Dakota	Utah
Montana	Colorado
Wyoming	Arizona
Idaho	New Mexico

Office of Field Director

Nowbray, Edwin R.

Nowbray, Edwin R. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: Director, Maryland Poster Stamp Campaign, Maryland Publicity Commission by appointment of Governor Herbert O'Connor (1 year); Vice President and Director, May Fuel Oil Corp., and Sales Manager May Oil Burner Corp., Baltimore, Maryland (11 years); District Manager, New York City, Tokheim Oil Tank and Pump Co. (2 years); and Life Underwriter, Baltimore, Maryland (3 years).

Present Duties: Field Representative with duties including organizing state and local committees, instruction and cooperation; Payroll Savings, including instruction and education of Life Underwriters; instruction and timing Pledge Campaign; public addresses of rallies, civic clubs, and general meetings; assignments in following states:

Washington	Louisiana
Oregon	Mississippi
Idaho	Oklahoma
Montana	Arkansas
New York	Virginia
Florida	Maryland
Alabama	

Office of Field Director

King, Francis L.

King, Francis L. Information Specialist CAF-11 \$3500

Past Experience:

Abstract work, Bankers Trust Co., Muskegon, Mich. (1½ years); secretarial work, Office of Supervising Architect, Director Public Works Project, General Counsel's Office, all Treasury (3½ years); public relations work, Public Relations Office of the Treasury (7 years).

Present Duties:

Liaison with Special Activities Division to furnish stars, celebrities, and speakers in response to requests from the State Administrators; handles correspondence, writes speeches.

MR. POLAND

Office of Director of Education,
Literature

Poland, Orville S.

Poland, Orville S. Consulting Expert, CAF-15 \$22.22 per diem

Past Experience:

Local E. R. A. Administrator; chairman of Committee to reorganize National Bank; chairman of local relief; headed relief of flood victims in Merrimac Valley, 1937; chairman of Massachusetts Civil Liberties Committee; State Chairman of Massachusetts Committee to Organize Professional and Independent Groups, 1940 campaign; appointed by Governor of Massachusetts to Committee on Anti-Sabotage Legislation formulating draft now approved by Commission on Uniform State Legislation; speaker before civic groups, women's clubs, radio panels, etc.; member, Massachusetts Bar and U. S. Supreme Court; lecturer, Boston University, American Institute of Banking; lecturer and trustee, Boston Center of Adult Education.

Present Duties:

Has served as Director of Women's Activities, Schools, and Literature. This is now being reorganized. A new women's section has been set up in the Field Director's office under Miss Harriet Elliott, Associate Field Director. Shortly a new Educational Section will be set up in similar manner. The Literature Section is being abolished.

Office of Director of Education,
Literature

Clarke, James

Clarke, James

Principal Defense Securities Promotion Specialist
CAF-13 \$5600

Past Experience:

Assistant Editor, Adventure Magazine (1 $\frac{1}{2}$ years);
fiction editor, McClures Magazine (1 year); in-
structor in fiction writing University of
California, Extension Division (3 years); editorial
consultant, American Association for Adult Education
(5 years); free lance writer of fiction and articles.

Present Duties:

Assistant Director in charge of Educational Section,
with editorial supervision over all special pamphlet
material prepared by the Division; contacts outside
writers and artists; attends conferences with
educational and other groups; makes speeches; does
special writing as required.

Office of Director of Education, Literature,
War Relocation Authority

Melcher, Daniel

Melcher, Daniel Defense Securities Promotion Specialist CAF-11 \$3800

Past Experience: Manager, Educational Department, Viking Press (2 years); manager, Alliance Book Corp. (7 months); advertising manager, Oxford University Press (3 years); publicity director, salesman and editorial reader, Henry Holt & Co. (1 year).

Present Duties: Publications consultant in charge of planning of printing and distribution of Education Section publications; works with textbook publishers on incorporating War Savings material; preparation of plays.

Office of Director of Education, Literature,
Economic Activities

Henderson, Esther Tomkins

Henderson, Esther Tomkins Senior Advertising Specialist CAF-12 \$4600

Past Experience: Writer for Commerce Monthly, Nat. Bk. of Commerce, N. Y. C. (5 years); analyst, writer and field worker, investigation of causes of bank failures under Dr. H. Parker Willis (6 months); special financial writer, N. Y. Journal of Commerce, H. Parker Willis, editor (3 years); economist, writer and editor of the Review, Bank of America, N. Y. (3 years); publicity writer, National City Bank, N. Y. (2 years); economist, Federal Home Loan Bank Board (9 months); commodity market specialist, E. W. Axe and Co., N. Y. (2½ years); assistant financial economist, SEC (8 months); writer, National Industrial Conference Board, N. Y. (4 months).

Present Duties: Writes pamphlets, manuals and articles for trade journals and banking magazines.

Office of Director of Education, Literature

Graves, Judy, Mrs.

Graves, Judy (Mrs.) Assistant Advertising Specialist CAF-7 \$7.22 per diemPast Experience:

Originated and supervised testing of ideas for motion pictures Audience Research Institute (Dr. Gallup) (6 months); managing editor, New Jersey Educational Review (1½ years); Associate editor, Pathfinder (1½ years); fiscal researcher, U. S. Senate Committee on Unemployment Relief (4 months); free lance writer, New York Times, Charleston Daily Mail and Literary Digest (6 months); education editor, writer and researcher, Literary Digest (18 months); reporter and feature writer, Charleston Daily Mail (14 months).

Present Duties:

Compiles information on War Savings programs in schools and stimulates increased War Savings activities; Section plans materials and projects for schools and colleges; writes pamphlet material, articles, attends conferences etc.

Office of Director of Education, Literature,
War Relocation Authority

Bennett, Jane E.

Bennett, Jane E. Assistant Defense Sectional Promotional Specialist,
CAF-7 \$2600

Past Experience: Secretary and Teaching Assistant, Syracuse University (2 years); Research Assistant in Graduate School, Syracuse University (1 year); editorial assistant, Dr. Ralph Dewey, American Association of University Professors (1 year); assistant and secretary to Paul Mallon, newspaper columnist (4 years).

Present Duties: Collects basic material from various sources in and outside of the Government for use in publications on the War Savings Program.

Office of Director of Education, Literature,
History and Art

Matheny, Elizabeth Jane

Matheny, Elizabeth Jane Correspondence Clerk CAF-4 \$1800

Past Experience: Teacher of mathematics and history and assistant principal, high school in Virginia (5 years); digested tariffs filed with IOC for publication in trade magazine (5 years); kept members of Distilled Spirits Institute informed of state and Federal legislation and did research work on various subjects, such as advertising, labeling, taxation, etc. (6 years).

Present Duties: Handles correspondence in connection with the War Savings Program in schools; also takes care of files, travel vouchers, etc.; digests information from state and local reports on school activities.

MR. CALLAHAN

Office of Director of Press and Radio

Callahan, Vincent F.

Callahan, Vincent F. Consulting Expert CAF-15 \$8000

Past Experience:

Newspaper reporter, Washington Times (7 years) assistant director of advertising, Washington Times (1 year); sales manager and public relations director, NBC, Washington, D. C. (10 years); general manager, radio station WWL, New Orleans (3 years); general manager, radio stations WBZ Boston, and WBIA Springfield, Mass. (1 year).

Present Duties:

Director of Press and Radio in charge of publicizing war bonds and stamps in following media; radio (network and local stations), daily and weekly newspapers, labor, religious and negro press, business publications, farm and company publications, all types of magazines, supervises promotional research.

OFFICE OF DIRECTOR OF RADIO AND PRESS

Thomas H. Lane

Lane, Thomas H. Consulting Expert CAF -14 \$6500

PAST EXPERIENCE: Reporter for New York Herald-Tribune;
publicity for radio station WOR; last
five years with Young & Rubicam
Advertising Agency as, successively,...
publicity man...radio writer and
producer...magazine and newspaper copy-
writer...account executive.

PRESENT DUTIES: Just started as Assistant Director of
Radio and Press. Making survey and
writing report on publicity operation.
Awaiting Mr. Callahan's return for
specific assignment.

Office of Director of Press and Radio

McCarty, Milburn, Jr.

McCarty, Milburn, Jr. Consulting Expert CAF-14 \$6500

Past Experience:

Steve Hannagan Associates directing publicity for Coca-Cola, Libbey Glass Company, Martini and Rossi Vermouth, Gruen Watches, Sun Valley, Puerto Rico (3 years); conceived and conducted publicity for Douglas Leigh as "Broadway Sign King"; idea and advance man for WOR and Mutual Broadcasting System; editor and writer, New Yorker Magazine (1 year); reporting and sales promotion, New York Herald Tribune (1½ years).

Present Duties:

Chief of Press Section, develops and promotes newspaper and magazine publicity including news stories, editorials, feature stories, cartoons, columns, pictures, use of Minute Man design, emblems, etc.; special publicity in labor press, college press, foreign language press, religious press and various other media.

Office of Director of Press and Radio

McCarty, Milburn, Jr.

McCarty, Milburn, Jr. Consulting Expert CAF-14 \$6500

Past Experience:

Steve Hannagan Associates directing publicity for Coca-Cola, Libbey Glass Company, Martini and Rossi Vermouth, Gruen Watches, Sun Valley, Puerto Rico (3 years); conceived and conducted publicity for Douglas Leigh as "Broadway Sign King"; idea and advance man for WOR and Mutual Broadcasting System; editor and writer, New Yorker Magazine (1 year); reporting and sales promotion, New York Herald Tribune (1½ years).

Present Duties:

Chief of Press Section, develops and promotes newspaper and magazine publicity including news stories, editorials, feature stories, cartoons, columns, pictures, use of Minute Man design, emblems, etc.; special publicity in labor press, college press, foreign language press, religious press and various other media.

Office of Director of Press and Radio

Gilchrest, Charles Jewett

Gilchrest, Charles Jewett Consulting Expert CAF-14 \$6500

Past Experience:

Thirteen years with Chicago Daily News as reporter, editor, columnist and critic. Nine years radio experience broadcasting coast to coast network programs, news commentator, news editor, script writer, special events director, promotion and publicity director and free lance magazine writer.

Present Duties:

Chief, Radio Section. General supervisor of all radio activities including Foreign Language, Farm, Special Events, and Women and Children's programs. Contact with networks on special broadcasts, with sponsors of network programs.

Office of Director of Press and Radio
Spriggs, Marjorie L.

Spriggs, Marjorie L. Advertising Specialist CAF-11 \$3800

Past Experience:

Promotion director Cape Cod Theatres (2 years); salesman and broadcaster, controlling own programs WORL, Boston (3 years); promotion and publicity director, WBZ, Boston (2 years).

Present Duties:

Chief, Women's and Children's Programs, developing radio promotion, contacting sponsors and stars.

Office of Director of Press and Radio

Waldman, Emerson

Waldman, Emerson, Advertising Specialist CAF-11 \$3800

Past Experience:

Nine years experience in advertising and editorial capacities with the following: Transradio Press Association (1 year); National Broadcasting Company (2 years); Washington Daily News (1 year); Scripps-Howard Newspaper Alliance (1 year); Farrar and Rinehart (1 year); Henry Holt and Co. (1 year); Steve Hannagan Associates (2 years). Has written 3 books.

Present Duties:

In charge of foreign language radio and farm radio programs; edits and schedules all written copy; handles announcements for Treasury radio shows - "For America We Sing" and "America Preferred".

Office of Director of Press and Radio

Barrett, Ross, Jr.

Barrett, Ross, Jr. Principal Advertising Specialist CAF-13 \$5600

Past Experience:

Former advertising and sales promotion manager, large mid-western paper mill, (3 years). Prior to that was account executive (5 years) for printing-advertising company.

Present Duties:

Chief, Business Publications Section; develops and supervises voluntary advertising campaign involving systematic releases to approximately 3600 publications; four campaigns operating concurrently for business publications, company publications, labor publications and farm publications with material specifically designed for each group.

Office of Director of Press and Radio

Miller, Don C.

Miller, Don C. Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Salesman with J. L. Hudson & Co., Detroit (6 months;
Advertising Director, Wagner & Co., Ann Arbor, Michigan
(2½ years, part-time); publicity writer, copy writer,
creative contact, Campbell-Ewald Co. of Detroit (4½ years);
Vice President, Motor City Publishing Co. as editor of
"Friends" magazine for Chevrolet Motor Company (1 year).

Present Duties:

Associate Chief Business Publications Section; general
assistant to Mr. Barrett with associate supervision of
all operations conducted by the Business Publications
Section.

Office of Director of Press and Radio

FitzGerald, Anne M.

FitzGerald, Anne M. Assistant Defense Securities Promotion Specialist
CAF-7 \$2600

Past Experience:

Private secretary to James Speyer for 20 years, during entire time did general promotional work for the Ellen Prince Speyer Hospital; also did special promotional work for the Museum of the City of New York and other New York City institutions.

Present Duties:

Supervision of advertising records and lists, and statistical advertising research.

Office of Director of Press and Radio

Gusack, Harry

Gusack, Harry Assistant Advertising Specialist CAF-7 \$2600

Past Experience:

Reporter, Washington Post (6 years); reporter and financial editor Washington Times (14 years); special financial writer Universal News Service (4 years); Department of Commerce, 2 years in Press Section; assistant editor, New Age Magazine.

Present Duties:

On loan for three months to Chief of Finance, War Department, publicity Army Pay Reservation Plan.

Office of Director of Press and Radio

Rainey, William S.

Rainey, William S. Principal Advertising Specialist CAF-13 \$5600

Past Experience:

Actor, managing director and producer (8 years); Program Director for N.B.C. (1 year); national production manager for N.B.C. (13 years); free lance director and radio consultant (2 years).

Present Duties:

Director and producer of "America Preferred", coast to coast Mutual Broadcasting System program for the Treasury Department.

Office of Director of Press and Radio

Shead, Walter A.

Shead, Walter A. Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Publisher, managing editor, feature and political writer on Oklahoma and Indiana newspapers for 28 years. In publicity work for 12 years as follows: Statehouse News Bureau, State of Indiana; Director of Publicity, six campaigns, Democratic County Committee and Democratic State Committee, Indianapolis, Indiana; Director of Public Relations, Radio Station WIRE, Indianapolis; Executive Assistant to the Director of Federal Housing Administration, Indiana.

Present Duties:

Editor of Clip Sheets and Newspapers exclusive of "U. S. Defense Agent News"; in charge of preparing material for publicity kits; handles publicity for pledge campaign in various states; special assignments.

Office of Director of Press and Radio

Mayl, Edward

Mayl, Edward Senior Advertising Specialist CAF-12 \$4,600

Past Experience:

Assistant in Office of Public Relations, U. S. Treasury Department (6 years); International News Service (10 years) including three years Bureau Manager at Columbus, Ohio, and 7 years Washington correspondent; City Editor, Miami, Florida, DAILY NEWS (1½ years), reporter and feature writer Cincinnati, Ohio, ENQUIRER, Louisville, Kentucky, HERALD, and Dayton, Ohio, HERALD (7 years).

Present Duties:

Chief, Church Press Section, Chief, Foreign Language Press Section, writes releases, features and advertising material.

Office of Director of Press and Radio

Carpenter, Kenneth

Carpenter, Kenneth Principal Advertising Specialist CAF-13 \$5600

Past Experience:

Sales and advertising manager, NBC, (10 years); Loan Officer with Foreman National Bank.

Present Duties:

Inspires and correlates publicity and promotion for Middlewest area.

Office of Director of Press and Radio

Phillips, Robert B. Jr.

Phillips, Robert B. Jr. Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Promotion and publicity with Randolph Leigh (6 months); columnist, Washington Star, Washington, D. C., (7 years); free lance writer, THE SPUR, COUNTRY LIFE, SATURDAY EVENING POST, other national magazines (3½ years); director of advertising and publicity of special campaign for ASPCA, New York City (3 months).

Present Duties:

Chief of Magazine Publicity, press section; contact man with prominent writers who contribute material to War Bond Campaign; contact man with book publishers.

Office of Director of Press and Radio

Alsup, Charles C.

Alsup, Charles C. Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Former advertising manager, Daily Paper, (5 years); General manager and owner, Radio Station KICA, Clovis, New Mexico (7 years).

Present Duties:

Inspires and correlates local publicity and promotion in eleven Rocky Mountain States.

Office of Director of Press and Radio

Terhune, Robert Bruning

Terhune, Robert Bruning Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Common laborer, student of engineering, lecturer, sales promotion, copy writer, general advertising supervisor, director of publicity, public relations, Caterpillar Tractor Company, Peoria, Illinois (7 years).

Present Duties:

Chief of Farm Press Section; special assignments.

OFFICE OF DIRECTOR OF RADIO AND PRESS

Dixie Tighe Thompson

Thompson, Tighe Dixie Advertising Specialist CAF 11 \$3800PAST EXPERIENCE:

Five years with New York Post covering news and features; two years ran ship news column and general name column there; Seventeen years newspaper experience; One year Hearst hotels and magazines; several years with Paul Block, Inc., as advertising specialist; also worked in London on Beaverbrook papers.

PRESENT EXPERIENCE: Handling Retailers for Victory Stamp and Bond campaign; also winding up final stories on War Bond Pledge Campaign; also dealing with women's activities for War Savings Staff for news and feature material and generally taking part in overall publicity outline for War Savings Staff.

OFFICE OF DIRECTOR OF RADIO AND PRESS

Herbert A. Schwartz, Jr.

Schwartz, Herbert A. Jr. Advertising Specialist CAF-11
\$3800

PAST EXPERIENCE:

One year with New York bond house, general office work; 18 months with hat company; 10 years with South Norwalk (Conn.) Sentinel, as reporter, desk work, daily columnist, advertising sales and copy, promotion, city editor; 6 months with public relations firm as copy chief and account executive; 6 months with Earle Ferris Associates, New York, as copy chief on radio publicity; currently on leave of absence.

PRESENT DUTIES:

Collaboration with Peter Finney, director of publicity, on publicity and promotion schedules, campaigns, events, and releases.

Office of Director of Press and Radio

Lee, Burns W.

Lee, Burns W. Advertising Specialist CAF-11 \$3,800

Past Experience:

Publicity Director, Benton and Bowles advertising agency, New York, (1 year); member of publicity department, Benton and Bowles, Inc., (6½ years, including two years as publicity director of Hollywood office).

Present Duties:

Feature Editor in charge of Movie Fan Magazines, Cartoon Features, Comic Book Magazines; Traffic Manager.

Office of Director of Press and Radio

Wolf, Herman

Wolf, Herman

Advertising Specialist

CAF-11

\$3800

Past Experience:

Eight years publicity work including special labor public relations work with British Labor-Management Commission for OPM (3 months); operated own public relations office in New York (2 years) during which time directed publicity drive for Dressmakers Union establishing New York Dress Institute; radio director, Greater N. Y. Fund, 1939; assistant director, information, Unemployment Insurance Division, N. Y. Department of Labor (1 year).

Present Duties:

Chief, Labor Press Section, handling releases, mats, etc. for 650 labor journals. Also, special labor information work in radio, newsreels, etc. Assisting with college and high school press and special assignments.

Office of Director of Press and Radio

O'Connell, Thomas Francis

O'Connell, Thomas Francis

Advertising Specialist CAF-11 \$3800

Past Experience:

General Press and Radio representatives; Free-lance political campaign writer; Investigator Travellers Insurance Company, New York; also Aetna Casualty Company, New York.

Present Duties:

Inspires and correlates publicity and promotion for New England area.

Office of Director of Press and Radio
Dunning, Loyd B.

Dunning, Loyd B. Advertising Specialist CAF-11 \$3800

Past Experience:

Press and radio advertising copywriter with J. Walter Thompson Company (5 years); Maxon, Inc. (1 year).

Present Duties:

Chief Copywriter, in charge of production of all written radio copy.

Office of Director of Press and Radio

Opie, Everett G.

Opie, Everett G. Advertising Specialist CAF-11 \$3800

Past Experience:

20 years in radio broadcasting in Chicago including: 8 years as writer, producer, radio station manager, sales executive and program manager and announcer and studio manager for NBC in Chicago; 8 years as radio Director Rogers & Smith advertising agency Chicago; 4 years as head of own radio production business.

Present Duties:

Chief, Transcriptions and Recordings, organizing, arranging and producing recorded programs for National and regional networks and for local stations.

OFFICE OF DIRECTOR OF RADIO AND PRESS

Jacob Mogelever

Mogelever, Jacob Advertising Specialist CAF -12 \$4600

PAST EXPERIENCE: 24 years newspaper experience. Reporter and state editor of Providence, R.I., Journal for 8 years. Managing Editor of the Pawtucket, R. I., Times for 7 years. City Editor of Newark, N. J., Star-Ledger for more than 8 years.

PRESENT DUTIES: Handle news in the Press Section.

OFFICE OF DIRECTOR OF RADIO AND PRESS

Rider, John R.

Rider, John R. Sr. Advertising Specialist CAF-12 \$4600

PAST EXPERIENCE: Sales representative 7 years; 1 year
publicity; public relations 1½ years;
radio publicity and public relations
2 years; Associate Producer and
personal representative for Fred Allen
1 year.

PRESENT DUTIES: Definite assignment not made yet.
Will be in the field under Mr. Callahan.
At present am escorting Loretta Young.

Office of Director of Press and Radio

Girard, Ruth

Girard, Ruth Assistant Advertising Specialist CAF-7 \$2600Past Experience:

Ten years radio experience in New York City including promotion campaign for Columbia Broadcasting System (WABC), assistant production manager and Program Department Talent Chief of Mutual Network (WOR), producing and writing radio advertising with John Bates Agency and radio promotion with President's Birthday Ball Committee.

Present Duties:

In charge of all ordering, printing and mailing of all written and transcribed material. In charge of Special Radio Day Book on network activities.

Office of Director of Press and Radio

Milman, Morton A.

Milman, Morton A. Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Head of Radio Department and promotion of national radio programs for William Morris, Inc., New York (5 Years); with National Broadcasting Company as advertising consultant for all national advertising agencies with radio programs on that network (4 years); with Morton A. Milman, Inc., as advertising consultant and promotion of radio programs for all members of the American Association of Advertising Agencies (8 years).

Present Duties:

In charge of network National "Minute Man Campaign".
Director of the National Band Leader BONDWAGON Campaign.
Also in charge of getting all Treasury announcements on all "Special Events" programs on the four national broadcasting networks.

MR. MAHAN

Office of Director of Advertising and Promotion
Mahan, Sydney D.

Mahan, Sydney D. Consulting Expert CAF-15 \$8000

Past Experience:

Local editor, Edinborough Independent (1 year); account executive, H. K. McCann Co. (advt. agency) (4 years); in charge direct mail advertising, creative and copy department, Roger Williams Company (4 years); Vice-President in charge of Cleveland office, Fuller and Smith and Ross (advt. agency) (4 years); Vice-President in charge of creative production, The Greenleaf Co. (advt. agency) (2 years); merchandise advertising manager (4 years), general advertising manager (4 years), Westinghouse Electric and Manufacturing Company.

Present Duties:

Director, Advertising and Promotion Division in charge of newspaper, magazine, outdoor and display advertising; heads up special activities, motion picture, creative, production and distribution sections; also retail advisory committee and newspaper carrier boy activities.

Office of Director of Advertising and Promotion
Pulte, F. E., Jr.

Pulte, F. E., Jr. Principal Advertising Specialist CAF-13 \$5600

Past Experience:

Experience in advertising, promotion, merchandising, publicity and public relations in chain store and affiliated fields, with such firms as Kroger Company, Allen W. Church Advertising Agency, South Bend News Times, Carl Byoir & Associates, Michigan Chain Stores Bureau, Committee for the Celebration of the President's Birthday, etc. (14 years).

Present Duties:

Chief, Retail Stores Section, in charge of all retail promotional activities.

Office of Director of Advertising and Promotion
Atchison, Robert A.

Atchison, Robert A. Assistant Advertising Specialist CAF-5 \$2000

Past Experience:

Experience in advertising, promotion, merchandising and publicity in chain store and affiliated fields, with such firms as Marshall Field & Company, Sweetbriar Shops (Denver), Hub Department Store (Steubenville); May Co. (Denver) (6½ yrs.).

Present Duties:

Assistant Chief, Retail Stores Section, assistant in charge of all retail promotional activities.

Office of Director of Advertising
and Promotion

Frankfurter, Elsie Johns

Frankfurter, Elsie Johns (Mrs.) Associate Advertising Specialist
CAF-9 \$3200

Past Experience:

Associate editor of Harper's Bazaar (2 years); assistant society editor of Chicago American (4 years); assistant to the creative production manager of Erwin-Wasey Advertising Agency (4 years); also free lance publicity (10 years).

Present Duties:

General Editorial research and writing of special articles.

Office of Director of Advertising and Promotion
Legler, John C.

Legler, John C. Principal Advertising Specialist, CAF-13 \$5600

Past Experience:

Advertising account executive and copywriter, Warwick & Legler, Lennen & Mitchell, Federal Advertising Agency (9 years); Assistant Advertising Manager, Standard Oil Company (N.J.) (5 years); author of short stories.

Present Duties:

Creative and administrative work in connection with the preparation of advertising and promotion.

Office of Director of Advertising and Promotion
King, Raymond Sherwood

King, Raymond Sherwood Principal Advertising Specialist CAF-14
\$18.05 Per Diem

Past Experience:

Account executive in charge of Westinghouse Mazda Lamp advertising, promotion and account executive on Presto Recording Corporation, advertising for Fuller and Smith and Ross Advertising Agency (1½ years); in charge RCA Victor Advertising, midwest area, Lord & Thomas, Chicago, (2 years); Advertising manager, Sears, Roebuck and Company, Iowa District; also sales planning, national retail advertising and coordination (5 years).

Present Duties:

Creative and administrative work in connection with the preparation of advertising and promotion.

Office of Director of Advertising and Promotion
Delehanty, John M.

Delehanty, John M. Principal Advertising Specialist CAF-13 \$5600

Past Experience:

Production, traffic and executive experience with New York advertising agencies, including Batten, Barton, Durstine and Osborne, Geyer, Cornell and Newell and Ralph H. Jones Company (17 years).

Present Duties:

Chief, Art and Production Section supervising all mechanical production, layouts and finished art work.

Office of Director of Advertising and Promotion
Augustus, Raymond J.

Augustus, Raymond J. Senior Administrative Assistant CAF-9 \$3200

Past Experience:

Experience in mailing and distribution work in Division of Savings Bonds; in charge of Mailing Section of that Division (5½ years).

Present Duties:

- In charge of all mailing and distribution of material between Defense Savings Staff and Division of Savings Bonds Mailing Division; maintains records of all material ordered by Defense Savings Staff such as mats, leaflets, booklets and posters; plans all distributions to be mailed either from Treasury Mailing Section or the printing contractor.

Office of Director of Advertising and Promotion
DunLany, Jacques

DunLany, Jacques Associate Advertising Specialist CAF-9 \$3200

Past Experience:

Artist, Art Director, Advertising Counsel and President,
Commercial Graphics, Inc., New York, producing truck poster
subscription services, manufacturing window displays, etc.,
(7 years).

Present Duties:

Organizes motor truck fleet owners for poster display in-
cluding layout and poster design, ideas, correspondence, etc.

Office of Director of Advertising and Promotion
Combe, William A.

Combe, William A. Assistant Advertising Specialist CAF-7 \$2600

Past Experience:

Typography and engraving specification, layout artist, J. Walter Thompson Co. (1 year); production manager, art director, space buyer and copy writer, Lyle T. Johnston Co. (2 years); also with Mac Farland, Aveyard and Co. (1 year).

Present Duties:

Scales and specifies typography; prepares resizes on layouts; assigns art and layout jobs to artists and keeps record of all jobs; orders art supplies and photostats for art department; maintains art and proof files; prepares summary of advertising space promoting sale of war bonds and stamps each month.

Office of Director of Advertising and Promotion
Boyd, William E.

Boyd, William E. Consulting Expert CAF-14, \$18.05 Per Diem

Past Experience:

Lithograph artist (3½ years); photoengraving artist (10 years); newspaper artist (3 years); art director of Philadelphia Advertising Agency (17 years); free lance artist and owner of art service.

Present Duties:

Creative artist.

Office of Director of Advertising and Promotion
Gibbons, George A.

Gibbons, George A. Assistant Advertising Specialist CAF-7 \$2600

Past Experience:

Experience in all phases of advertising art, including layout and finished art work (19 years); assistant art director of large lithograph house (5 years).

Present Duties:

Layout and finished art work.

Office of Director of Advertising and Promotion
Baran, Helko E.

Baran, Helko E., Jr. Advertising Specialist CAF-5 \$2000

Past Experience:

Art work, U. S. Printing and Lithographing Co. (3 months); designer, Federal Works Agency Building, New York World's Fair (3 months); assistant to Robert L. Leonard, instructor, Pratt Institute (2 years); awards in several competitions (Murison Can Label Co., Johnson and Johnson, Five and Ten Cent Store Syndicate, etc.).

Present Duties:

Layout, design, lettering.

MR. DUFFUS

Office of Director of Advertising and Promotion
Duffus, Carlton

Duffus, Carlton Consulting Expert CAF-14 \$6500

Past Experience:

Theater publicity and exploitation; Manager, Paramount Theaters, Minnesota Amusement Co. (8 years); exploitation representative, Metro-Goldwyn-Mayer Pictures (5 years); has managed carnivals, circuses, road shows, stock companies (15 years).

Present Duties:

Plans and executes promotional activities; directs seven Zone Promotion Managers, three traveling newsreel crews; stages Community Sings and Town Meetings; creates motion picture ideas and handles distribution of same; books, routes celebrities for meetings, rallies; liaison with entertainment-amusement industry.

Office of Director of Advertising and Promotion
Harper, Robert E.

Harper, Robert E. Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Newspaper sports editor, reporter, cartoonist, columnist, drama critic, feature writer, editor and publisher, Louisiana (5 years); advertising and sales promotion manager, Shell Petroleum Corp., Southern Division (2 years); public relations director, American Road Builders' Association (5 years); theatre promotion and publicity (3 years); newsreel and short subject promotion and production; public relations counsel, own firm; radio show writer, producer and actor; trade paper editor (5 years); author of numerous magazine stories and articles.

Present Duties:

General assistaht to Carlton Duffus, Chief, Motion Pictures and Special Events, in charge of office during his absence.

OFFICE OF DIRECTOR OF ADVERTISING AND PROMOTION

Edward T. Ingle

Ingle, Edward T.

Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Ten years newspaper experience: Toledo Blade, Cleveland Plain Dealer, Indianapolis Star, Washington D. C. Star, United Press Associations (New York); Instructor in English, University of Wisconsin; Assistant Professor, Ohio Wesleyan University; Associate Professor, University of Florida, A. B. University of Michigan, 1925; Graduate work, University of Michigan and University of Wisconsin; Publicity and program exploitation, NBC in New York, (5 years); organized and directed National Committee for Music Appreciation; Vice President, Music Appreciation Projects, Inc.

Present Duties:

Zone Promotion Manager for:

Maine

Vermont

New Hampshire

Massachusetts

Rhode Island

Connecticut

New York

Pennsylvania

New Jersey

Delaware

Also liaison for New York Talent Co-ordinating Committee

OFFICE OF DIRECTOR OF ADVERTISING AND PROMOTION

Ivan Stauffer

Stauffer, Ivan Senior Advertising Specialist CAF - 12 \$4600

Past Experiences: Vice-president and general manager, United Fire Engine Corp.; secretary and sales promotion manager, Jahns Quality Piston Mfg. Corp.; vice-president and general manager, Crown Match Co., all in Los Angeles (12 years); also operated own publicity firm.

Present Duties: Zone Promotion Manager for:
California
Oregon
Washington
Also liaison with Hollywood Victory Committee.

OFFICE OF DIRECTOR OF ADVERTISING AND PROMOTION

Gordon White

White, Gordon Advertising Specialist CAF-11 \$3800

Past Experience: Director of advertising, Educational Pictures, (15 years); newspaper reporter and editor, St. Louis, Chicago and New York City; publicity, Interchurch World Movement; President, Motion Picture Advertisers, Inc., (2 years); special assignments, Motion Picture Producers and Distributors of America and Warner Bros.

Present Duties: Zone Promotion Manager for:

Nebraska
Kansas
Missouri
Oklahoma
Arkansas
Texas
Louisiana

OFFICE OF DIRECTOR OF ADVERTISING AND PROMOTION

Homer Lambert

Lambert, Homer

Advertising Specialist CAF - 11 \$3800

Past Experience:

Local advertising manager on Columbus, Ohio Citizen and Dispatch; Minneapolis, Minnesota, Journal; Sioux City, Iowa, Tribune; Dayton, Ohio, Herald, and staff member, Cleveland, Ohio, Plain Dealer; exploitation representative, Metro-Goldwyn-Mayer Pictures, Omaha, Nebraska, and Des Moines, Iowa, Theatres (5½ years); free-lance publicity, California.

Present Duties:

Zone Promotion Manager for:

Montana
Idaho
Wyoming
Nevada
Utah
Colorado
Arizona
New Mexico

OFFICE OF DIRECTOR OF ADVERTISING AND PROMOTION

Herbert Gahagan

Gahagan, Herbert Advertising Specialist CAF-11 \$3800

Past Experience: Theatre exploitation (20 years); stage design, construction and lighting (5 years); assistant advertising manager, Paramount Theatre, St. Paul; advertising manager, Riviera, Tower and Strand Theatres, St. Paul; manager, Strand Theatre, Duluth, (3 years); manager, Lyric Theatre, Aberdeen, South Dakota, 1933-42.

Present Duties: To stage rallies, supervise publicity and exploitation at special events and handle celebrities on tour.

OFFICE OF DIRECTOR OF ADVERTISING AND PROMOTION

John McGee

McGee, John Associate Advertising Specialist CAF-9 \$3200

Past Experience: In American theater as producer, director, writer
and teacher (14); Associate National Director of
Federal Theater.

Present Duties: Zone Promotion Manager

Kentucky
Tennessee
North Carolina
South Carolina
Georgia
Florida
Alabama
Mississippi

OFFICE OF DIRECTOR OF ADVERTISING AND PROMOTION

William Murray

Murray, William Projectionist CAF-3 \$1620

Past Experience: Projectionist work (4½ years); also additional theatre experience such as: special displays, advertising, assistant manager.

Present Duties: Books, pictures and project same; repair and maintain projection equipment; manage Treasury Department screening room; assists on special mailing from office and in conducting meetings and special events in Washington, D. C.

Office of Director of Advertising and Promotion
Davis, Burton

Davis, Burton Senior Advertising Specialist CAF-12 \$4600

Past Experience:

Newspaper experience as reporter, editor and drama critic on 9 dailies in Texas and 3 in New York City (15 years); on Broadway in press and publicity (4 years); special consultant on publicity and public relations, Dairy Industries Exposition and Dairy Industries Supply Association, 1941; advertising publicity with Batten, Durstine and Osborn (2 years); author (as "Lawrence Saunders") of magazine stories, articles and novels (10 years).

Present Duties:

Writes and supervises production of special newsreels and short subjects.

Office of Director of Advertising and Promotion
Abrahams, Morris

Abrahams, Morris Advertising Specialist CAF-11 \$3800

Past Experience:

Vaudeville skit writer, booker and actor (9 years);
Manager, "Birth of a Nation" company (2 years); Manager
other big road show pictures (3 years); exploitation
representative, Minneapolis and Milwaukee Metro-Goldwyn-
Mayer Pictures (23 years).

Present Duties:

Stages rallies, supervises publicity and exploitation
at special events, and handles celebrities on tour.

Office of Director of Advertising and Promotion

Clark, Frank H.

Clark, Frank H. Associate Advertising Specialist CAF-11 \$3800

Past Experience:

Aast. Director, Chicago American (KYW) radio activities (7 years); various capacities with NBC (8 years); publicity and promotion, including radio, press and motion pictures (9 years) for various organizations in Chicago, New York and Los Angeles and the handling of publicity for Chicago and New York World Fairs.

Present Duties:

Zone Promotion Manager for Illinois, Indiana, Ohio, Michigan, Wisconsin, Iowa, Minnesota, North Dakota and South Dakota, arranging all special events in this territory.

MR. HOUGHTELING

Office of Director of National Organizations

Houghteling, James L.

Houghteling, James L.

Consulting Expert

CAF-15

\$9000

Past Experience:

Partner, investment banking firm (15 years); newspaper reporter; Vice-President, Chicago Daily News (5 years); financial agent (6 years); U. S. Commissioner of Immigrations (3 years).

Present Duties:

Director, National Organizations Division

Office of Director of National Organizations

Peters, Horace W.

Peters, Horace W. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: Investment securities salesman and analyst, MacCubin Legg & Co., Baltimore (1½ years); real estate agent, Mayo & Co., Washington, D. C. (6 months); assistant to special agent for Senate Committee of D. C., Brookings Institute (6 months); assisted in preparation and negotiation of foreign trade agreements (4 years); attorney at U. S. Board of Tax Appeals (3 years).

Present Duties: Enlists the support of national and regional trade associations in promoting sale of War Savings Bonds and Stamps.

Office of Director of National Organizations

Wuerdeman, Walter H.

Wuerdeman, Walter H. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experiences: Surveyor in Mexico, stenographer, advertising solicitor, automobile salesman (3 years); co-proprietor, Wuerdeman Cleaners and Dyers, Cincinnati (5 years); branch store manager and treasurer (8 years); president and general manager (15 years); also chairman of the board, Fenton United Cleaning and Dyeing Company.

Present Duties: Enlists the support of national and regional trade associations in promoting sale of War Savings Bonds.

Office of Director of National Organizations

Hyatt, Gilbert Elliott

Hyatt, Gilbert Elliott Principal Defense Securities Promotion Specialist
CAF-13 \$5600

Past Experience: Public relations labor contact, Carl Byoir Associates (2 years); legislative representative for various labor organizations (14 years); publicity director, National Federation of Post Office Clerks (5 years); labor organizer (intermittently about 3 years); field investigator, "Labor" newspaper and R. R. Brotherhoods (8 years); publicity director, strike, Western Maryland R. R. engineers and firemen (18 months); President, Federation of Post Office Clerks (5 years); member, Speakers Bureau, Department of Labor, last World War; editor various labor and other periodicals.

Present Duties: Promotion of purchase of War Savings Bonds with particular reference to organized labor.

Office of Director of National Organizations

Dowell, William Elmer

Dowell, William Elmer Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: International vice-president and representative with International Union, United Automobile Workers of America, A. F. of L. (5½ years); worked in shop, Fisher Body Works, Secy. of local union (8 years).

Present Duties: Promotion of the sale of War Savings Bonds and Stamps, particularly among the members of organized labor.

Office of Director of National Organizations

Goodman, Leo

Goodman, LeoSenior Defense Securities Promotion Specialist
CAF-12 \$4600Past Experience:

Research director and editor, United Shoe Workers of America (4½ years); helped formulate and put into effect trade unions policies; research statistician for National Research Project, Department of Labor and National Recovery Administration.

Present Duties:

Promotes sale of War Savings Bonds among the five million members of the C.I.O. through their national organizations.

Office of Director of National Organizations

Dunn, Joseph Andrew

Dunn, Joseph Andrew Principal Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: National vice-president, Brotherhood of Railway Clerks
 (16 years); employee, Railroad Retirement Board (3 years);
 senior mediator, Maritime Labor Board (2 years).

Present Duties: Promotion of purchase of War Savings Securities with parti-
 cular reference to organized labor.

Office of Director of National Organizations

Barrett, James F.

Barrett, James F. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: General organizer with American Federation of Labor, with Department of Labor during first World War, publicity director for southern labor newspapers in 14 states, speaker, general organization work, conferred with managements on contracts (32 years).

Present Duties: Promotion of the sale of War Bonds and Stamps, particularly among the members of organized labor.

OFFICE OF DIRECTOR OF NATIONAL ORGANIZATIONS.

Sal R. Freccia

Freccia, Sal R. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience:

With New York Central Railway in the Maintenance of Way Department since April 1931; Vice Chairman of the General Committee of the Brotherhood of Maintenance of Way Employees on the New York Central Railway since May 1933; organizes, addresses public meetings, adjusts disputes, participates and assists in negotiating agreements to govern wages and working conditions.

Present Duties:

Promotes the sale of War Savings Bonds among the railroad employees through the establishment of joint labor committees and to assist these committees.

Office of Director of National Organizations

McCarthy, Mary

McCarthy, Mary Assistant Defense Securities Promotion Specialist
GAF-7 \$2600

Past Experience: Assistant to the president, District #50, United Mine Workers of America (4½ years); collaborator in writing "The Government At Your Service"; Secretary, U. S. Treasury Department, American Embassy, Paris, France (6 months); editorial department assistant, Babson Statistical Organization (8 years).

Present Duties: Promotion of the sale of War Savings Bonds among the five million members of the C.I.O. through their national organizations.

Office of Director of National Organizations

Hitchcock, Edward B.

Hitchcock, Edward B. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: Reporter, editorial writer, managing editor, Decatur, Ill., Daily Review (10 years); foreign correspondent, partly free-lance and partly for Chicago Daily News, in Europe (15 years); European Editorial Manager, The Christian Science Monitor, London (2 years); personal aide to Dr. Eduard Benes and official biographer (1 year); lecturer on international subjects in America.

Present Duties: Contacts and organizes foreign groups; speaks at meetings throughout the country; works with State Administrators.

Office of Director of National
Organization

FitzGibbon, William C.

FitzGibbon, William C.

Senior Defense Securities Promotion Specialist
CAP-12 \$1600

Past Experience:

Legal and accounting work in U. S. Government (12 years);
private practice (10 years); lecturer and teacher of
public speaking (3 years).

Present Duties:

Organizes national fraternal, civic, service, and religious
organizations in support of the War Savings Bond Program;
has addressed more than one hundred meetings and conventions
in 30 states; writes articles.

Office of Director of National Organizations

Milton, Lorimer D.

Milton, Lorimer D.

Staff Advisor

Dollar-A- Year

Past Experience: In the absence of Mr. Milton, his past experience is as follows:

President - Citizens Trust Company
212 Auburn Avenue, N. E.
Atlanta, Georgia

Present Duties: Comes to Washington occasionally to consult with Treasury officials with reference to the War Savings Program.

Office of Director of National Organizations

Pickens, William

Pickens, William Principal Defense Securities Promotion Specialist
CAF-13 \$5600

Past Experience: Taught Talladega College (10 years); taught Wiley University (1 year); Dean and Vice-President, Morgan College, Baltimore (5 years); National Officer, National Association for the Advancement of Colored People (21 years); author and lecturer.

Present Duties: In charge of contacting negro groups; addresses conferences, conventions and special meetings; acquaints colored people with the War Savings Plan and stimulates cooperation between white and colored people in the war effort.

Office of Director of National Organizations

Thomas, Jesse O.

Thomas, Jesse O. Senior Defense Securities Promotion Specialist
CAF-12 \$4600

Past Experience: Field Secretary of Tuskegee Institute (6 years); Principal, Voorhees Industrial Institute, Denmark, S. C. (3 years); State Supervisor of Negro Economics in the State of New York and Examiner in charge of U. S. Employment Service in New York City (2½ years); Southern Field Director with National Urban League (20 years); Founder of the Atlanta School of Social Work; delegate to First National Conference of Social Work in Paris, France. Member of Hoover Food Conservation Committee, S. C. 1917; Member of Hoover Flood Relief Commission, Mississippi Valley, 1927.

Present Duties: Staff Assistant, acts as office manager; supervises field staff; makes speeches, organizes Negro groups.

Office of Director of National Organizations

Whitten, John W.

Whitten, John W. Junior Defense Securities Promotion Specialist
CAF-5 \$2000

Past Experience: In the absence of Mr. Whitten: clerk, WPA (5 years); consultant, NYA (3 years); adviser, District NYA (1 year); office manager, John P. Davis (2 years); clerk, note teller, secretary, Prudential Bank, D. C., (3 years); law clerk, Henry B. Delphin, Roanoke, Va. (3 years).

Present Duties: Field worker among negro groups throughout the U. S.; contacts by letter and in person in effort to stimulate sale of War Bonds and Stamps through the Payroll Savings Plan among industrial groups and organizations and also other Negro groups.

Office of Director of National Organizations

Hunter, Nell

Hunter, NellAssistant Defense Securities Promotion Specialist
CAF-7 \$2600Past Experience:

In the absence of Mrs. Hunter:

Choral directress, WPA, N. C. (4 years); choral directress, WPA, Washington, D. C. (2 years); History teacher, Durham, N. C. City Schools (7 years); choral directress, N. C. College for Negroes, Durham, N. C. (2 years).

Present Duties:

Field worker among Negro women's organizations; organizing women's groups to work with the War Savings Committees in each state.

TREASURY DEPARTMENT

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INTER OFFICE COMMUNICATION

CONFIDENTIAL

DATE July 13, 1942

TO Secretary Morgenthau
FROM Mr. Haas
Subject: The Business Situation,
Week ending July 11, 1942.

Summary

(1) A resurgence of inflationary fears seems to be developing, due to apprehension over the effectiveness of the price control program and other factors. Thus last week's moderate spurt in stock prices and trading activity was attributed in part to inflationary influences. Basic commodity prices also moved somewhat higher, featured by strength in wheat prices growing out of legislative developments.

(2) As a result of the further strength shown last week, the Dow-Jones average of industrial stock prices has risen 17 percent above the 1942 low touched on April 28. So-called "war stocks" have been rising more rapidly than "peace stocks" recently, although both groups have been advancing.

(3) On the basis of July 1 growing conditions the Department of Agriculture forecasts a banner year for crop and livestock production. Production of all crops is expected to run 3 percent above last year and 14 percent above the 1923-32 average. Wheat production is estimated at 904 million bushels as compared with 946 millions last year and a ten-year average of 748 millions.

(4) The decline in department store sales during June was somewhat greater than seasonal, and the FRB adjusted sales index dropped to 106 from 108 in the previous month. This was the fifth consecutive decline in the index from the record high of 138 reached last January. Department store sales in the week ended July 4 were 1 percent under last year's level.

(5) As the deadline for freezing overdue retail charge accounts was passed last week, store executives predicted that the number of accounts that would have to be frozen would run under earlier estimates. It now appears likely that the charge account regulations will have less restricting effect on retail sales volume than had generally been expected.

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Price control difficulties revive inflation issue

A resurgence of inflationary sentiment is apparently developing as a result of various recent developments, including the upward revision of some retail price ceilings, further legislative progress of 100 percent parity loans, and prospects of further wage increases. Partly as an outgrowth of this situation, inflationary talk is again reported to be on the rise in financial circles, and some evidence to this effect was seen in last week's rise in prices of stocks and commodities.

Stock prices at new high

In the face of unsatisfactory war news, industrial stock prices at New York on Wednesday advanced to a new high on the current rise and trading activity increased noticeably. On the following day the rise was extended and trading stepped up to the highest level of the year at 844,000 shares. At the close on Thursday the Dow-Jones average of industrial stocks stood 17 percent above the 1942 low touched on April 28. (See Chart 1.)

While an increase in inflationary sentiment, abetted by a sharp advance in grain prices, was said to have been a dominant element in last week's rise in stock prices, other factors also played a part. Thus some observers are of the opinion that part of the increase in national income payments may be finally spilling over into the stock market. With many of the normal outlets for spendable funds being cut off by war-time restrictions, such a development has been anticipated for some time. However, until recently there has been little market action that would appear to sustain such a belief, and evidence is still not conclusive. Nevertheless, a trend toward a greater diversion of funds to the stock market may be in the making.

Another factor lending strength to stock prices recently has been the improvement in so-called "war" stocks, as much of the talk of a short war heard in early June has quieted down under the impact of allied military reverses in Libya and Russia. At the same time reference to Chart 2 will disclose that so-called peace stocks also have been rising, although at a slower pace, thus suggesting that other factors than military developments have dominated recent market action.

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Commodity prices strong

Commodity markets are giving indications of increasing inflationary sentiment, as evidenced by the movements of futures prices and in some instances in the volume of trading. The sharp upturns in recent weeks in both the Dow-Jones futures index and Moody's spot commodity index are shown in Chart 3. A substantial number of the commodities in these indexes are under price controls. Reuter's index of British prices (lower section of chart) rose earlier in the month on increased wheat prices.

Basic commodity prices rise

After rising for five successive weeks, the BLS price index of 28 basic commodities last week touched a new high for the war period. (See Chart 4.) The index thus broke through the narrow range of fluctuations of the past three months, chiefly as a result of further price increases in farm products and foodstuffs.

The index of 8 uncontrolled commodities rose again because of price increases for wheat and barley, steers, and butter. Corn and cotton prices were off slightly, and flax-seed prices declined moderately.

The index of 20 controlled commodities also touched a new high. Rosin prices (the quotation actually is for gum rosin which is not controlled) regained some of the loss of the week before, and wool tops touched their highest levels since May 15, on reports that the British Trade Commission had announced a 12 percent increase in the price of Australian wool.

The narrow movement of wholesale prices in general during the past three months has been the most pronounced since the levelling out last autumn prior to our entry into the war. In the week ended July 4, the BLS all-commodity index rose 0.1 percent. At 98.5 the index stands 31.3 percent above the pre-war level of August 1939.

Canadian living costs rise

A comparison of living costs in Canada and the United States indicates that costs in this country still show the greater increase over pre-war levels, although as of early June the gap has narrowed. Canada's cost-of-living index increased substantially during May, however, for the first time since the Canadian general price ceiling was put into effect December 1. (See Chart 5, upper section.) The rise

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resulted from an increase in the cost of foods, principally meat, eggs, and potatoes. A sharp advance in the cost of beef, resulting from an increasing volume of Canadian exports to the United States at more profitable returns than was possible in Canada, accounted for most of the rise in the food index, which paralleled the food price trend in this country. (See lower section of chart.)

Hog prices at high levels

Continuing heavy demand for pork to meet lend-lease, military, and civilian requirements resulted in establishment of a new 16-year high early last week. Later in the week, prices declined somewhat on arrival of larger receipts, but the market remained firm. The squeeze between the price of live hogs and the prices of pork products has become more severe, and the packers' gross margin has narrowed still further. (See Chart 6.) The Department of Agriculture announced over the week-end that it was suspending temporarily the purchase of some important types of cured pork products, which would make larger quantities available for domestic consumption during the coming slack period in hog marketings.

Compromise on agricultural legislation inflationary

If the indicated legislative compromise of Commodity Credit Corporation loans at parity coupled with sales below parity is incorporated in the Agriculture appropriation bill, wheat and corn would be the principal primary commodities affected. The loan provision at full parity means that a substantial portion of the very large wheat crop would go into loan at an average farm price of at least \$1.34 a bushel. Press statements indicate that this would raise flour prices by as much as \$1.65 a barrel.

An offsetting item is that if full parity loans are made, parity payments required would be insignificant. It is reported that Congress is considering removing from the bill the provision directing that such payments be made. No lump sum for parity payments had been provided in the bill, but the Secretary of Agriculture was authorized to incur obligations for that purpose. In the course of the hearings, the Department of Agriculture estimated that such payments in the fiscal year 1943 might amount to \$235 million.

Pressure against OPA ceilings continues

In addition to the several outright increases in OPA price ceilings, severe pressure on other ceilings has necessitated various kinds of adjustments. Allowances in whole-

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sale prices have been made for increased transportation costs, and higher ceilings have been permitted for certain imports. Adjustments have been made for wage rate increases. Higher wholesale prices have been granted for unusual specifications on goods purchased by the Government. Exceptions to ceilings have been made in Army and Navy requirements.

New evasion devices continue to appear. The press reported last week, for example, that complaints have come to the OPA of exorbitant charges being made for secondhand refrigerators. Some dealers, it is reported, have told prospective purchasers that a used refrigerator may be obtained only by renting one and by purchasing the rented machine several months later. At the time of purchase, ceiling prices are superimposed on unduly high rental charges already paid. The OPA has denounced such practice as a clear evasion of the price regulation.

Checks to soldiers' dependents

Although deductions from soldiers' pay checks have been begun under the law of June 23 requiring contributions for dependents, payments to dependents of men in the service as of June 1 will not begin until November. In the case of a dependent wife, the lump sum due on November 1 would amount to \$250, and more for additional dependents. After that date the checks will go out monthly. Such additions to mass purchasing power in the autumn when consumers will be feeling the pinch of diminishing goods available for purchase, will tend to increase the problem of inflation control.

Crop reports increasingly favorable

Crop production this year, if prospects as of July 1 are borne out at harvest, will be 3 percent greater than last year and 14 percent above the 1923-32 average, according to the July 10 official crop report. Wheat production was forecast at 904 million bushels, which represents an increase of 36 million bushels over the forecast a month ago. Such a crop would compare with the very large crop of 946 million bushels last year, and a ten-year (1930-39) average of 745 million bushels. The first forecast of the corn crop was 2,628 million bushels, slightly less than last year's production,

but far above the ten-year average. First forecasts of sugarcane and sugar beet production pointed to a substantial increase in domestically-produced sugar. Fruit production was expected to equal the record of last year. Very large increases in acreage of oil-producing crops were reported.

Pressure for wage increases continues

While final action has not yet been taken in the crucial Little Steel wage case, further evidence of the pressure for wage increases came to light during the past week. Labor groups in Pacific Coast aircraft plants have reportedly submitted requests to the aircraft wage stabilization conference for pay increases ranging from 8 to 35 cents per hour. Press dispatches have carried unofficial estimates that the demands would raise payrolls in the Pacific Coast aircraft industry by \$125 to \$150 millions annually.

The current week brings up another important wage case, as hearings are slated on the demands of Chrysler Corporation employees. In connection with the demands for wage increases, the Corporation points out that it is now engaged almost exclusively in making war materials, largely under contracts which contain escalator clauses relating to wages, or are on the basis of cost plus a fixed fee. The Corporation thus contends that any wage increases imposed by the WLB would be paid directly by the Government.

In view of the price control problems posed by wage increases, Price Administrator Henderson informed Congress last week that his policy was to disapprove price increases asked by industries to cover increased wages, if the pay raises had been granted since April 27, the date of the President's anti-inflation message to Congress.

Department store sales decline in June more than seasonal

The decline in department store sales in June was slightly greater than seasonal, and the FRB adjusted index of sales dropped for the fifth consecutive month from the record peak touched last January. In that month the index stood at 138, but successive declines carried it down to 108 in May and 106 in June.

- 7 -

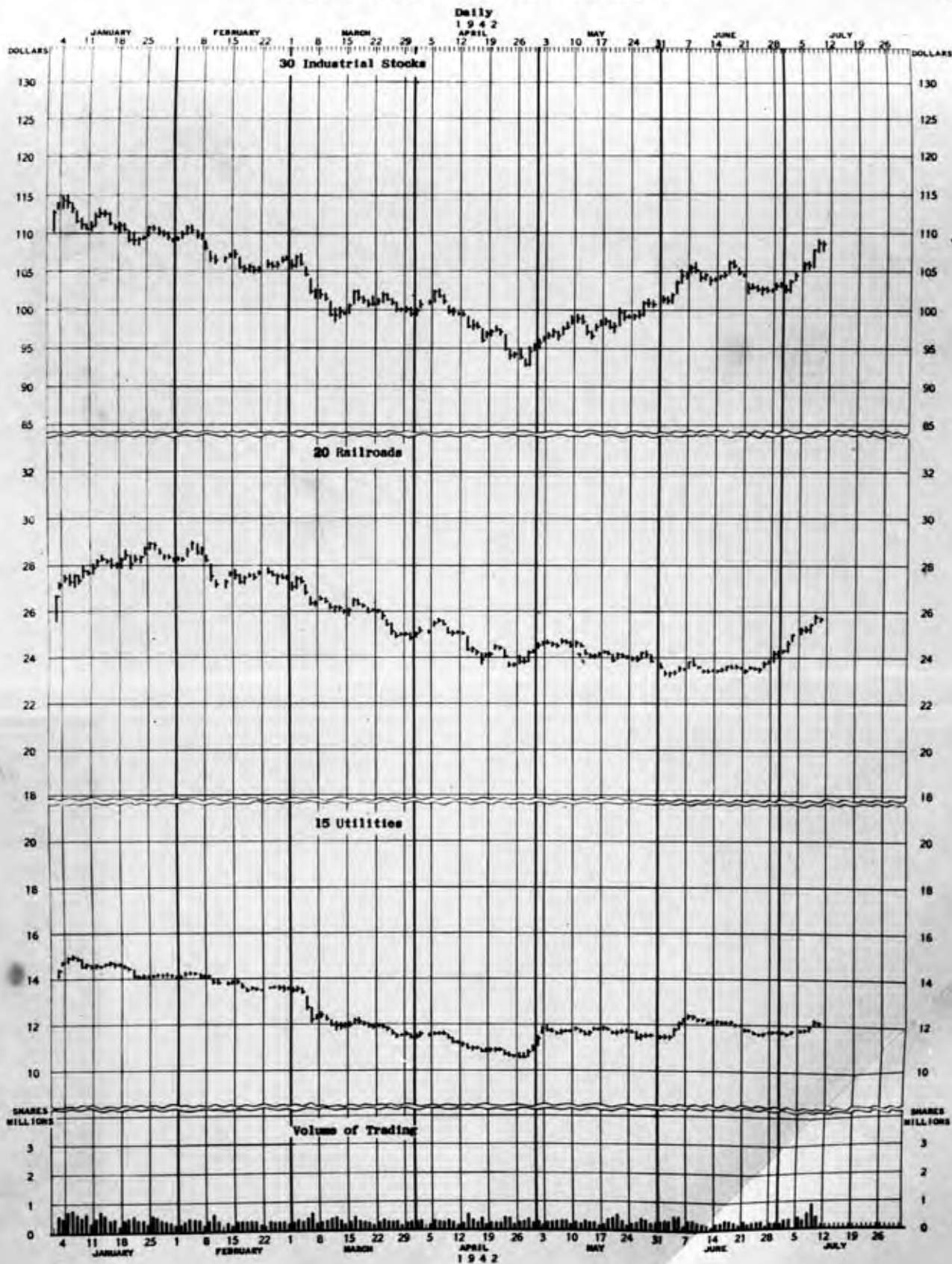
Retail trade is now in the mid-summer slack period. In the week ended July 4 the decline in department store sales from year-earlier levels was out to 1 percent from 8 percent in the preceding week. (See Chart 7.) Preliminary reports for the past week indicate that retail trade improved somewhat, although Dun and Bradstreet estimates that dollar sales volume for the country as a whole was still moderately under year-earlier levels. Among the reasons cited for the lag in sales were a slump in credit sales, travel curtailment, and the loss of men's clothing business due to the draft.

Freezing of overdue charge accounts now in effect

The deadline for overdue charge accounts in most important lines of retail trade was reached on July 10, as payments for purchases made in May or earlier had to be made by that date to avoid restrictions on credit purchases. Store executives in the New York area have recently reported that payments on charge accounts were coming in at such a rate that the number of accounts to be frozen would run well under earlier estimates. Thus the president of the Credit Bureau of Greater New York stated last week that when the figures on frozen accounts become available, they will likely run under the 29 percent frozen in Canada when similar regulations were imposed.

While the regulations governing overdue charge accounts have been cited as a factor in the recent lag in retail trade, some observers believe the regulations will have less restraining effect on buying than earlier expected. Part of the recent contraction in charge account sales is thought to have been due to misunderstandings on the part of the public, rather than to any unusual severity of the regulations. Rather lenient provisions for curing defaults are contained in the regulations, and will probably be used increasingly as the public becomes aware of their existence.

STOCK PRICES, DOW-JONES AVERAGES

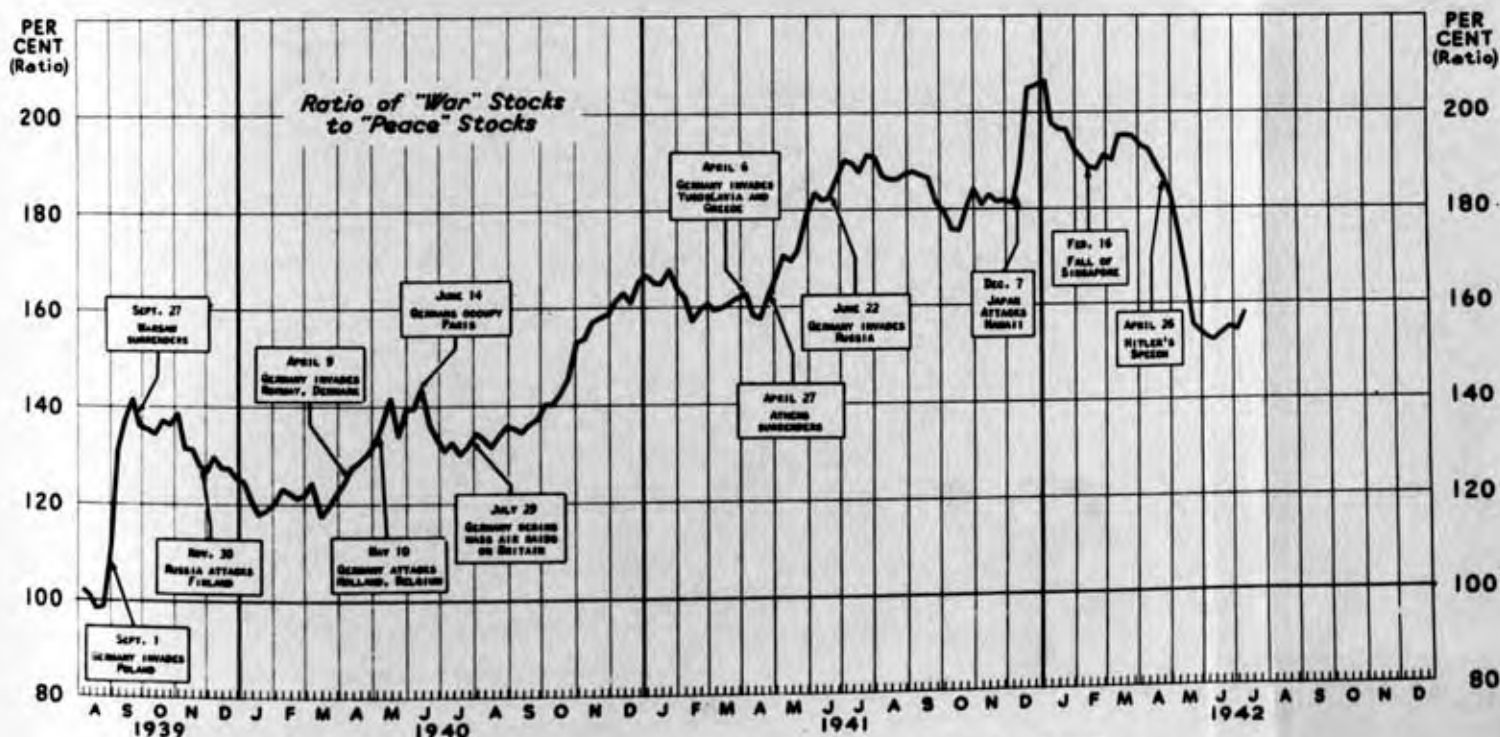
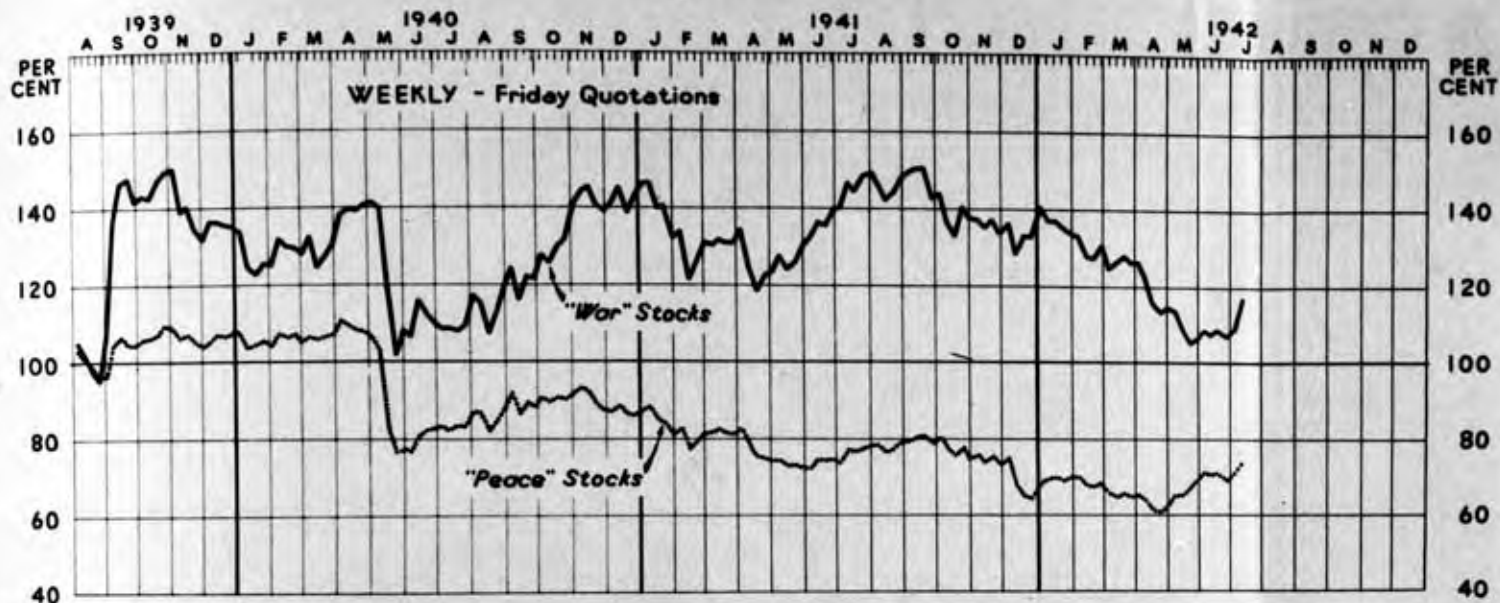


COMPARISON OF PRICE MOVEMENTS OF 20 "WAR" STOCKS AND 20 "PEACE" STOCKS*

August 1939 = 100

189

Chart 2



* Stocks selected on basis of relative benefits from prolonged war vs. early peace
Indexes are weighted averages of price relatives

Chart 190
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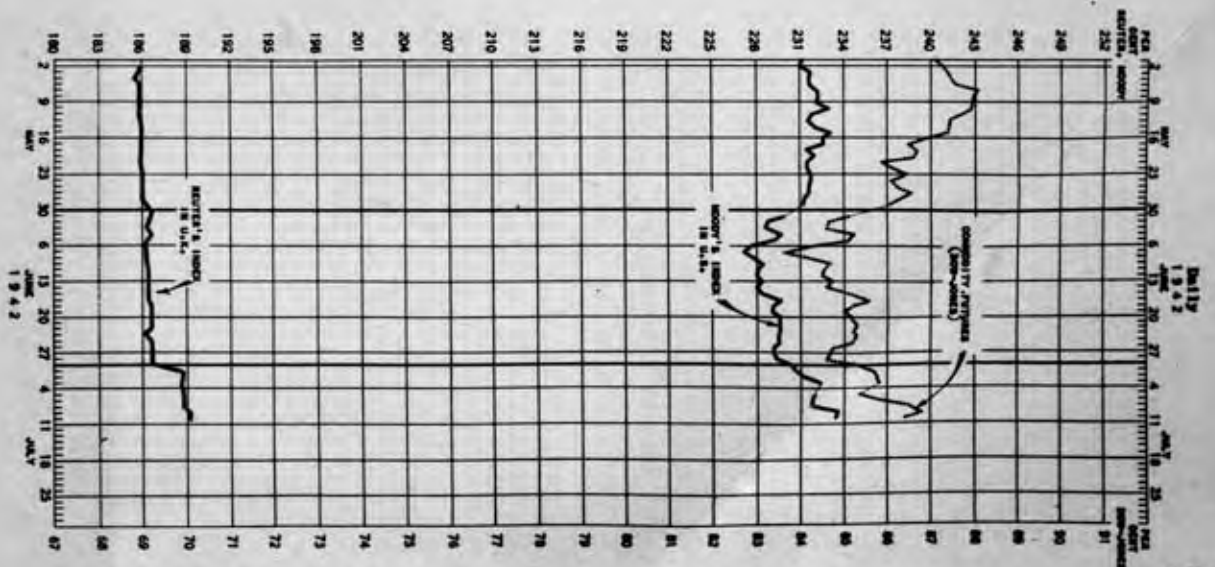
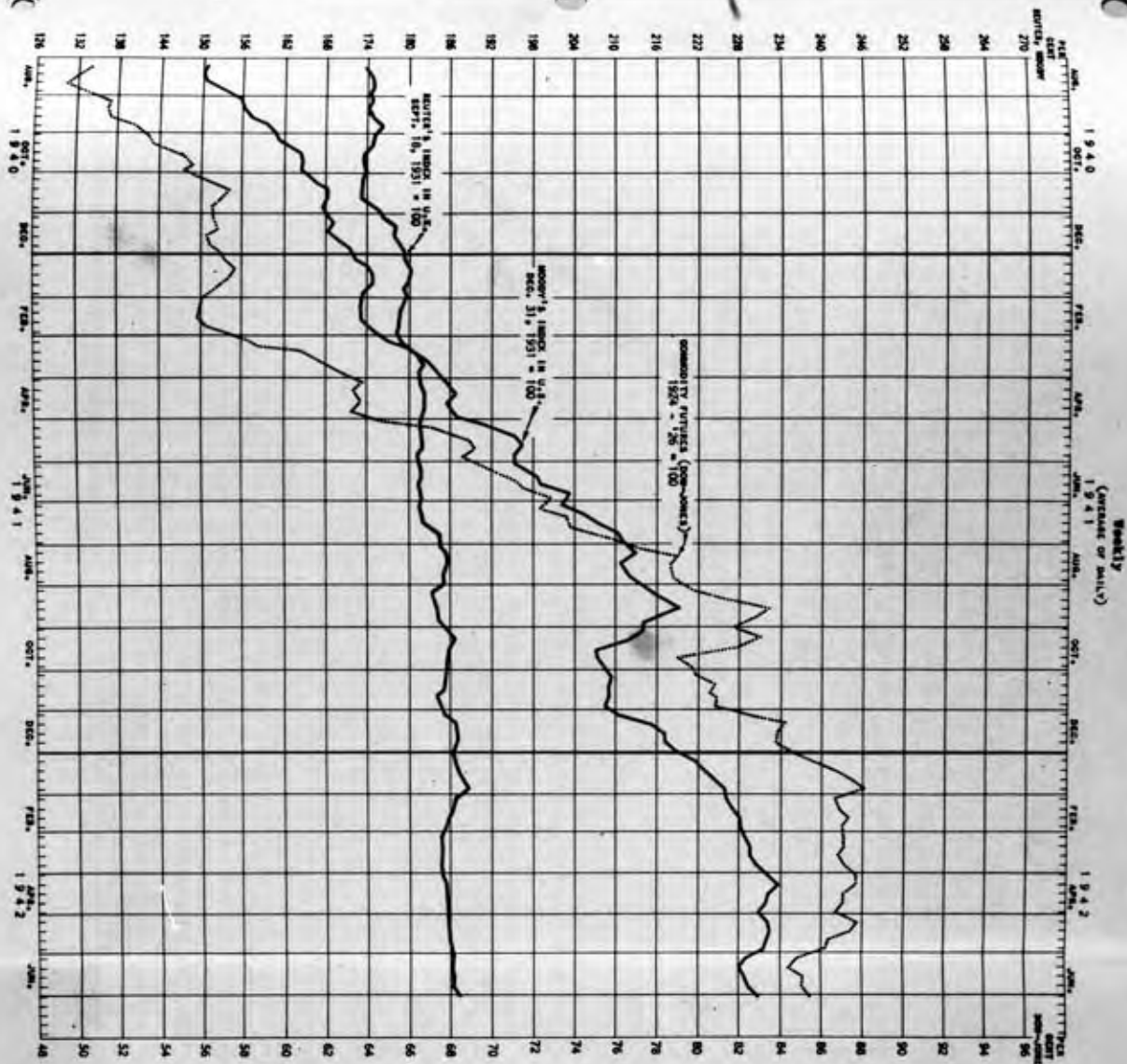
Chart 190
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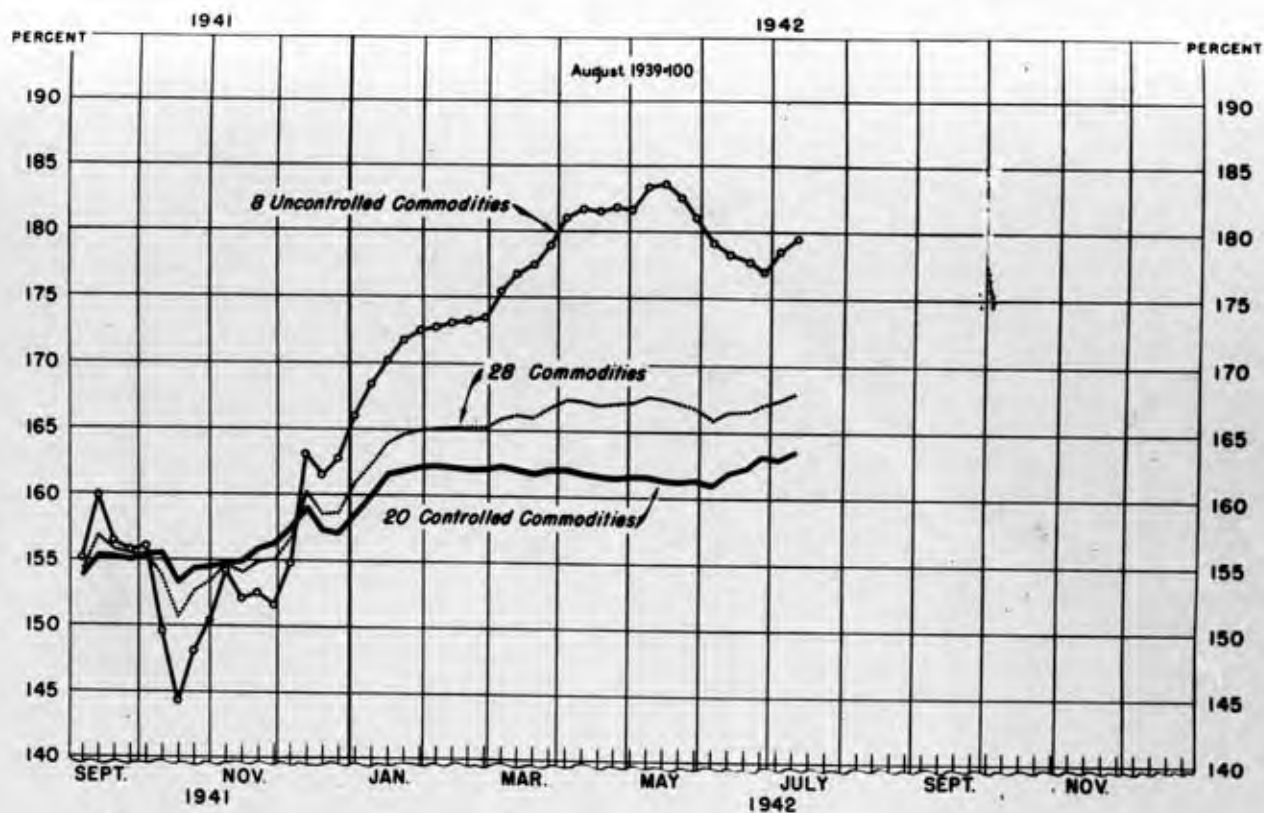
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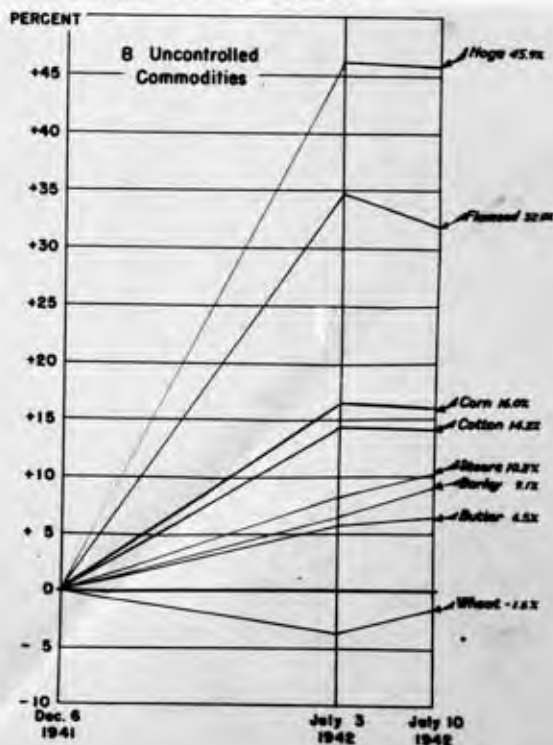
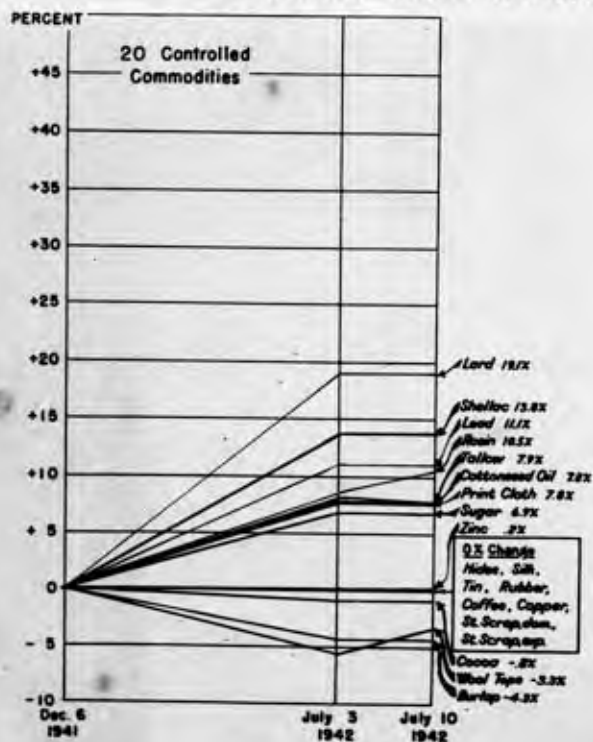
COMMODITY PRICE INDEXES IN U.S. AND U.E.



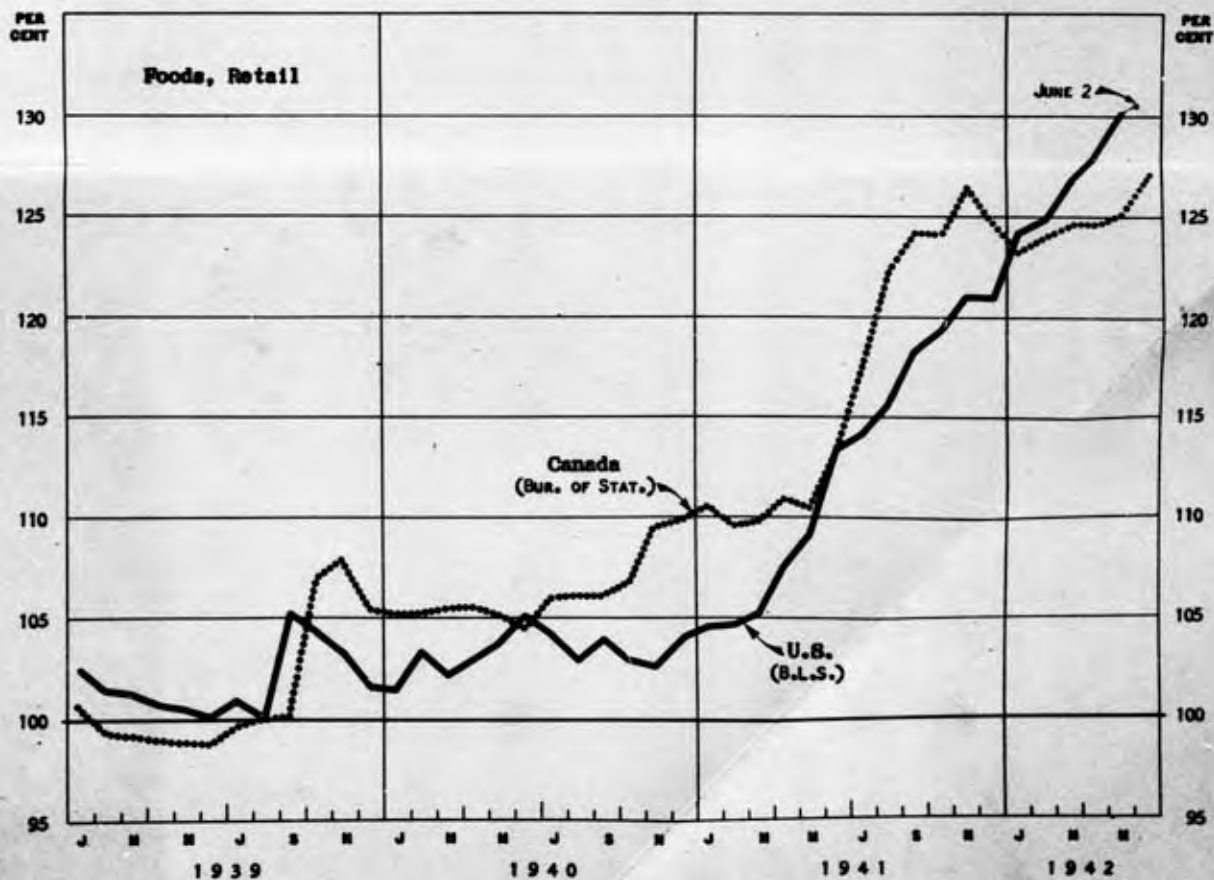
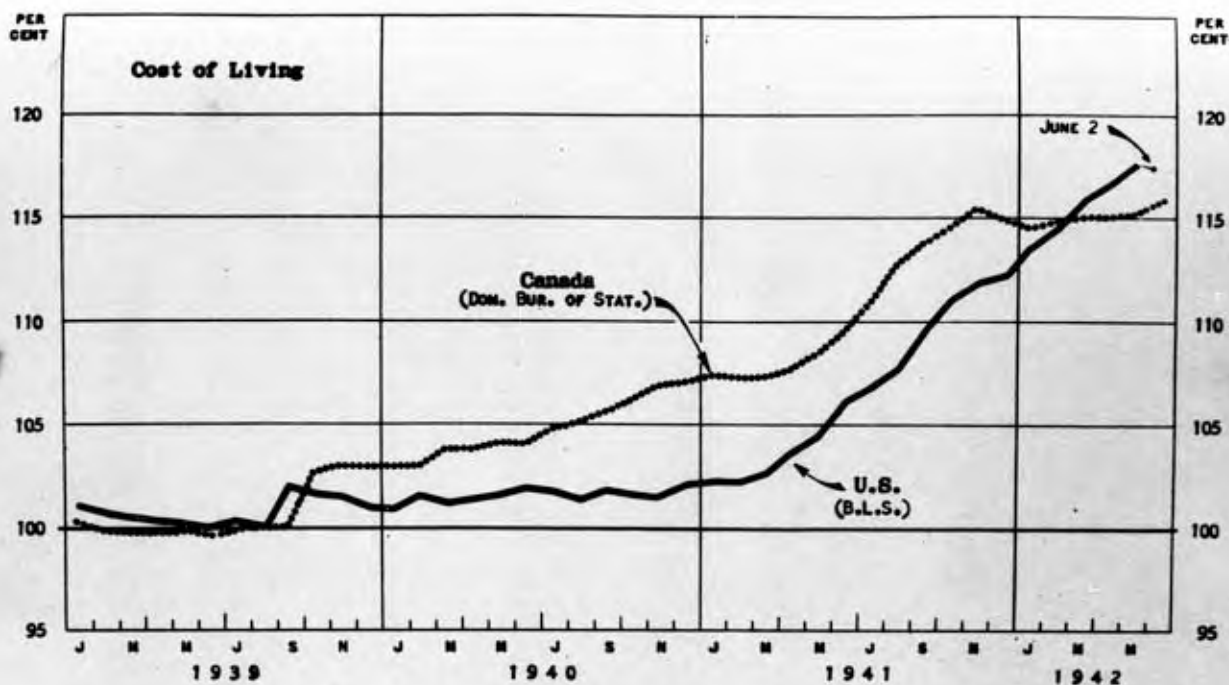
MOVEMENT OF BASIC COMMODITY PRICES



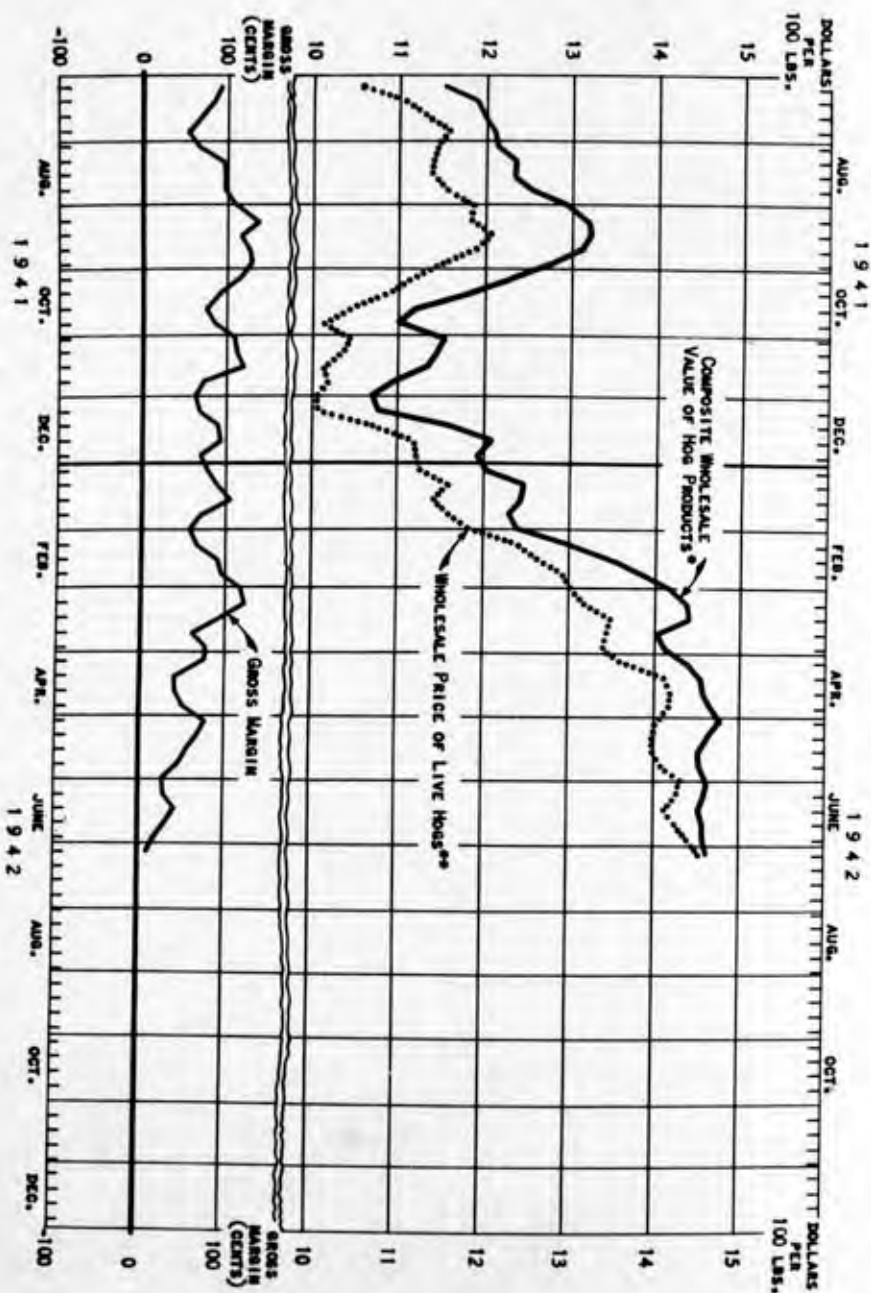
PERCENTAGE CHANGE DEC. 6, 1941 TO JULY 3, AND JULY 10, 1942



AUGUST 1939 - 100



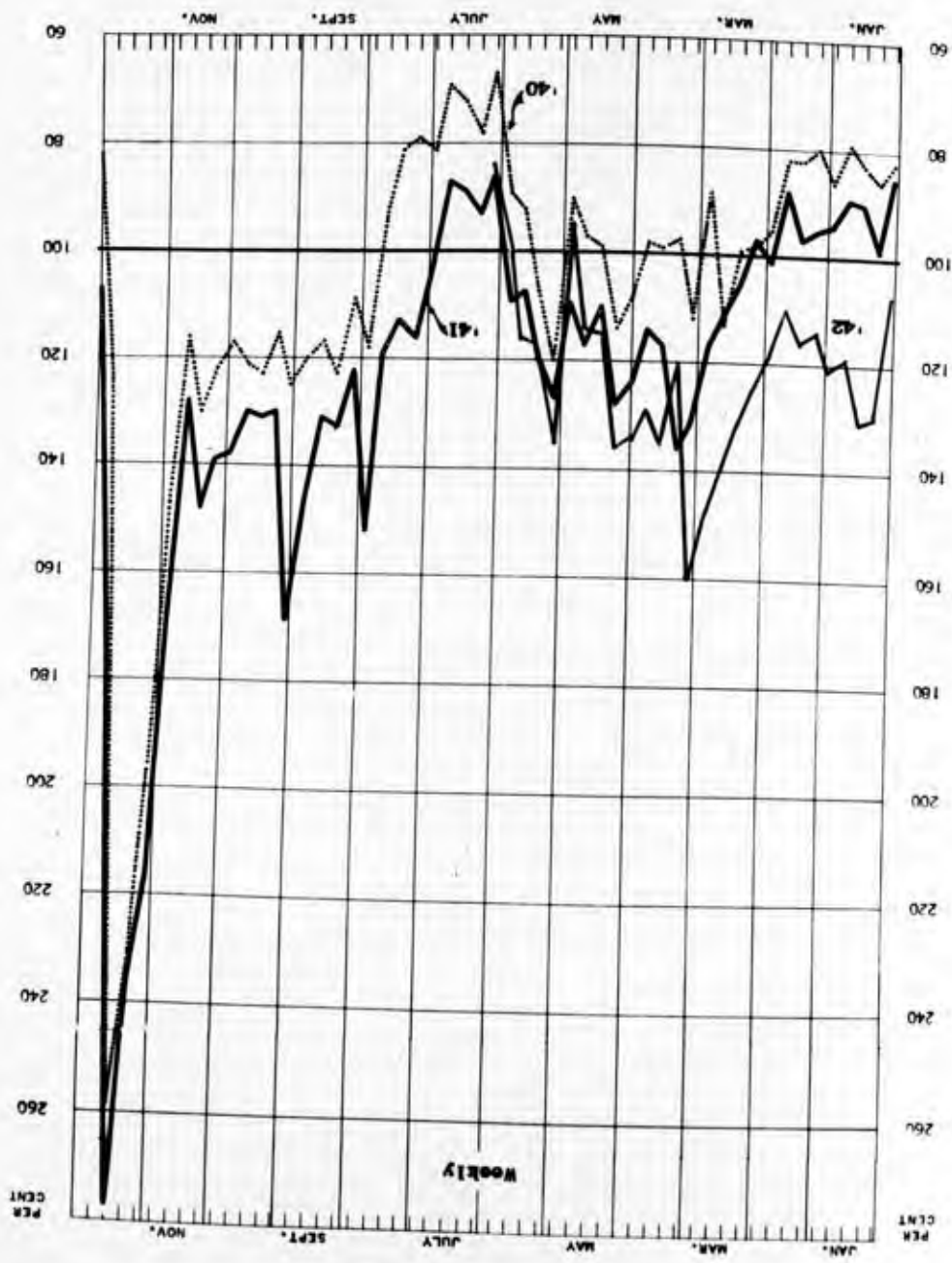
HOG PRICES, VALUE OF PORK PRODUCTS, AND GROSS MARGINS Weekly, July 1941 to date



* WHOLESALE VALUE OF ALL EDIBLE PRODUCTS IN 100 LB. OF LIVE HOGS.
** GOOD CHOICE, 180-200 LBS.

SOURCE: U.S.D.A.

Office of the Secretary of the Treasury
Division of Economic and Statistics



DEPARTMENT STORE SALES
1935 - '39 = 100, UNADJUSTED

SECRET

JUL 13 1942

AGENDA

FOR THE BOARD OF ECONOMIC WARFARE MEETING
TO BE HELD JULY 16, 1942, AT 10:00 A. M.
IN THE OFFICE OF THE VICE PRESIDENT
IN THE CAPITOL

1. Report on Sugar. (Attached)
2. Report on Trade Relations of Sweden, Switzerland, Spain, Portugal and Turkey. (Attached)

TABLE 1 -- UNITED STATES SUGAR SUPPLY AND
REQUIREMENTS SITUATION *1942

Relatively certain supplies	(Short tons, raw value)	
Beet	1,750,000	
Continental cane	400,000	
Hawaii	<u>800,000</u>	
Total		2,950,000
Caribbean 1/		
Cuba	2,000,000	
Puerto Rico	650,000	
Elsewhere in Caribbean	<u>50,000</u>	
Total		<u>2,700,000</u>
Total estimated available if shipping present shipping outlook		5,650,000
Other supplies available if shipping facilities can be provided:		
Cuba and Puerto Rico	1,580,000 2/	
Peru and other sources in Western Hemisphere	<u>300,000</u>	
Total		<u>1,880,000</u>
		7,530,000 3/
Average consumption of sugar in United States in recent years		6,800,000
Probable disappearance under present rationing provisions, including home canning, supplies for armed forces and lend-lease requirements for Russia		4,550,000

- 1/ Estimate based on present schedule and the shipping outlook for the balance of the year. In all probability year-end stocks in the Caribbean will be in excess of 2,000,000 tons.
- 2/ After allowing for Cuban sugars for United Kingdom and Canada referred to in the table on the United Kingdom situation.
- 3/ It is assumed that visible and invisible stocks in the United States as of January 1, 1942, are retained at the same level at the end of the year. It has been estimated that approximately 500,000 tons could be drawn upon for consumers' requirements from this source, if necessary.

TABLE 2 -- SUGAR REQUIREMENTS AND SUPPLIES FOR THE
UNITED KINGDOM AND OTHER COUNTRIES FOR
WHICH IT IS RESPONSIBLE

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For a period of One Year

Thousands of Short Tons

REQUIREMENTS:

U. K. - on present ration	2,039	Raws
Canada - Import needs say	504	" (possibly 448 under rationing)
New Zealand	90	"
Various (Rhodesia, etc.)	28	"
Middle East	358	"
Ceylon	67	"
Turkey ?	22	"
	<u>3,108</u>	
Total		

ESTIMATED SUPPLIES:

	<u>1942</u>	<u>1943</u>
U. K. Beet Crop	504	504 to 560
British West Indies	532	483 " 728
Fiji (for New Zealand)	90	90 " 90
(Mauritius	308	224 " 280
(Natal	13	56 " 112
(East Africa	22	22 " 22
(India	28	56 " 56
Backloading from Fiji and Australia to U.K., Middle East and Canada	<u>224</u> 1,721	<u>224</u> " <u>224</u> 1,469 " 2,072
San Domingo and Haiti	566	560 " 560
Cuba	<u>448</u>	<u>448</u> " <u>448</u>
	2,755	2,677 " 3,080
Overlap from 1941 shipments (Java, etc.) say	<u>392</u> 3,127	
Various (Suriname, Brazils and Prize) say	<u>28</u>	<u>28</u> " <u>28</u>
	3,155	2,705 " 3,108

✓ This figure differs from previous advices from United Kingdom indicating that shipping facilities will not be available to move more than about 250,000 tons from Cuba. The above figures have been submitted as amounts which would be desired if shipping facilities are available.

Explanatory comments submitted by the British Food Mission:

The requirements figures for U. K., Canada and the Middle East include a margin of 7 percent for sea losses (i.e. about 202,000 tons).

Stocks on September 30th, 1941, were 773,000 tons raw value (about 717,000 refined). They are expected to decline by September 30th, 1942, to 605,000 raws (about 560,000 tons refined). (672,000 tons refined is accepted as minimum stock level to enable about 3,000 Emergency Depots to be maintained). We shall therefore have borrowed about 168,000 from stocks on September 30, 1942, as compared with same date previous year, in addition to about 224,000 tons from the "overlap" arrivals. It is difficult to take any other date than 30th September for stock comparison, as in October/December figures are distorted by homegrown production. The "overlap" figure given above refers to an accumulation of delayed shipments (non recurrent in many cases such as Java to U. K. and Middle East).

RUSSIA

Normal production in Russia, which closely approximates consumption, was 2,600,000 tons. Because of war damage in important areas of Russian sugar production, it is estimated that the present production capacity is only 800,000 tons. The figures in the above tables assume that 300,000 tons of lend-lease sugar will be provided for Russia to supplement their present production on the assumption that shipping facilities will not be available to move more than this quantity.

AXIS POWERS

The total production of the 1940 - 41 crop of the sugar producing areas now under Axis control is estimated at 13,500,000 tons. The total consumption of these areas is estimated at 10,800,000 in the last year before the war. The European countries under Axis control are probably self-sufficient in sugar at the present time. Japan is also self-sufficient. The large surpluses will be in Java and the Philippines, assuming, of course, that the industries are still functioning and that the cane supply in these areas will not be diverted to other products than sugar (alcohol, etc.).

SECRET

STATEMENT ON UNITED NATIONS' OBJECTIVES
IN ECONOMIC WARFARE THROUGH TRADE WITH
THE EUROPEAN NEUTRALS AND WITH TURKEY

Prepared jointly

by

Representatives of the Department
of State and the Board of
Economic Warfare

WITH AN ANNEX

Prepared by the Staff of the Board of
Economic Warfare

July 7, 1942

It is the job of economic warfare to engage the enemy in places and through institutions where the armed forces are not in position to operate. At the present time in Europe, with channels limited to neutrals, this amounts to regulating trade with Sweden, Switzerland, Spain, Portugal, and Turkey. (The special case of Vichy France and its colonies is not considered in this memorandum.)

The objectives of economic warfare in Europe are threefold:

- (1) To reduce the resources and productive power available to the Axis, and to increase our own;
- (2) To keep open and improve our intelligence facilities; and
- (3) To keep in being and to strengthen whatever forces anywhere can reliably be counted on to be on our side in a pinch.

These objectives must be sought by various and changing methods, depending on the various and changing facts of strategy, of politics, and of supply. The indicated policy is a hard-boiled and realistic one, consisting chiefly of a managed course of trading with the neutrals, directed to acquiring, in collaboration with the British, all that we can of the strategic scarce materials that are produced in Europe, for the purpose both of having them ourselves and of denying them to Hitler. This trade must be conducted in competition with the enemy, and in places which are nearer to the centers of his power than ours. His force surrounds the market, and until he is driven back he can always draw more out of it than we can. But he cannot have it all as long as we have some, and the object of our efforts is to make that some as large as possible.

The attached statistical analysis shows the results to date. It, and some other points that statistics do not show, are summarized as follows:

BENEFITS TO THE UNITED NATIONS

1. The United Nations have taken out of Europe substantial quantities of the following materials:

Cork	Mercury	Sardines
Tungsten ore	Woolen manufactures	Silk bolting cloth
Pyrites	Skins	Watch movements
Iron Ore	Opium	
Chromite	Oranges	Certain precision instruments of particular value to the war effort
Copper	Potash salts	
Pin	Olive oil	

2. This trade, and their neutrality, has enabled Sweden, Switzerland and Portugal to maintain a higher level of consumption than exists in Germany or the occupied territories. They have thereby been rendered less dependent on Germany for their existence, and therefore less docile to German demands. As a result, they have consumed an unmeasured but substantial quantity of other local resources which might otherwise have fallen to the enemy.

3. The United Nations have been able to maintain centers for intelligence and propaganda in each of the five countries. The fact that we are in trade with them has opened up important commercial sources of intelligence that would not otherwise be available. (Both the Board of Economic Warfare and the Department of State have been requested by the Services, if possible, to avoid action which would result in the discontinuance of their intelligence.)

4. The United Nations have the use of a substantial volume of Swedish shipping, and enjoy the benefit of diligent and conscientious representation by the Swiss of their interests in Axis countries, particularly in the enforcement of the international convention for the treatment of prisoners of war.

5. By strengthening the armament of Sweden, Switzerland and Turkey (the last mentioned by Lend-Lease) the United Nations have increased the power of resistance of these countries and the likelihood that they will in fact resist effectively if the enemy attacks them.

6. This trade has enabled the United Nations to secure agreements with the Neutrals to hold within definite limits (generally at or below 1938 volume) many crucial items in their trade with the enemy.

7. Because of the cooperation of the European Neutrals in the navicert system, United Nations' naval forces have been relieved in considerable measure of responsibility for patrol on the high seas which they would otherwise have been called upon to perform.

PAYMENTS BY THE UNITED NATIONS

For these advantages the United Nations have contributed to the economies of the five neutrals substantial quantities of the following materials:

Wheat and other cereals	Pharmaceuticals
Dried fruits	Petroleum products
Edible vegetable oils	Steel bars and rods
Sugar	Fin plate for fish pack
Canned goods	Baling wire for cork
Lard, etc.	Fertilizers
Tobacco	Copper sulphate and scrap
Tea and coffee	copper for insecticides
Cotton and manufactures	Automobiles and trucks
Coal	Other manufactured consumers' goods.
Hides and skins	

These materials were mostly not in scarce supply in the United States when they were authorized and shipped. Some were, and more are now. Of the things in the above list the export of sugar, canned goods, tea and coffee, wool and manufactures, hides and skins, automobiles and trucks, are now practically stopped. However, it must be recognized that we cannot take strategic goods from Europe, under the nose of Hitler, without paying for them. But if we manage the trade well we can take much more in war-potential out than we pay back.

The goods exported go to the five neutrals, in carefully planned quantities, under firm agreements for their local use, and in many cases under open or secret inspection as to use by officers of and persons employed by the United Nations. Every specific import permitted by the United Nations must be judged by its effect upon the Neutral and by his reaction toward the enemy. In some cases the threat of reduction or elimination of an import will cause the Neutral to stiffen his resistance to the Axis; in others it may throw him on the Axis for supplies, and make him less able to resist Axis demands. Nothing in war is airtight, but the chances that some of the goods shipped will benefit the enemy must be weighed against the hurt that the trade does him. The alternative is to turn over the whole resources of Europe to his single exploitation.

RECOMMENDATIONS

It is therefore recommended:

1. That managed trade with the five neutrals be continued, under the strict control of the responsible authorities of the United States and the United Nations.
2. That every program continue to be examined and directed by those authorities from the point of view of damage to the enemy, aid to the United Nations, cost to the United Nations, and precautions against leaks.

The attached statement shows, as fully as now possible, the course of our trade with the five neutrals, and the course of their trade with the enemy.

The tables showing trade between the United States and the neutral countries do not, of course, fully reflect the economic values given and received by the United Nations. Statistics were not obtainable indicating the total permitted exports through the blockade to the neutrals or the total imports received from the neutrals by all countries outside the blockade.

The statistics on exports from the neutral countries to the enemy should also be judged in the light of the fact that in many cases raw materials are sent to the neutral by the enemy and reexported to the enemy in manufactured form.

PORTUGAL

I. Portugal's Economic Assistance to the Enemy

Portugal has been supplying about 75 percent of the enemy's requirements of tungsten, almost 10 percent of its consumption of tin, and large quantities of turpentine, resin, canned fish, and fats and oils. Loss of the Portuguese tungsten and tin would directly reduce the Axis' war potential.

In 1941 over half of the exportable surplus of oil seeds of Portugal went to Germany and enemy countries, and one-third of the vegetable oils. One-fourth of exportable surplus of fish oil and of fish went to Germany, and three-fifths of the wine.

Half of the turpentine and resin, almost all of the hides, skins and leather, over half of the tungsten ore and three-fifths of the tin metal and ore which existed in Portugal as exportable surpluses in 1941 were shipped to enemy countries.

In addition, Portugal is useful to the enemy as an entrepot for scarce colonial products, such as rubber, quinine, cocoa, sisal, jute, and coffee, which in 1941 were sent to the Axis countries in the following quantities:

80 tons of rubber
75 tons of quinine
400 tons of cocoa
225 tons of sisal
185 tons of jute
and 1,140 tons of coffee.

II. Economic Benefits Derived by the United Nations From Portugal

Portugal has been the United States' main source of cork (imports during the first quarter of 1942 were over 10,000 tons) and, after the loss of our Far Eastern sources, potentially at least, the United Nations' principal source of tungsten. The United States Commercial Company and the United Kingdom Commercial Corporation are at present engaged in a buying program in Portugal, which has as its main objectives increased supplies of these strategic materials and tin both for the United Nations' stocks and for pre-emption directed against the enemy.

III. Export Policy Toward Portugal

The policy of the United States and the United Kingdom toward exports to Portugal has been to permit the shipment of commodities which are not in short supply but only in quantities so small as to ensure their consumption within Portugal and to prevent the accumulation of stocks. In cases where Portugal seeks to obtain commodities that are in short supply, no export licenses are issued except on a barter basis, that is, if the United Nations are thereby enabled to receive in return commodities which have a greater strategic value. Thus, baling wire has been supplied to Portugal in exchange for cork, and shipbuilding materials have been exported for use in the repair of British vessels in Portuguese yards. Similarly, tin plate has been supplied both to preempt a portion of the sardine pack and to furnish a useful foodstuff to the United Kingdom.

At present, a general barter program is being formulated whereby Portugal would supply the United States and the United Kingdom such commodities such as tungsten, tin, wool, canned fish, cork, etc., in exchange for baling wire, petroleum products, fertilizers, coal, etc. Pending agreement on this trade program, the United States Commercial Company and the United Kingdom Commercial Corporation are jointly engaged in a program of proclusive buying in Portugal and efforts are being made to reduce Portuguese exports to the enemy by withholding approval of license applications until shipments to the Axis are eliminated or reduced to token quantities.

and 1,100 tons of cotton
100 tons of wool
100 tons of steel
100 tons of coal
100 tons of oil
100 tons of sugar
100 tons of flour
100 tons of rice

11. Documents furnished to the
United Nations from Portugal

Portugal has been the United States' main source of cork since 1942. It has also been a source of tungsten, tin, wool, canned fish, cork, etc., in exchange for baling wire, petroleum products, fertilizers, coal, etc. The United States Commercial Company and the United Kingdom Commercial Corporation are jointly engaged in a program of proclusive buying in Portugal and efforts are being made to reduce Portuguese exports to the enemy by withholding approval of license applications until shipments to the Axis are eliminated or reduced to token quantities.