

Diary

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May 24, 1944
9:35 a.m.

GROUP

Present: Mr. D. W. Bell
Mr. Haas
Mr. O'Connell
Mr. Gamble
Mr. Smith
Mr. Sullivan
Mr. White
Mrs. Klotz

H.M.JR: Does anybody besides Herbert Gaston know about the conversations and the work that we have done with OPA on counterfeiting gasoline stamps?

(No response)

H.M.JR: Well, I will have to call him up and talk to him. Chester Bowles wants us to give him an expert. He wants to set up a bureau. I told him we offered once before and I think Secret Service has enough people; they ought to do the job and not set up another bureau.

MR. BELL: I agree.

H.M.JR: I will talk to him.

MR. BELL: In counterfeiting, I suppose you can say the stamp is an obligation to the U.S. Government.

MR. O'CONNELL: They have been having discussions with the OPA people and Secret Service, and a lot of others for over a year now.

MR. BELL: Wilson probably knows about it.

H.M.JR: I will send for him.

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LI: The only thing I know is what Herb said
ce in here.

: Did you talk to him yesterday?

LIIVAN: Yes, sir, I did. He has a phone right
e bed.

: How was he yesterday?

LIIVAN: He was pretty well.

: Mr. Bell?

LI: I told you yesterday that the five planes
re off yesterday morning at six o'clock with
erial. The Bureau of Printing and Engraving
g the stuff at five o'clock with nobody over
ly). They had to do their own loading in the
y got it all loaded by six and stood around
e the five Russians to go, and at ten-fifteen
Secretary showed up in Mr. Hall's office and
now if they could put the addresses on the boxes.

all said, "Well, it is too late; they are all
the plane and ready to go this morning."

id, "Oh, no, they are not, they can't go until
because our men are not ready."

lled up the colonel in charge--Al did--and told
it, and he just hit the ceiling. He said, "I
o give them instructions to be here at one-thirty
nes take off without them."

ussian went back to the State Department and
fluence, and the planes were delayed; they
ne yet.

rday afternoon they came down with quite a load
goods to be put on the plane to go to Russia,
lquel turned some of them back. He said, "Too
an't take them."

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So the planes are still here. Whether they get off today or not, I don't know. It was a rush order.

H.M.JR: I am going to call up the Ambassador and tell him.

MR. BELL: I don't know--do you remember the other rush order? We worked on it Saturday, Sunday, and nights. I understand it laid in the Embassy twenty-two days. But I believe they will take off this morning. If the colonel has his way, they will take off before noon.

H.M.JR: I think I am going to call him; he is always putting the heat on me.

MR. BELL: But they wanted us to unload those boxes, after all the trouble they had gone to to put them in the planes and place them and nail or strap them down; they wanted to take them back to the Bureau and stencil the address on there.

H.M.JR: Who asked to have them loaded yesterday morning?

MR. BELL: The Russians.

H.M.JR: Was it yesterday morning at five o'clock?

MR. BELL: Yes, I think they were practically all loaded between six and seven, but the colonel won't let them unload them. He said, "They are only going to one place, and I haven't any other cargo, except this, and there is no sense in having the addresses." He said, "I can't unload the planes, that is all."

H.M.JR: These planes go right through to this place?

MR. BELL: Yes. They have five crews down there all waiting around. They had to put guards around the planes last night. They were all set to go yesterday morning at nine o'clock.

That is all I have.

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H.M.JR: Harry?

MR. WHITE: I just received a letter from Bill Taylor. I will mark the places that I think you would be interested in, but I notice on the first page he makes this interesting observation: "The need for a Treasury man here to deal primarily with the occupation and related problems has long been recognized by the people. Ambassador Phillips informs me that in early January he sent a cable to the State Department requesting that a Treasury man should be sent here for financial and monetary work with the CCACL."

The reply from Washington was to the effect that they were not convinced of the need for a Treasury man for such matters. I just thought you would be interested in that. They never spoke to us about it.

H.M.JR: Well, there is no use taking it up.

MR. WHITE: There is some other interesting information.

H.M.JR: Winant told me that Taylor got there the day before he was leaving, and, "You can imagine how busy I was. I gave him two hours, because I was so interested in what he had to say."

And, of course, with this man Brand coming here, I told Winant that I would be wanting his help and Taylor's help more than ever. Of course, maybe that is what the English want. Maybe they wanted to go to London, but Winant was very much outraged when I told him the story about Brand.

MR. WHITE: He hadn't known?

H.M.JR: Nothing, not a thing. He thought it was an outrageous story.

MR. WHITE: With respect to the memorandum which Mr. Stettinius brought back, which he had received from the Chancellor of the Exchequer commenting on their dollar position now and after the war, you asked whether there was anything that could be done about it. I don't think so;

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this is just additional information we will want to use when the discussion comes up again.

H.M.JR: By not answering it, I don't agree to anything.

MR. WHITE: Yes, it doesn't ask for any.

(The Secretary held a telephone conversation with Fedor T. Orekhov of the Russian Embassy)

MR. BELL: That is funny.

H.M.JR: I just want Gromyko to know.

MR. GAMBLE: You ought to have a record of that.

MRS. KLOTZ: That is very funny. He doesn't know who calls or anything. Gosh, to leave a man like that in charge!

MR. SULLIVAN: Wait until he calls District 2626 and says, "Do you have a man named Morgenthau working there?"
(Laughter)

MRS. KLOTZ: Uh huh.

MR. WHITE: His "uh huh" is just full of story.

H.M.JR: That story--the other day we were standing outside, Harry, Fitz, and I. I said, "If you can get Buffalo Bill tomorrow night, we would like to have it. It is a good picture. Harry, would you like to come?"

Harry said, "Uh huh."

Fitz said it if was Buffalo Billski Harry would like to come. (Laughter)

MR. BELL: There has really been a lot of funny episodes in this Russian order. We just couldn't understand why we couldn't make clear to the Ambassador how much ink he was ordering. They just didn't need it. We had a conference in my office and had Pasvolosky come over and talk Russian so

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they would be sure to get it. Pasvolasky was a little scared to say very much in Russian, because it would make the Ambassador mad. He doesn't like for people to talk in Russian to him very much. So we would say over and over what the situation was, and he would say, "I know, but my Government ordered a hundred kilograms." Finally we wrote out a memorandum of what the situation was. We told him we would go ahead and fix up the whole order. Then we sent him a memorandum which would clarify it, because he was ordering about a hundred times more of one color than he needed. Maybe only five percent of that color would go into the mixture. They were ordering an equal amount of each color. We had it all boxed and everything, ready to go, and another shipment. Yesterday we got an order that we could go ahead and equalize the whole order. So we have to tear down all those boxes and refill the order.

H.M.JR: I spoke to Harriman about that when he was here. He said that they have absolutely no discretion. If they are told to get this, that is what they have got to get, and they have absolutely no discretion. The other thing he told me was that they are fed up on people like Donald Nelson coming over there and making a good-will tour and a lot of promises and then nothing happens.

If somebody comes over there, on the other hand, with a concrete proposition, they get right down to business. But Harriman said they have a fifteen-year post-war plan. He said he could not find out what it is, because he hasn't a definite proposition. "But," he said, "if somebody came over that had a definite proposition to work with them, and they were convinced that it was," then he could find out what their fifteen-year plan was. "But," he said, "I can't, because they won't get busy. They will say, 'Why bother discussing it when you are just asking for information?'"

MR. BELL: They are a peculiar lot.

MRS. KLOTZ: That was marvelous. That is the way it should be.

H.M.JR: He said, "I can't find out until somebody has a definite proposition; then they will get down to business."

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MR. WHITE: This episode demonstrates what you say about instructions very, very well. The Ambassador was convinced of the absurdity of their request, but he wouldn't depart from their instructions.

Dan suggested that he send a cable explaining. He said he would do that, provided--and he repeated it--provided that the order would go forward and not wait for a reply from the cable. If the cable came ahead of time, all right. So Dan promised them, prepared the cable, and sent it; you got the answer yesterday. That is very interesting.

H.M.JR: We had that thing again and again with our Purchasing Mission. They would want special quality steel. "Well," we'd say, "we can't give this to you. We can't stop and mix up a special batch of steel for you."

Or, "We have three-pronged barbed wire; now we want four-pronged barbed wire." "Well, we don't make four. We can't stop our machines," and so forth. "We want four-pronged barbed wire."

I know in many cases it has been like that.

Well, the answer is, whatever their method it kills Germans, and that is the answer. That is the final test.

MR. WHITE: Maybe those are the instructions the generals get. They listen. Joe Stalin keeps saying, "We want to kill Germans." Finally, they have to obey instructions!

H.M.JR: Well, if you have time for one other story, this is very funny:

At the English Embassy last night, the only other couple were the Archie MacLeish's. He has just been over on this mission. They were in some big English estate--I don't know where. He was a guest of this man. They were in this big park. They came to the gate. He said for the first time since the war, this man was going to have roast beef for Sunday.

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They had only about a half mile to go when they got to this gate. I can't tell it nearly so well as he did. The gate was locked. They shook it and shook it. Finally, this very old, weazened retainer came out from the hedge and said, "What is it you want?"

He said, "Well, we'd like to get out. Won't you open the gate?"

He said, "Nope."

"Well, supposing we were on the outside? Would you let us get in?"

"Nope."

"Won't you please let us out?"

"Nope. Me orders was to lock the gate!"

"If we were on the outside, couldn't we come in?"

"If you were on the outside, you couldn't come in, and if you were on the inside, you couldn't get out. You go out the other way."

He said, "If you don't mind, if that isn't typical British for you!" (Laughter)

All right, Harry, do you have that all settled?

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MR. WHITE: Yes, we had another long and, I hope, final discussion with the French yesterday. We got permission from McCloy to tell them in essence what the financial directives were, as applied to the French. They haven't seen them yet and were very much disturbed about what they had heard about them.

H.M.JR: Who drew those up?

MR. WHITE: We and the British and others. But we weren't permitted to discuss it with the French. So we had to discuss it without the benefit of their views and information, and we complained about it because we said we wanted to make certain we weren't making any gross errors. They are more familiar with France than anybody else. We finally got permission.

H.M.JR: That is strange!

MR. WHITE: Yes, it's strange. Finally got permission and they did object strenuously to part of the program and were going to submit their views. I don't know what will happen, because it may be too late for anything to happen. They have had their hearing and I think our discussion on that aspect is at an end.

H.M.JR: What happened to that directive about changing the French money which I signed?

MR. WHITE: That is before the President. We haven't an answer.

H.M.JR: Is it to the President?

MR. WHITE: Yes.

H.M.JR: There are three things before the President: Peble's memorandum, on refugee camps; there is White's memorandum on the monetary conference; then, there is the Argentine.

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They lost the first memorandum.

MR. WHITE: That explains a good deal, I think.

H.M.JR: He claims he can't find it.

Let's see, Pehle's, the Monetary, and the Argentine.

MR. WHITE: And the French currency. That is all.

H.M.JR: O. K. We'll see. I hope you people appreciate the service you get, most of the time. Anything else, Harry?

MR. WHITE: The one other thing is the German mark. We are a little closer to agreement, but we are not at agreement. The Army is pushing us. As soon as we can get a little closer, I will present material to you.

H.M.JR: Will you call up General Clay and tell him that I spoke to General Somervell and he promised me a memorandum on China on Monday?

MR. WHITE: From the conversation, I was wondering whether the subsequent remarks made that necessary. I thought he promised a memorandum before you had made certain things clear.

H.M.JR: No, this is for the President.

MR. BELL: I wonder if it hasn't gone to the President.

H.M.JR: Will you call him up for me?

MR. WHITE: Yes, I'll call General Clay about it.

H.M.JR: And will you let Mrs. Klotz know this morning what the answer is?

MR. WHITE: Yes. And you also want a memorandum from us. It will be a very brief memorandum on the exchange rates.

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H.M.JR: Yes, will you do that? You were going to see Beans Baldwin Monday. Did you do it?

MR. WHITE: I did not.

H.M.JR: How can I get you to do it?

MR. WHITE: You have. He is in New York. That's all.

H.M.JR: Theodore?

MR. GAMBLE: We had a confirmation last night from the Carnation people for their hour for the Chicago show. That is Monday the 19th. They have one of the finest programs on the air. They have one of the best musical organizations.

H.M.JR: Is there a female singer going on with me? What is her name?

MR. GAMBLE: I don't know her name. This is Monday night.

H.M.JR: Does that make me a contented bull?

MR. GAMBLE: Yes.

MR. SULLIVAN: Ferdinand!

MR. GAMBLE: We hope to see Early today. I talked to his office again yesterday afternoon, Mr. Blake, and he said Early would try to see us today on this matter. He seems to be busy. We will try to see him today on that. That is all I have this morning.

H.M.JR: When is the Contented Hour?

MR. GAMBLE: It's eight o'clock at night, Monday evening. The show originates at Soldiers Field, as you know. We had our people in Milwaukee yesterday to see Stewart, the President. They were very enthusiastic about it.

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H.M.JR: Do we get their orchestra, too?

MR. GAMBLE: We get the whole show.

MR. SMITH: And all their talent.

MR. SULLIVAN: Isn't her name Margaret Speaks?

MR. SMITH: No, she is on Goodyear.

MR. WHITE: I don't know whether it would throw any light at all on what to expect, but we got a cable from Moscow--the Ambassador--commenting on their last war loan drive, which just took place a few weeks ago. He said it was much more successful than any because of the victories. There was a tremendous enthusiasm, though they used a great deal of pressure, too, he said. It may be with the fighting, if it proceeds at all, you will get very different results.

H.M.JR: Anything else?

MR. GAMBLE: That is all.

MR. HAAS: I have nothing.

H.M.JR: Fred?

MR. SMITH: Are you going to want to clear the monetary release with the President?

H.M.JR: Well, if there is such a thing, when we see the President I'd put the whole thing in a package. We have the delegates, we have the invitations. We might just as well have the release. I have asked for an appointment when he gets back.

MR. SMITH: We have the mechanics all set up so that five minutes after the last man gets the invitation it will be released to the Press so they can't scoop us on it.

H.M.JR: Give the whole thing to Harry and put it into a package. What else?

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MR. SMITH: That is all.

MR. O'CONNELL: A couple of weeks ago Alan Johnstone, General Counsel for Federal Works, tried to get an appointment with you to discuss, as I found out when I talked with him, the possibility of getting your support to endorse the re-appointment of Gregory Hankin as Commissioner of the Public Utilities Commission in the District of Columbia.

I sent you a memorandum about it just for your information, after I talked with him. He was trying to get me to suggest to you that you write a letter to the President, endorsing Gregory Hankin as a Commissioner of the Utilities Commission.

Now, our interest in that is rather real, because we have been having a rate case before the Public Utilities Commission for well over a year now, and we do, through the Procurement Division, buy about thirty or thirty-five percent of all the power that is used in the District of Columbia.

In the memorandum that I sent you I rather suggested that you not take the initiative in this connection. There is a great deal of opposition to Mr. Hankin. The probabilities are that unless he gets a hand-up, he will not be re-appointed.

Now, I think it would be a desirable thing that he be re-appointed. I am not so sure that it would be a good thing for you to take the initiative. They have pressed me again to ask you about it.

H.M.JR: Are you suggesting that I am for a man because I think I'd get a favorable decision out of him?

MR. O'CONNELL: I am suggesting it is a good thing to have some fellows on the Public Utilities Commission who are inclined to believe you.

MR. SULLIVAN: Why don't you answer him!

H.M.JR: He is a brother lawyer.

Listen, don't give me any more memos like I sent over

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to the President on the question of the Dies Committee! Do you want me to do it, or don't you?

MR. O'CONNELL: I'd like your permission to tell Mr. Johnstone that you are not inclined to take the initiative in connection with Mr. Hankin's re-appointment. That was what I said in the memo. But they have been pressing me again. General Fleming, of Federal Works, is unwilling to write a letter to the President unless he is assured of your support, and they are trying to get you to go along with them.

H.M.JR: What do you recommend to me?

MR. O'CONNELL: I would recommend to you that you permit me to tell Johnstone that you are in favor of Gregory Hankin's re-appointment, but you do not feel justified in writing a letter to the President on the subject; that if you are asked, you will support him.

H.M.JR: Okay. All right. I am exhausted!

MRS. KLOTZ: So is he!

H.M.JR: No, he is much younger than I am.

MR. O'CONNELL: May I ask whether you thought the memorandum to the President on the Dies Committee--

H.M.JR: That went.

MR. SULLIVAN: This eleven-thirty conference--is it my job to get them out by eleven-thirty-five?

H.M.JR: Right!

Okay, what else?

MR. SULLIVAN: That is all.

May 24, 1944
10:32 a.m.

15

HMJr: Hello.

William I.
Myers: Hello.

HMJr: Bill?

M: Yes, Henry.

HMJr: How are you?

M: I'm fine. And you?

HMJr: I'm all right.

M: Good.

HMJr: Bill, are you coming to Washington any time soon?

M: Not that I know of, Henry.

HMJr: Could you come?

M: Well, I'll try to. When?

HMJr: Any time next week. Some of the people down here have been disturbed by your February Farm Bulletin on your question of "Subsidies Are No Protection Against Inflation" and they wanted me to have a talk with you about it.

M: Yeah.

HMJr: And

M: I couldn't see you yet this week could I?

HMJr: Uh -- well, I'd like to have somebody -- some of the people present that really know something about it. I don't -- I'm not up on this

M: Uh, huh.

HMJr:thing. Uh -- I mean, I might as well tell you -- I got a memo from the President on it.

M: Yeah.

HMJr: And he asked me whether I wouldn't see you.

M: Yeah. Okay.

HMJr: What?

M: I'll -- I'll -- I've got -- next week is all messed up now and I don't see how I can do it then.

HMJr: Yes.

M: But I'll -- I'll try to figure something out.

HMJr: Will you do that?

M: Uh huh.

HMJr: And, as I say, I'd like to have a little -- get a little group together who do know it, you see. If you want to bring anybody with you, that's okay.

M: Yeah. Well, I'm not an expert in subsidies or anything else.

HMJr: But this -- you know, you undoubtedly know the reference.

M: Yeah, I know it.

HMJr: What?

M: Yes. Pearson did the work and we put it out in this little Farm Economics.

HMJr: That's right.

M: Uh huh.

HMJr: Well, you look over your schedule, will you?

M: Yeah.

HMJr: And

M: How are you fixed the following week? Is that too late?

HMJr: Well, do you know what's happened to the fight in Congress? I don't know.

M: On subsidies?

HMJr: Yes.

M: No.

HMJr: No.

M: I don't know.

HMJr: No, I don't either.

M: I didn't know that there was any serious trouble.

HMJr: I don't know whether that bill has gone through or not. I'll tell you what I'll do. I'll call up Marvin Jones. You see?

M: Yeah.

HMJr: And if there's any urgency about it, I'll send you a telegram one way or the other.

M: All right.

HMJr: How's that?

M: That's fine.

HMJr: Thank you.

M: Okay, Henry.

HMJr: Bye.

M: Good bye.

May 24, 1944
10:42 a.m.

HMJr: Hello.

Operator: Mr. Jones has some people with him and he'd like to call you back in a few minutes.

HMJr: Right.

Operator: All right.

11:33 a.m.

HMJr: Hello.

Marvin
Jones: Yeah.

HMJr: Marvin, Henry.

J: Uh huh.

HMJr: I had a letter from the President asking me to get in touch with Bill Myers as the result of a letter from Henry Wallace who was written to by Ben Strong of the National Union Farmer....

J: Uh huh.

HMJr:in relation to a bulletin that Cornell got out in which it said "Subsidies are no protection against inflation; in fact, subsidies are inflationary." Now -- uh -- "Then food subsidies do not increase materially total food production." I called up Bill Myers at Cornell, see?

J: Uh huh.

HMJr: And he said he couldn't come next week but he could come the week after. Now, I don't know -- is your bill through? Is there a hurry about this?

J: Oh, I -- my bill's through.

HMJr: I mean, so it isn't

J: But the -- the stabilization act....

HMJr: Yes.

J:that is, the O.P.A. and Vinson's act are not through.

HMJr: Well, then should I -- it's safe

J: And that -- I think June the 30th is their

HMJr: Will that

J:expiration date as I recall it.

HMJr: Should I urge Myers to come down next week?

J: Well, is he -- what's he going to do when he gets here?

HMJr: Well, I told him in the first place that I'd want you present. Hello?

J: Uh huh.

HMJr: And if it's also O.P.A., I'll have what's-his-name present.

J: Well, I don't know. The -- I assume that it -- that it affects the O.P.A., that is the extension of that thing, but probably -- probably Vinson would be

HMJr: Vinson would be

J: It's the stabilization act, you know.

HMJr: Oh.

J: The whole stabilization act....

HMJr: Well, there's more business....

J:and that is -- that includes the O.P.A., too, you know.

HMJr: Well, it would be a question of having Fred here then?

J: I suspect it would. I don't know.

HMJr: Well, supposing then I would start with Fred and ask him who all he thought he ought to -- be here.

J: Uh huh.

HMJr: What?

J: Well, now, does this bulletin gotten out by Cornell say that -- that subsidies are inflationary?

HMJr: It says here, "Subsidies are no protection against inflation; in fact, subsidies are inflationary."

J: Who -- who -- who signed that?

HMJr: It's by Pearson and signed "Pearson and Myers".

J: Signed "Pearson and Myers"?

HMJr: Yeah.

J: Well, I don't think -- I don't think that Bill said that -- meant to say that. That must have slipped out on him.

HMJr: Well, he said it was written by Pearson.

J: Uh huh.

HMJr: But he signs it with Pearson.

J: Uh huh. Oh, I don't know. The -- you say he said he couldn't come next week?

HMJr: Well, he didn't say that but he was groaning over the phone and I told him that I would call you and find out how urgent the matter was. I didn't think of Fred -- and I would send him a telegram.

J: Oh, I'll tell you, I -- as a matter of fact, I think the thing's pretty well in the bag. I don't think they're going to do anything on that. I don't know. I may

HMJr: Well, then....

J: ...be wrong.

HMJr: He said he could come the following week. It would be difficult for him to come next week.

J: Oh, well, I think that the following week would be all right unless there's -- unless the suggestion from across the way seemed to be pressing.

HMJr: No, it says, "Please read the enclosed and return for my files. Can you do anything to get old Bill Myers to help us?" That's the memo from the President.

J: Well, I -- I think -- I think if he'd come the first part of week after next....

HMJr: Right.

J:it would be all right. I -- that would be my guess. Of course, it would be a little better if he could come earlier but -- latter part of next week, but then the other, I think, would be all right. As a matter of fact, I don't think it's a matter of life or death. I think -- I think he can help us but I think the thing's going through anyway.

HMJr: Well, of course, they've gone straight political up there.

J: Yeah. Well, it's

HMJr: Straight political.

J: Even they went political, I see by the papers, down in Texas.

HMJr: (Laughs)

J: (Laughs)

HMJr: Well, that's all

J: That's just one of those cooked-up things. I know how those things happen.

HMJr: All right. Well, I'll send him a telegram.

J: All right.

HMJr: I'll let you know.

May 24, 1944
11:00 a.m.

Re: PETER BERGSON

Present: Mr. Abrahamson
Mr. Pehle
Mr. DuBois
Mr. Luxford
Mrs. Klotz

H.M.JR: Have you heard the latest on the Argentine? I got a reply back from the President immediately, "Please see Cordell again."

MR. LUXFORD: Very good. I didn't believe it would happen.

H.M.JR: Do you think it's good? I think it's terrible.

MR. LUXFORD: It's open! It isn't closed.

MR. PEHLE: Sounds like the run-around to me.

MR. LUXFORD: I thought perhaps we were foreclosed from even raising it.

My only fear was that we would get back a reply, "We won't even fight the issue any more."

H.M.JR: I sent you a message on something fresh to take up with Cordell on the Argentine. I think I am going to take you with me.

MR. LUXFORD: Good. Did you see Lt. Colonel Poletti has been made a full Colonel?

MR. ABRAHAMSON: As a reward?

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H.M.JR: You ought to see Bob and get Bob's story from this man, an American civilian from upstate New York who tried to see Poletti.

MR. LUXFORD: That is why I mentioned it to you. He has been rewarded.

H.M.JR: They feel terrible. Bread twenty-five cents a loaf.

MR. LUXFORD: General Hildring said last week that the supply situation has changed completely in Italy now.

H.M.JR: Good or bad?

MR. LUXFORD: Good. They have food there now for everyone.

H.M.JR: This fellow who just came back. Bob could give you his name. They take these children on board when they land with the landing craft and just feed them. Did I tell you the story?

MR. LUXFORD: Yes.

H.M.JR: Every landing craft that would go in would take children on. But Bob said the food situation--he is just back from Naples.

MR. DuBOIS: The soldiers are apparently being well fed. My brother says he is getting fresh eggs, steaks, and everything else.

H.M.JR: We are not talking about that.

MR. DuBOIS: I realize that. But I am still saying that at least they are feeding our soldiers well.

H.M.JR: Fifty lira for a loaf of bread.

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MR. LUXFORD: Must be the black market.

H.M.JR: Bob says that is what it costs.

What I wanted to see you people about was, I wanted a little discussion. I have been doing a little kidding around town about this Bergson. Every time I kidded about it, everybody gets so excited, so I stopped kidding. And I just wanted to know where the President's refugee group stands, versus Bergson.

MR. PEHLE: What do you mean, where we stand?

H.M.JR: Just that. What is our contact with him and what are we doing with him and what is he doing with us.

Where do we stand officially and unofficially? I would like to know where we're at, so in case somebody like General Greenbaum, or anybody else, hits me on the thing, I want to be able to know what is the position officially and unofficially, of you people here before me versus Bergson. Officially first.

MR. PEHLE: Two phases to that. One is the phase of the Emergency Committee. The Emergency Committee to save the Jewish people of Europe was Bergson's brainchild. He has spark plugged the whole thing. Now, he had associated with him a small group of other young Palestinian Jews, but undoubtedly the impetus largely came from him. They particularly used propaganda devices of various sorts, including large full-page advertisements in newspapers, to stir up the people in the United States on the problem and to bring pressure on the Government to act. As such, as far as I can tell, they were quite successful. They got various prominent people associated with them, and they got a great deal of publicity, and they brought considerable pressure on Congress to pass a resolution which called for the setting up of an agency such as the War Refugee Board, which was ultimately set up.

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And their whole activity has been devoted toward bringing home to the American people generally, not just to the Jews, but generally, the facts as to what was happening.

H.M.JR: May I interrupt you? The first time that that thing was suggested to me was a memorandum from Oscar Cox last June or July. Now it goes back to last June and July that Oscar wrote me such a memorandum.

MR. PEHLE: You mean about a committee being set up?

H.M.JR: Yes.

MR. PEHLE: When they started their agitation for that, I don't know. But at least at the time the Board was finally created in January, 1944, there had been pending in the Congress for many months, at least, resolutions calling for the setting up of a separate body outside the State Department, consisting of diplomatic, military and other.

MR. ABRAHAMSON: If I can interrupt, I think actually they began their ads by June of last year and probably in April or May.

H.M.JR: I wonder whether Cox gave them the idea or whether they got it from him.

MR. ABRAHAMSON: I can recall it because in April or May when I was still in private agency work they published one ad about Romania which caused a great deal of excitement in New York.

MR. PEHLE: Was that tied in with the setting up of a committee?

MR. ABRAHAMSON: No.

MR. PEHLE: At least they have been in the field now for sometime.

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MR. DuBOIS: They certainly made a contribution toward the establishment of the Board.

MR. PEHLE: Even the people who hate them agree they made a substantial contribution in stirring up public opinion here. I don't think there can be any legitimate question about that.

MR. LUXFORD: Those people, too, recognize and acknowledge that the thing that Bergson's crowd did that was most significant was to say that this problem is one for the American people and not the Jews. In other words, the Jewish groups have been appealing to Jewish individuals, organizations, whereas this group said, "This is the responsibility of the American people, all of them, to see that action is taken." And even the other groups have acknowledged that that was an important step that they took.

MR. PEHLE: Then, when the Board was set up, Bergson was quite interested in seeing that the Board really acted in the field. He had the idea that the Board should not be so small an agency that it would never have any influence or any prestige, but a substantial agency that would really effect big things in the field. When we wrote to the various agencies who were interested, several hundred of them, and asked for suggestions, we promptly received, if we hadn't already received, a memorandum from the Emergency Committee making a number of suggestions. The suggestions were good, particularly on the publicity and propaganda side of the field, which is the one which they are particularly adept at.

Now our public contacts with them have been as follows: Immediately I was made Acting Director, they wanted to give a large testimonial luncheon, which we talked about and finally decided I would not do. In the first place, it was nothing to have a testimonial luncheon about, but they conceived it as a way of building up the Board and my prestige. Well, so we turned it down, although they pushed very hard. They pushed Gaston, Paul, myself, Luxford, DuBois, and so forth. It was through--who is this lawyer in town?

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MR. LUXFORD: George Morris.

MR. PEHLE: He was President of the Bar Association.

H.M.JR: How did he get in on it?

MR. PEHLE: He is associated with the Emergency Committee.

MR. DuBOIS: He was Chairman at the time.

MR. PEHLE: Chairman of the Washington branch.

H.M.JR: George Morris--is that the American, or Washington Bar Association?

MR. PEHLE: American Bar.

MR. LUXFORD: He is President of the American Bar Association. They had very prominent men.

MR. PEHLE: He pushed very hard; he came in to see me. He called Paul, Gaston, and so forth. Anyhow, we decided not to do it.

Then Bergson asked me whether I would object to attending a cocktail party to meet some people who were interested in the thing. I couldn't refuse him very well. That sort of became a dinner, and the dinner was held at Ernest Lindley's home, but Bergson gave it. It was held in Lindley's home because Bergson didn't have any place large enough. There must have been, oh, fifty people there, or something like that. It was a buffet dinner, and the speakers were Bergson, Will Rogers, Jr., Senator Gillette, Oscar Chapman, and Fowler Harper, and myself. Oscar Chapman is Assistant Secretary of Interior, and Harper is General Counsel of Interior, formerly with Manpower and FEA.

H.M.JR: Harper went back to Indiana, didn't he?

MR. ABRAHAMSON: That is another one.

H.M.JR: Who was with McNutt?

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MR. LUXFORD: That was the fellow.

MR. PEHLE: Harper left McNutt and resigned.

H.M.JR: He went back as Dean of the Law School in Indiana.

MR. LUXFORD: He was back in OEW. He left when Crowley was appointed. It was part of the Perkins purge. Harper left OEW.

H.M.JR: Wasn't he with McNutt?

MR. PEHLE: Yes, and he resigned. He is now General Counsel of Interior. He is a very liberal fellow. He is prominently connected with the Emergency Committee, as is Oscar Chapman, and as is Ickes. Ickes is Honorary Chairman here in Washington. There were a lot of diplomats at this thing.

H.M.JR: Did I know about this dinner?

MR. PEHLE: I don't think so. I think you were away. There was a small item in the press, that is all; no reporters present, I believe. And it was a small social item in the press.

H.M.JR: I think this is the first time I have heard about it. It wasn't in any of your reports to me.

MR. PEHLE: No, probably not.

Then I was pressed very heavily to do--

H.M.JR: No reporters except Lindley?

MR. PEHLE: Just Lindley. Incidentally, he did write a very good column on the War Refugee Board about that time.

H.M.JR: Do you mean to say you can give a dinner at Lindley's home and pay for it?

MR. PEHLE: What the arrangements were between Lindley and Bergson, I don't know.

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MR. DuBOIS: Mrs. Lindley is on the Bergson Committee.

MR. PEHLE: Then I was pressed very hard to do one of these Madison Square meeting things, which I refused to do for a variety of reasons, but partly because the organization is contentious and I didn't want to get too allied with them or get people to think that we were too allied with them, although our position is that we work with everybody that is in the field. That is a very justified position, and I think entirely right. I don't think we can be criticized at any point for that, for working with any relief organization that is in the field.

Then Bergson asked me if I would speak to a small group in New York, which I said I would do, and which I did, oh, two or three weeks ago.

H.M.JR: Who was at that meeting?

MR. PEHLE: There were several hundred people at that meeting. There was nothing in the press about it, at my insistence. There were no newspaper--

H.M.JR: What sort of people?

MR. PEHLE: Largely people in Jewish cultural relief, philosophers, and Jewish students. Then there were Jewish people interested in the Emergency Committee. The people that spoke at that meeting were Bergson--

H.M.JR: Was that the thing that Mr. Stimson sent me on Bergson?

MRS. KLOTZ: No, Alfred Bergman.

MR. PEHLE: No connection with the War Refugee thing.

At that meeting Bergson spoke, Bennett, ex-Congressman Bennett, who is interested, apparently, in the Emergency Committee work--he spoke--and a judge who turned out to be a receiver in bankruptcy in New York spoke. His name escapes me. And I spoke, off the record. There was nothing in the press about it.

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Before I went down there I had heard from Oscar that Sol Bloom was worried about the Emergency Committee, because they have attacked him very heavily earlier in the game because of the Bermuda Conference, and so forth.

MR. LUXFORD: And because he wouldn't hold hearings on the War Refugee Board proposals. He was in charge of it, and he wouldn't hold hearings.

MR. PEHLE: Anyhow, he felt it very seriously.

H. M. JR.: As I remember it, he thought it was an attack on his administration.

MR. PEHLE: There was a vicious attack on Sol Bloom for his whole connection with these things. They felt he was appeasing, and so forth. I don't know.

Anyhow, I saw Sol Bloom. He was very hot under the collar about the Emergency Committee group. And we had to be careful we weren't too allied with them, and so forth. The reason he was hot under the collar was, he had received an invitation to this dinner in New York, to which, of course, no written invitations should have been sent out, and they should never have sent one to him.

H. M. JR.: Did it say you were the principal speaker?

MR. PEHLE: Sure, I was. It said, Will Rogers, Jr., and Peter Bergson, on behalf of the Emergency Committee, invited the recipient to attend this dinner and to hear me speak. Then I talked to Oscar about it later, and Oscar--

H. M. JR.: Oscar Cox?

MR. PEHLE: Yes, because he has been dealing with Bloom on certain things. And he is the one that told me that Bloom felt strongly about it. And I asked Oscar about getting out of the dinner. Oscar agreed that I couldn't get out of it.

H. M. JR.: You saw Bloom before the dinner?

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MR. PEHLE: Yes, before the dinner, but after he had received an invitation. So I went through with the dinner, but I insisted that nothing be in the press.

Now, the latest development, of course, is this Hebrew Committee of National Liberation, which Bergson has started. And since the Committee's formation--in fact, before it was announced--I have had a stream of people from various Jewish organizational groups, who, as you know, feel as violently about this as they do about anything.

H.M.JR: I haven't been exposed to it.

MR. PEHLE: You will be.

H.M.JR: That is why I am getting this. If I know my facts--

MR. PEHLE: All right. Well, they haven't come in to complain to me, except this. They have said--and it is true of the Emergency Committee, but it is true of all the rest, too--they have said that the Emergency Committee has tried to give the impression that they were deep in our councils, and we did what they said and they were responsible for setting us up.

H.M.JR: Say that again.

MR. PEHLE: The Emergency Committee, these other organizations said, has been giving the impression in New York that the War Refugee Board works very closely with them, that they know everything we do and that they were responsible, after all, for getting us set up. They may have indicated that they were responsible for getting me appointed. It is that sort of thing. Other organizations do comparable things. In other words, each one will build on any little thing. Maybe the Emergency Committee does more of it; I don't know. Publicly they have always supported our activities. Publicly they haven't said anything that you could criticize them for, except they have taken some liberties in connection with any speeches I made, or something like that.

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H.M.JR: Do you feel that they are in any way responsible for your appointment?

MR. PEHLE: No, only this, that they knew that my appointment had been put forward. It was in the press here, and they took steps to get in touch with people, and all that. But I haven't any reason to believe that had any responsibility, and knowing how it was handled--

H.M.JR: Do you feel that it in any way influenced the President?

MR. LUXFORD: I think it may have. I think they were in touch with Baruch, Mrs. Roosevelt, Ickes, and that they were working as hard as they could.

H.M.JR: Did you know whom Baruch was for?

MR. LUXFORD: I understand that, but I still say they were fighting for Baruch.

H.M.JR: Baruch was never for Pehle.

MR. LUXFORD: I understand that, but at the same time they were trying to work with Baruch.

H.M.JR: They had as much to do with it as Mrs. Dickinson had. I mean, Pehle is under no obligation--

MR. PEHLE: I haven't felt--

H.M.JR: They had just as much to do with it as Mrs. Dickinson.

MR. PEHLE: They have never claimed to me that they were responsible.

H.M.JR: My God, you know.

MR. PEHLE: I know, there was an indication at the time that they had been in touch with Mrs. Roosevelt and other people at the White House. Maybe they were. I assume that they were, but it wasn't handled at that level.

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MR. DuBOIS: Let's put it this way: We all know what the results were, but between the day that the War Refugee Board was created and the day that Mr. Pehle's appointment as Acting Director was announced, they did try, at least, through very many channels, to do what they could to get Pehle appointed. Now, whether their efforts went for naught, I don't know. But at least they tried.

H.M.JR: Do you know they didn't work for any other candidate?

MR. LUXFORD: I do know that, yes, sir.

H.M.JR: How do you know that?

MR. LUXFORD: Because I have confidence in Bergson and what he told me.

MR. DuBOIS: He told us what he did during that period.

H.M.JR: Do you know Bergson's record?

MR. LUXFORD: I know a good deal about him. I know him personally, and I think he is a very fine man.

H.M.JR: Anyway, let's get it straight in your mind. There is certainly no indication that he ever reached Mrs. Roosevelt.

MR. DuBOIS: Not he, personally. He doesn't operate that way. They have very many influential people on their Committee.

H.M.JR: In no way has Mrs. Roosevelt ever indicated to me that she was for Pehle or ever had anything to do with it.

MR. PEHLE: I don't think we need to worry about that.

MR. DuBOIS: All you have to say is they tried.

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H.M.JR: But as far as I know, Mrs. Roosevelt never entered into this picture. The only thing Mrs. Roosevelt ever took any interest in was this woman that she had.

MR. PEHLE: As far as I know, that is true.

H.M.JR: Well, I would know. I mean, Pehle knows what I went through personally to get him appointed.

MR. LUXFORD: I think we all know.

H.M.JR: I never saw any signs of Bergson's work, or Mrs. Roosevelt's, or anyone else's. The only thing I ever saw was all of the terrific fighting against Pehle. I never saw any indication of anybody--any indication that Mrs. Roosevelt, the President, or anybody was for Pehle, except myself.

MR. DuBOIS: At least they tried.

H.M.JR: Well, I would need some evidence on it that they tried.

MR. LUXFORD: You might check with Ickes sometime, if you want to.

H.M.JR: I mean, what I went through, the thing that I lived through there--there never was anybody on the thing with the President other than--or any indication from anybody, because I have all the echoes from Roosevelt. I know who was put forward. Nobody was for Pehle, except myself. And I am not trying to put Pehle under obligation, because Pehle and I don't work that way. That isn't the purpose. But I am trying to get it through your heads--I mean, good heavens, what I went through, and how I had to humiliate myself to subordinates in order to get the President even to consider Pehle.

MR. LUXFORD: All we said was, they made attempts. We can't evaluate those. We have no way.

H.M.JR: I think you should make sure they weren't working for other people.

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MR. PEHLE: Let's not give the thing more importance than it deserves, because it has never motivated any of my actions.

H.M.JR: It is only important this way, that this fellow has put himself in a very strategic position. I am going to try to find out how to deal with him. But these people here think that Bergson was helpful in getting you your position.

MR. DuBOIS: I don't think we quite put it that way. We are saying that at least he tried, and whether it was helpful, we don't know. Put it this way: The day the Board was created, Bergson came in to see Luxford and me. We gave him briefly some of the picture. He agreed immediately to get to work through all the channels he could use to try to get the name of Pehle circulating in the proper channels. He told us later of some of the things that he did. Now, whether or not those things that he did had any effect, I have no way of knowing. Maybe they didn't but at least I believe he did it.

H.M.JR: I have--

MR. DuBOIS: What we are saying is that at least we believe, Mr. Secretary, that he did those things. They may not have had an effect.

H.M.JR: I can assure you gentlemen that as far as the President of the United States was concerned, I had no indication from him through Judge Rosenman or Miss Tully that anybody was for Pehle, except myself. And there were many people for people other than Pehle. The President would have indicated it, and I would have gotten it from Miss Tully. And the people who were constantly suggesting--I mean, every minute there was somebody else. You followed this thing blow by blow. Certainly you did, Mrs. Klotz. There never was the slightest breath of it any place, anywhere. My heavens, if there was, I would have been the first to welcome it.

We will have to stop now, but I want to continue this. Let me give you some time. This is important, because this

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fellow is important. We will make it at four o'clock. Is that all right?

MR. PEHLE: All right.

H.M.JR: But what I am trying to do is to fortify myself.

MR. PEHLE: First, you ought to know the facts.

H.M.JR: You are giving me the facts just the way I want them, plus, I will have the man's record.

MR. PEHLE: I can tell you something about that, too. I am surprised at your opinion.

MR. LUXFORD: Excuse me. I said I believe Bergson when he tells me something. In every case, he has lived up to his word.

H.M.JR: Wasn't it Bergson who made the attack on you? What was that little attack that appeared in the press?

MR. PEHLE: You mean the Board wasn't doing anything?

MR. LUXFORD: No, sir.

MR. PEHLE: He has never attacked us.

MR. LUXFORD: No, sir.

H.M.JR: Well, I am not pro or anti.

MR. LUXFORD: You can't be in your position, Mr. Secretary. That is clear.

MR. PEHLE: Let's come back at four.

H.M.JR: I am not pro or anti, but I want to know, as I said, where you stand officially and unofficially and also these fellows, too. You have been very quiet. We will get you later (Abrahamson).

May 24, 1944
11:54 a.m.

Operator: Miss Tully will be right on.

HMJr: Hello.

White House
Operator: She'll be right on, sir.

HMJr: Hello.

Grace
Tully: Hello.

Operator: Secretary Morgenthau.

HMJr: Hello, Grace?

T: Yes, Mr. Secretary. How are you?

HMJr: Fine. Did you get any rain up there?

T: Yeah, quite a lot today and yesterday, too.

HMJr: Well, we need it.

T: Yes, so I hear. So I guess we had so many pretty days I guess we can take it.

HMJr: Good. I got the President's memo on the Argentine.

T: Yeah.

HMJr: "Go see Cordell."

T: Uh huh.

HMJr: What a big help!

T: (Laughs) After having said you've seen him and seen him.

HMJr: Yeah.

T: Well, he said, "Well, see him -- talk with him again about it."

HMJr: Right. Well, I'm going to do that.

T: Yeah.

HMJr: Now, I got a -- three other memos that are up there before you.

T: Yeah. One is the Order -- the Executive Order. I've got that.

HMJr: You mean the one on the Monetary Conference?

T: No, the Executive Order on those -- that's those Committees up on the Hill, or whatever it was, you know, that was not quite clear to him.

HMJr: Oh, that came back with the recommendation he should sign that.

T: Sign it?

HMJr: Yeah.

T: Yeah.

HMJr: The Dies Committee.

T: Uh huh. That's right.

HMJr: Then there's the -- I hadn't counted on that because he was worrying about that. That doesn't count.

T: Uh huh. All right.

HMJr: (Laughs)

T: (Laughs) That is not one of your worries?

HMJr: No. Now, you've got the Pehle memorandum on the Refugee Camps.

T: Yeah.

HMJr: Then you've got -- well, I've asked for the appointment on the monetary and I took -- I asked down here too.

T: Yes, well, he said that was okay but then Pa will have to arrange it, of course.

HMJr: Yeah, well, I -- and then there's a memorandum which Hull and I signed, we want to print some money for the French. That's important.

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T: Yeah. I see.

HMJr: Could you dig that up?

T: Yes, sir. I think that only just came up, didn't it?

HMJr: Well, that I -- we sent it over to Hull, I think, Saturday or something.

T: Oh, I think it -- I think it did come up today.

HMJr: Well, I mean, if you could get him to sign that....

T: All right, fine. I'll check on that one and see what happened.

HMJr: And -- and there's the Pehle Refugee thing.

T: Yeah. Yes, sir, I think he hasn't finished up with that yet.

HMJr: Right. How's he feeling?

T: He's feeling very well.

HMJr: Right. And how are you?

T: I'm fine, Mr. Secretary. Very well, indeed, and I hope you are.

HMJr: We're all well.

T: That's good. That's grand.

HMJr: Thank you.

T: See you shortly.

HMJr: Right.

T: All right, Mr. Secretary. Bye.

May 24, 1944
11:57 a.m.

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HMJr: I just wanted to let you know I talked to Miss Tully about your memorandum on the Refugee Camps.

John
Pehle: Yeah.

HMJr: The President has not yet gotten to it but she will try to get him to it this afternoon.

P: Fine.

HMJr: Just wanted to let you know....

P: Fine.

HMJr:I'd followed it up.

P: I'm delighted you followed it up. Thank you.

HMJr: All right.

May 24, 1944
11:58 a.m.

HMJr: I just wanted to let you know I talked to Miss
Tully about this memorandum on the French currency.

Harry
White: Yes.

HMJr: It only got up there today.

W: I see.

HMJr: And she will try to clear it today if possible.

W: I see.

HMJr: I just wanted to let you know.

W: Okay. Thank you.

HMJr: Thank you.

May 24, 1944
12:08 p.m.

HMJr: Hello.

Operator: I'll have her in just one second.

HMJr: I talked to her once, you know.

Operator: I know but she's calling you back.

HMJr: All right.

Operator: Go ahead.

HMJr: Grace.

Grace
Tully: Hello.

HMJr: You're not calling me up to say the sun came out?

T: No, I'm calling to say, though, that your memorandum that was signed by you and the Secretary in regard to printing the money has been okayed and is on its way back, or will be.

HMJr: Well, wonder....

T: You'll have it in the morning if not today.

HMJr: But -- on the French money?

T: Huh?

HMJr: On the French money?

T: That's right.

HMJr: Well, if you were around here I'd have to kiss you on both cheeks....

T: (Laughs)

HMJr:the way the French do. (Laughs).

T: (Laughs)

HMJr: So you'll have to....

T: We'll reserve that for my return.

HMJr: Okay.

T: (Laughs)

HMJr: You know we French are very emotional.

T: Yes.

HMJr: I sound a little Russian. I haven't picked up French yet.

T: (Laughs)

HMJr: Anything else?

T: No. No. Nothing else. The other one

HMJr: Well, see....

T: There's one outstanding and I will let you know about that.

HMJr: That's the Pehle one.

T: That's right.

HMJr: And about Dies, there's no interest?

T: Well, that will be signed on your last recommendation. It will be signed but I didn't know that that had come up in this morning's pouch. It was in a folder and I didn't take the order up with me.

HMJr: Yeah. Well, I don't blame the President for not knowing whether we meant "yes" or "no".

T: Yeah. It was a little vague.

HMJr: Yeah. It was too vague.

T: Yeah. But, however, it will be okayed so it will be all right.

HMJr: But the French thing is signed?

T: Yes, sir. It's been okayed.

HMJr: Thank you.

T: All right, Mr. Secretary.

HMJr: Bye.

T: Bye.

May 24, 1944
12:10 p.m.

45 ✓

Operator: Mr. White.

HMJr: Harry.

Harry
White: Yes, sir.

HMJr: Miss Tully just called me back from the -- where
the President is to tell me the President has just
okayed on the French currency.

W: Good. All right, then we'll go ahead.

HMJr: So, you can -- that will be in so you can start
the wheels moving.

W: Righto. Thanks. Fine.

HMJr: I mean, she is an amazing girl up there.

W: Well, you certainly -- I think you were right.
You get better action when he's away than when
he's around.

HMJr: If Mrs. Klotz wasn't here, I'd say there was
just one other like her in town.

W: (Laughs)

HMJr: Mrs. Klotz and Miss Grace Tully.

W: Yeah.

HMJr: But Mrs. Klotz is here so I can't say it.

W: Oh, I see. I won't tell her that you would have
told if she weren't there. (Laughs)

HMJr: Okay.

W: All right.

HMJr: Thank you.

W: Thank you for calling.

May 24, 1944
3:00 p.m.

COUNTERFEITING OF GASOLINE COUPONS

Present: Mr. Irey
Mr. Rose
Chief Wilson

H.M.JR: I had a request from Mr. Bowles, wouldn't we lend him a top man from Secret Service to organize his enforcement agency on counterfeiting of gasoline stamps. I wondered how Mr. Gaston felt. I talked to him. Mr. Gaston feels that it would be too big a job for us to do the whole thing.

MR. ROSE: It is a big job.

MR. IREY: We have felt right along, Mr. Secretary, it would be too much of a job and, as a matter of fact, we feel that what we have done for them is rather more than we should undertake. If we could lend them a man to help organize a service of their own, it would be the best solution of the whole thing.

CHIEF WILSON: We would have to look around. We have fifteen supervising agents, and I would be in favor of picking out one of them and encouraging them to do it. I don't think there is a single one of them that would welcome the assignment, but we probably can find one of the fifteen supervising agents to do so.

H.M.JR: Supposing you three men talk it over and come back with a recommendation in twenty-four hours.

MR. IREY: All right. Our situation has been more or less of a thankless one right through this. We haven't had the cooperation from them.

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H.M.JR: I had Bowles over for lunch yesterday. He and I got along fine. I never met him before. He called me up. I told him that we offered to do the whole job for them a year ago and was turned down.

MR. IREY: That is right. FBI didn't want us to have the authority.

H.M.JR: I don't know that you fellows are right. I think it's just another enforcement agency.

MR. IREY: You see, our normal strength of about twenty-six hundred is reduced below two thousand now.

H.M.JR: But supposing they give you the money and you can go out and get the people.

CHIEF WILSON: Big undertaking to get the people, Mr. Secretary.

MR. IREY: We can't fill our vacancies!

H.M.JR: All right, I'm not going to argue. Come back in twenty-four hours.

MR. IREY: All right, sir.

H.M.JR: Are you making any headway on that other assignment?

MR. IREY: Yes, I passed the word on to Joe O'Connell this morning.

My friend has interviewed those people who are in Washington who were available and they tell him it is their judgment that he proposes just rehashing stuff that has been up before. In addition to that, to throw on the various departments, criticism for their throwing obstacles in the way of his investigation. However, he tells me

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further that there is one man, one Democratic Congressman from Texas, who is very close to this man and can get the truth out of him if anybody can and when he comes back to this City he is going to go after him and try to get the truth.

H.M.JR: Is the Treasury involved at all?

MR. IREY: Not so far as he has learned, except one or two isolated cases.

H.M.JR: But he isn't after the Treasury?

MR. IREY: Not that I can learn yet. But I expect to get more details in a direct way there.

H.M.JR: O. K. Anyway, I would just like to know before it breaks.

MR. IREY: I think Cochran is about as well informed as any of them.

H.M.JR: You see, Dies announced he was going to give out stuff about the President and Mrs. Roosevelt. Do you know anything about it?

CHIEF WILSON: Not a thing.

H.M.JR: And Cabinet Members. Curious.

MR. IREY: It is probably going to be a rehash of all these things that have been published by him in various ways over a period of several days.

H.M.JR: I just heard that the Dies Committee has access to our income tax. I recommended to the President he sign it. They have asked twice. I said ask Jimmy Byrnes' advice and he said to do it. The President didn't understand what it was. Just this morning they said to do that.

May 24, 1944
3:50 p.m.

HMJr: Hello.

Operator: Go ahead.

HMJr: Hello.

Walter
Cummings: Hello, Henry. This is Walter.

HMJr: How are you?

C: Fine, Henry. I was in town for the day and I didn't want to -- I just wanted to say "Hello" to you. I knew how busy you were and I didn't know whether you had any time to see me face to face or not.

HMJr: Well, I would have if I'd had a little bit more warning.

C: (Laughs)

HMJr: It's a little late in the day.

C: I know that, Henry.

HMJr: And I'm

C: How are you feeling?

HMJr: Fine.

C: Well, I just wanted you to know that we're stacking up everything out at Chicago for you....

HMJr: Good.

C:on this Drive as we've always done in the past. You know that.

HMJr: Good.

C: I've got a big force out there boosting this thing and we're doing a lot of stuff. We're all out for it.

HMJr: Fine. I think our sons had lunch together.

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C: Yes. Yes. They -- Bob and Walter, Jr.

HMJr: Yeah.

C: seem to hook-up together and I was over there and Walter wants -- said he was going to have some of his friends there so -- I saw Bob. He looks all right now.

HMJr: Yes, he does.

C: He had quite an experience.

HMJr: Yeah.

C: Well, Henry, just remember that if there's anything I can do for you out in Chicago or any time you want me you just give me a call.

HMJr: Right.

C: I'll be happy to do it.

HMJr: Thank you.

C: Good luck to you.

HMJr: Bye.

C: Good bye.

(Pause)

Operator: Yes, sir.

HMJr: I just want to put on the record -- am I in the clear?

Operator: Yes.

HMJr: That this was Walter Cummings that I was talking to.

Operator: All right.

HMJr: That's all.

May 24, 1944
3:54 p.m.

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Operator: Go ahead.

HMJr: Hello.

Gordon
Rentschler: Hello, Henry.

HMJr: Yes, Gordon.

R: How are you?

HMJr: Fine.

R: Henry, there's a situation that I want to talk with you about to see what you think ought to be done and how it ought to be done.

HMJr: Go ahead.

R: This is in connection with the Consumers Power Company of Michigan.

HMJr: Yeah.

R: They will be in the excess tax bracket and they'll be something -- as it looks now, they probably will be in for about four million dollars of Federal excess profits taxes.

HMJr: Yeah.

R: Now, there's a movement on in Michigan....

HMJr: Yeah.

R:to try to get the Consumers to cut their rates....

HMJr: Yeah.

R:so as to avoid the excess profits tax...

HMJr: Yeah.

R:on the theory that they want to give that back to the boys and girls in Michigan instead of to the Government in taxes.

HMJr: Yes, I heard about it.

R: Now, I've said to our people -- well, we have -- that's been an old company that has always checked in here and we hold them in very high regard.

HMJr: Yeah.

R: They just feel and I told them this morning that I feel that that is very definitely taking money away from the taxpayers of the country as a whole....

HMJr: Yeah.

R:in order to give it to a limited group.

HMJr: Yeah.

R: And that I don't -- and that my advice to them is not to accede to this request and to fight it before the Commission. Still I felt that it is something that you ought to know about.

HMJr: Well, I -- I know -- I know about it but I -- I wouldn't want to dis -- express an opinion on the phone.

R: Oh, no. I appreciate that.

HMJr: No.

R: Now, what I want is -- now, Whiting -- Justin Whiting, who is president of the company, will follow our advice, I am quite sure.

HMJr: Well, now, just a

R: Now, I thought it might be well....

HMJr: Yeah.

R:if I had him come down....

HMJr: Yeah.

R:to see either you or whomsoever you put him in touch with.

HMJr: Yeah. Well....

R: Because if this thing goes on across the country, Henry....

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HMJr: Yeah.

R:it's going to take a good many million dollars out of taxes that ought not be diverted.

HMJr: Yes. Well, let me look into it and either I or John Sullivan will get in touch with you.

R: John Sullivan?

HMJr: Yeah.

R: Fine. And I'll tell him to stand by and we won't make any move....

HMJr: Right.

R:until we hear further from you or John Sullivan.

HMJr: Right.

R: But it just seems to me that this -- this got started first with the Detroit Edison....

HMJr: Yes.

R:now, it has spread to the Consumers and it will be a thing that will go to all the power companies across the country.

HMJr: Yeah.

R: And it will run to a great many millions of dollars before it's through.

HMJr: Okay.

R: All right. What else do you know? Anything good?

HMJr: That's all.

R: All right, fellow. Good luck.

HMJr: Thank you.

(Pause)

Operator: Yes, sir.

HMJr: Let me just -- am I clear?

Operator: Yes, sir.

HMJr: Let me dictate on this.

Operator: All right.

HMJr: I consider it most unusual and highly improper that Gordon Rentschler should call me up on a matter of this kind. I wish that John Sullivan and Joe O'Connell would read this memorandum and then talk to me about it tomorrow.

May 24, 1944
4:00 p.m.

Re: PETER BERGSON

Present: Mr. Pehle
Mr. DuBois
Mr. Abrahamson
Mr. Luxford
Mrs. Klotz

H.M.JR: Before you start you want to say what?

MR. PEHLE: Winant called me and asked me to come over and see him.

H.M.JR: What time?

MR. PEHLE: Quarter of one.

H.M.JR: Oh, too late?

MRS. KLOTZ: It is in his hands. When I turned it over to him he called the hotel that moment. He had just arrived and we got in, and that is that.

H.M.JR: But he has it?

MRS. KLOTZ: He has it.

MR. PEHLE: He was very friendly and I think he will be very helpful to us. He asked me to give him the memorandum by tomorrow, giving him some specific things we want done. We talked about our representative there, which I would like to talk to you about later.

Anyhow, it was a very good meeting. Then Hirschmann, who is in town today, had talked to Felix Frankfurter.

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H.M.JR: Is he still alive?

MR. PEHLE: He is still alive--and raving about what wonderful work is being done and about what you have done and I have done.

MR. ABRAHAMSON: He made a speech Sunday afternoon over here.

H.M.JR: Literally, I haven't heard from him for--

MR. PEHLE: I called Sam and asked Sam to see him. Ira went over to see Rosenman and Rosenman said, "It's wonderful what Mr. Morgenthau and Pehle have done on the Refugee Board." He went overboard on how wonderful the whole thing was.

H.M.JR: We have Justice Frankfurter, Rosenman and Bergson! That's quite a combination.

MR. PEHLE: Rosenman said, "Wouldn't it be helpful if we could get a letter to Hirschmann from the President?" He said, "I'll be glad to arrange that."

MRS. KLOTZ: I am worried!

H.M.JR: He has done pretty well so far without any letter.

MR. PEHLE: I'll talk to you about that later. I just wanted you to know that went on.

Shall we resume?

H.M.JR: Frankfurter is enthusiastic?

MR. PEHLE: Frankfurter was very enthusiastic, when I saw him. It's a question of what he does himself, but he was very enthusiastic. He did know something about

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what was going on.

H.M.JR: All right, let's resume.

MR. PEHLE: Right.

At one point Bergson was anxious to go to Turkey himself. At one point Bergson wanted to go to Turkey for the Emergency Committee to see what could be done out there. In our discussions with him, I raised his draft status. He is about thirty-four, and he said, well, he thought he could arrange that somehow, and so forth. He asked whether we could do anything about it and I said no we couldn't, and wouldn't, and I thought that he would be very foolish to go, if his draft status was in question, because people would say he was running out of the country to avoid serving in the Army.

MRS. KLOTZ: Is he a citizen?

MR. PEHLE: No, subject to the draft, supposedly. He is not a citizen. He is a citizen of Palestine. We said if they wanted to send somebody else out that looked like they could get something done, we'd be helpful. So they selected Jabotinsky.

Jabotinsky is a son of the famous Jabotinsky in Jewish life in Palestine, who is a famous leader, as I understand it, and well respected. His son is a member--

MR. LUXFORD: He is regarded as a Fascist by some of them, the senior.

MR. ABRAHAMSON: He was a revisionist technically. He was a leader of that group.

H.M.JR: You should say he is a Communist, that would make it complete.

MR. PEHLE: He may be, I don't know.

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So Will Rogers wrote some letters to State, asking that he go and we sent a memorandum over and did our best to help him, as we have with anybody else that wanted to go to see what they could do on rescue work. He is some place enroute. He has been enroute for two or three weeks and that whole thing came up before this National Committee of Liberation took place.

You recall--some of this is a little disjointed, Mr. Secretary, but I wanted to be sure you had all the facts--you recall that when the Bergson group first started out, they started out as the proponents of the Jewish Army, and that was the big issue at that time, that was the big movement, and they gathered a lot of very prominent people, who were anxious to push forward that movement. Then later, they took over this Emergency Committee to save the Jewish people of Europe; largely the same group of people were behind it, particularly Bergson and his immediate cohorts, who were Palestinian citizens. And more recently there was another organization called The League for Free Palestine, or something comparable to that. That was also their instrument and so is the National Committee of Liberation of the Hebrew people. So they have been through those various phases.

Now, in some of those situations, certain people have fallen away from the group. One was this Professor McMahon, who was in Notre Dame, as I recall, and had some disagreement with Notre Dame over freedom of speech in his teaching views. Then he resigned from their Committee in Chicago. There was a little flurry about that. I think he resigned in connection with their transference from the Emergency Committee to the Palestinian issue. Max Lerner was with them in New York and resigned, apparently because they sent a lot of telegrams out with his name on them, which he hadn't seen, and they do tend to step a little bit over the line in that sort of thing. In other words, if there is a committee they

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will act in the name of the committee and sign the committee's name to it. And the same thing has happened with a few other people.

MRS. KLOTZ: Is Mrs. Roosevelt on that?

MR. PEHLE: Not to my knowledge.

Now, when I talked to Congressman Bloom, he said, "Have you ever seen the record on this man at the State Department?" I said, "No." He said, "You get in touch with Mr. Travers over there. He knows all about it. You look at it." I said, "Sure." So when I got back I called Travers and Travers is a very evasive man but said he'd look into it. He called me back in a day or so and said, "You had better talk to Berle." So the next time I went over to see Berle, Berle had a file on his desk about that thing. (Points to file) I said, "Now I would like to know", and Berle leafed through the file, but in effect he told me nothing that was of significance. He told me the man had changed his name. His name used to be Kook. He was the son of a more or less prominent Rabbi in Palestine.

MR. LUXFORD: He told me that the first day I saw him.

MR. PEHLE: I think it was Hildreth Kook. Why he changed it, I don't know.

H.M.JR: It wasn't a good name--Kook! So he changed it to Bergson.

MR. PEHLE: The change didn't seem very significant to me.

It has also been stated that he has a lot of other names that he has gone by.

H.M.JR: That is a new one! That is marvelous. It's the first laugh I have had today.

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MR. PEHLE: I asked Bloom, and he said that Bergson was illegally in the United States and there was a warrant out to pick him up. I asked Berle about that and he said as far as he knew, Bergson was legally in the United States.

H.M.JR: I think his trouble was how he left Palestine. I think his trouble is with the English.

MR. LUXFORD: That's it.

MR. PEHLE: He may very well be in serious trouble with the British, I don't know.

H.M.JR: Yes, I think so.

MR. LUXFORD: He was running arms in Palestine.

H.M.JR: We looked him up at the time he first came in here. That is why I wanted to get the record out.

MR. PEHLE: But in effect Berle didn't tell me anything. He said that Bergson had asked him to do something about his draft status.

H.M.JR: Bergson had asked Berle?

MR. PEHLE: Yes, and Berle hadn't done it. But Berle didn't act like he was shocked. He said, "I just didn't think I ought to do it, and that is all," and that was the end of that. In other words, Berle either didn't have anything on him or didn't want to tell me what he had on him.

When I saw Rabbi Wise in New York, he mentioned Bergson--Stephen Wise--in the most violent terms and he even said that he had told his family that if he were found dead in the alley some night that they would know who did it and that he seriously felt that Bergson might kill him. That was a couple of months ago. What he is saying now must be even worse than that. But that

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is the way he felt about it.

MRS. KLOTZ: You say it with so much feeling, Mr. Pehle, that I could cry.

MR. DuBOIS: Bergson is suing Rabbi Wise in the Rabbi's Court for slander.

MR. PEHLE: That has been going on for three or four months.

In connection with the statement of the Committee here, Bergson was asked how he was going to finance his Committee. He said he was going to float a million dollar bond issue, non-interest bearing bonds, and somebody said, "Have you got a Treasury license to do that?" He said, "No, but I expect to get it." It isn't clear to me where the Treasury license would be necessary. It might be, depending on how you interpret it.

H.M.JR: What is the Treasury license?

MR. LUXFORD: He was thinking of the SEC job.

H.M.JR: We don't license people.

MR. PEHLE: No, but you could say that Foreign Funds Control hit this situation, I don't know whether it does or not. I mean, he purports to represent all the Jewish people of Europe. In any event, I put a stop in so that if any application was filed, we will all know about it. I don't think any will be filed.

H.M.JR: With the SEC?

MR. PEHLE: No.

MR. LUXFORD: The SEC will be the people who will get it.

MR. PEHLE: My own feeling is that he hasn't a ghost of a chance in getting the permission of SEC to do that.

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MR. LUXFORD: I don't agree. As long as he tells the truth, they can't hold it up. When he spoke to me he was prepared to tell the truth, that he didn't know whether it was being repaid or not. It was a way of raising funds, that the people could take the bonds if they wanted to and the only promise was that if there were a Hebrew Government later on, this Committee would recommend they pay them.

MR. PEHLE: My own feeling is to the contrary, that SEC would find ways to stop it, but that is a matter of opinion.

I learned today that one of the prominent leaders in Palestine, Ben-Elezier, has just been picked up by the British and thrown into jail. Now what connection that has with some of this business, I don't know, but he was the fellow that was fighting Weissman. But he is right at the top, as I understand it, of the movement over there.

MR. LUXFORD: One of these committee members is in a detention camp now in Palestine.

MR. DuBOIS: That's the same fellow.

MR. PEHLE: I don't think so.

MR. LUXFORD: One of the Hebrew Committee's members is in a detention camp.

MR. PEHLE: I heard also that at the time the Committee announced its formation here a group of people in Palestine tried to seize a radio station over there, and that there were people who thought there was some connection between those things. They were going to seize a radio station and announce the formation of the Committee over the radio station in Palestine. I suspect that is a little far-fetched.

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One thing important and that is they apparently are trying to follow the Irish pattern.

H.M.JR: That is what the bonds sounded like, De Valera.

MR. PEHLE: Much of it sounds like the Irish pattern and the stirring up of the Jewish people in the United States as a means of getting power in Palestine and in Europe. I think that probably these people are motivated by what the Irish were able to do.

Now, curiously enough, our friend Rabbi Corff, who more recently doesn't seem to have had much direct representation of groups, as far as I can tell, is very favorably disposed toward what Mr. Bergson has done, and apparently is going to sort of work along with Bergson in a very informal, unofficial way.

MR. DuBOIS: Very much unofficially. I mean, he is very sympathetic.

H.M.JR: Who is?

MR. DuBOIS: Rabbi Corff. Very sympathetic to what Bergson is trying to do and admires his courage.

MR. PEHLE: Now, on the National Committee, it purports to represent the Jewish people of Europe and Palestine, not the Jewish people of the United States or of the British Empire. They take the position that the Jewish people of Europe and Palestine do not, at the present time, have anybody speaking for them, and that these people owe their allegiance to the Hebrew Nation. Bergson looks upon himself as representing the Hebrew Nation. My own feeling is there is no way of knowing whether the people in Palestine or in occupied Europe, how they would react to this situation if they were free to act. There is no way of telling that at the present time. People in Palestine certainly aren't in a position to clearly express their views on it and the people in occupied Europe are certainly not in a position.

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Now, what the Committee is demanding is membership in all the Councils of the United Nations, recognition in the United Nations, membership in UNRRA, a seat at the peace table, and so forth.

MR. ABRAHAMSON: And on the Committee on War Crimes.

MR. PEHLE: Diplomatic recognition and a national home in Palestine after the war.

The final thing is, the only issues that the War Refugee Board will have to face in connection with this are, are we still willing to deal with the Emergency Committee, assuming it continues--

H.M.JR: Which is the Emergency Committee?

MR. PEHLE: To save the Jewish people of Europe, which is the most recent form, which this has taken, which is now operating out of the so-called Embassy out here; and conceivably we might have to face the issue as to whether we are willing to deal with the National Committee. I don't know that we will have to face that, because I think we can fend that off. We probably will have to face, in some way, whether we are still willing to deal with the Emergency Committee and I would feel strongly that we do have to continue to deal with them. I mean, we have to deal with any organization in the field and you can't just say, "These people aren't liked by a lot of people and therefore we are just going to say you can't come in here and discuss your views on rescue or anything else," but that needn't be a public gesture in any way.

Now that is the facts as I see them.

MR. DuBOIS: As far as the views on the Committees are concerned, it seems pretty obvious that we can't have any views, the same as we took the position we can't have any views on the Palestine question as such. We

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can't be pro and we can't be actively concerned either.

MR. PEHLE: In other words, as the Board, we shouldn't have any official views as to whether what he is doing is a good thing or a bad thing. That is not our province. If anybody can have a view, maybe State or somebody else can, but we ought to stay out of that fight and be above it. And the whole rescue thing must be above these political issues. This is now a political issue of real magnitude.

H.M.JR: I wholly agree with you and I instructed you to keep out of the fights on the White Paper and the rest.

MR. PEHLE: That is right. And we have stayed out.

H.M.JR: But I am surprised at DuBois' remark, because--

MR. DuBOIS: What?

H.M.JR: I'll tell you! I mean that he says so vehemently you should keep out, not pro and not con.

MR. LUXFORD: We all agree with that, Mr. Secretary.

H.M.JR: But as I said earlier in the morning, I want to get both the official and your personal attitude. I sense from what you said, and the other day that Pehle said, individually you have--

MR. DuBOIS: I was talking about officially.

H.M.JR: But individually, I get the impression that you have been pro.

MR. LUXFORD: Definitely.

MR. DuBOIS: That's right.

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MR. PEHLE: Well, it depends on what you mean.

MR. DuBOIS: Our sympathies individually, certainly mine, are for it.

MR. LUXFORD: I would agree fully with that.

H.M.JR: There is a question of how far do you let your sympathies run away with you. How do you distinguish between individual feelings and our official actions?

MR. LUXFORD: ^{How} did we do it in Palestine?

H.M.JR: I don't know.

MR. LUXFORD: It's very easy.

MR. PEHLE: I don't think that this thing, Mr. Secretary--may I answer that?

H.M.JR: Before you answer it, may I compliment you on a very excellent factual representation. Do you see?

MR. PEHLE: Thank you.

H.M.JR: Now, may I just say this at the end before I forget what I want to say? You said it isn't our job that we have to deal with them. I challenge that statement, see? Realizing that I don't put in one hundredth of the time on this thing, but after all--the official agency, as I understand it, of Palestine is the so-called Jewish Agency.

MR. PEHLE: Official? Not to us.

H.M.JR: Now wait a minute. Recognized by the British Government, recognized by the United States Government, to handle matters pertaining--

MR. PEHLE: All right.

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H.M.JR: It's official.

MR. PEHLE: Official matters pertaining to Palestine, I think that is right, that the British and the American Governments recognize the Jewish--

MR. LUXFORD: If you want a visa, that is where you would go.

H.M.JR: Yes, but that they are recognized just the way--if you want to do business today with Yugoslavia, you go up to the Yugoslavian Embassy and they are recognized.

MR. ABRAHAMSON: There is someone like that in the sense that you have relations with Tito on another level and it is comparable to the Free French.

H.M.JR: No, excuse me, you are wrong, because I have been through this with the State Department recently and maybe it's a good example. But let's finish it and just pursue that. When Tito cabled me asking me to freeze Yugoslav funds here, do you see, I asked the State Department what we should do, and they said, "We are doing business with the Royal Embassy of the Yugoslav Government in such and such a location here." The answer was that I should, in no way, recognize or deal with Tito. That's within the last week.

The point that I am making is this, I realize that you people are living with this thing, but I do know a little bit. I have been told the Jewish agency of Palestine is the official agency recognized by the United States Government and British Government.

MR. PEHLE: Yes, we deal with them all the time through the field people. Hirschmann in the field deals with Barlas. He represents the Jewish agency.

H.M.JR: Then, why do we recognize another mushroom agency that says it represents the Jews of Europe and of Palestine?

MR. PEHLE: That is very easy, Mr. Secretary. In the first place, we don't recognize. When I said we have to continue to deal, what I meant was that we have been dealing with the Emergency Committee. By and large all the Jewish agencies, however hostile to the Emergency Committee, have agreed that we have to deal with them.

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H.M.JR: But why?

MR. PEHLE: Because, the Emergency Committee is a group of American people.

H.M.JR: But they are not.

MR. LUXFORD: They are, most assuredly.

H.M.JR: Now, wait a minute; they are not. This fellow is a Palestinian citizen.

MR. LUXFORD: This is not the Emergency Committee of Palestine.

H.M.JR: But don't throw statements like that into the thing. You are wrong. Here is a Palestinian citizen setting himself up here to represent these people when there isn't official--now, may I please finish? I let you gentlemen finish your sentences. Now, at least extend the same courtesy to me. Here is a Palestinian citizen, who sets himself up first, to have a Palestinian army. That peters out. Then he sets up another committee to do something else, I mean, to give himself a job.

Now, you said you have to deal with this Palestinian citizen, and I raise the question, "Why do you have to deal with him when you have a recognized agency in Palestine to deal with now?"

MR. PEHLE: Now, can I answer that?

H.M.JR: You can answer it fully.

MR. PEHLE: In the first place, I am not talking about the National Committee which purports to recognize the Jewish people. That is not what I am talking about. I am talking about the Emergency Committee. The Emergency Committee was set up throughout the U. S. It was set up in New York, and it was set up here. Mr. Iokes was Co-Chairman, and Senator Gillette, Will Rogers, Jr., Fowler Harper, Oscar Chapman, and all those people were on it. The Emergency Committee, I agree, was dominated by Bergson, but nevertheless it was an American group, not interested--

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H.M.JR: To do what?

MR. PEHLE: To do everything they could in connection with the rescue of the people from Europe. It wasn't directed at Palestine. There was no Palestine in its name. We never dealt with them on how Palestinian issues should be settled, but only in getting what ideas they had as to how through psychological warfare and otherwise people could be rescued. They are interested in the free port problem, and all sorts of things.

Now, the other agencies that come in here--they aren't governmental, either. Do you see? The American Friends come in here. Why do we deal with American Friends? Well, American Friends are a group of people interested in the problem.

The JDC comes in. They are not governmental. They are an American relief organization.

The World Jewish Congress comes in here. The representative is rarely an American citizen. It may be Doctor Goldman, who is a British citizen.

H.M.JR: Now wait a minute. If it has to deal with Palestine, whom would you deal with?

MR. PEHLE: Well, in the first place, we haven't had any dealings with Palestine. If it was a matter of securing visas with the Jewish agency of Palestine or the British Government, we wouldn't go to this group.

MR. DuBOIS: The British Government.

MR. PEHLE: We have never dealt with this group on Palestinian issues.

H.M.JR: Still, they have set themselves up to represent the Jews of Europe and Palestine.

MR. PEHLE: That is the latest group. Now, the latest group--the question of dealing with them--

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H.M.JR: Is this the third form that Bergson has taken?

MR. DuBOIS: Oh, sure.

MR. ABRAHAMSON: At least the third.

MR. DuBOIS: Fourth.

MR. PEHLE: It is important to be clear on the various groups for this reason.

H.M.JR: You have mentioned this as the third.

MR. ABRAHAMSON: The third--the Committee for the Jewish Army, the Committee for Free Palestine, and then there was the Emergency Committee--the first two had Palestine in their names. One was the Palestinian Army, or rather Jewish Army. The other was the Committee for Free Palestine.

MR. PEHLE: Neither one of which we had anything to do with.

MR. ABRAHAMSON: Then the Emergency Committee to Save the Jewish People of Europe, which had on its Board and as responsible sources for most of its acts and movements a large number of American citizens, mostly Jewish.

MR. PEHLE: They purported to be a non-sectarian organization.

MR. ABRAHAMSON: And that was the group that was in existence, in top existence at the time the War Refugee Board was set up. They had ideas, and they did propagandize. Ten days or so ago there was announced this Liberation Committee, which for the first time takes a specific form of purporting to be a government, the Hebrew government, and which, it is true, has Bergson as the moving spirit. But it is distinct from the Emergency Committee, although the Emergency Committee will be in their Embassy.

MR. PEHLE: Now, I have not suggested that we deal with this group as the Government of Palestine, Mr. Secretary.

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I would argue very strenuously against any such thing.

H.M.JR: Let's take this fourth, the present manifestation.

MR. ABRAHAMSON: Reincarnation. I have used a rather elegant expression, for which I have been criticized, the dance of the seven veils.

H.M.JR: Don't they take them off?

MR. ABRAHAMSON: They have taken four off.

H.M.JR: I gather they don't take anything off!

Anyway, in this fourth manifestation, let's just get down for the moment to why the President's Refugee Committee should deal with this fourth group.

MR. PEHLE: I am not sure we should, and we haven't been asked to.

MR. LUXFORD: We will not be asked to, unless--

MR. PEHLE: When I heard the announcement was coming out, I asked Joe and Luxford to talk to Bergson and be sure this was not connected with us. Bergson said not only that would not be, but he was insisting that in no way would they tie us in.

MR. LUXFORD: And he did exactly that, Mr. Secretary.

MR. PEHLE: There was nothing in anything he said.

MRS. KLOTZ: But that is what he says.

MR. LUXFORD: No, the statement he issued had nothing with respect to the War Refugee Board in it, except he might have business with them on the issue of the Jews.

H.M.JR: When he sits in this place and then goes over there--

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MR. PEHLE: As far as that is concerned, he hasn't been in on the Emergency Committee.

H.M.JR: Look, it takes two sessions of two hours to straighten me out. How do you suppose one hundred and thirty odd million people in America can understand this thing?

MR. LUXFORD: Might I say a few words?

H.M.JR: Yes, Pehle has talked ninety-five percent of the time.

MR. LUXFORD: You can make Bergson out as a very sinister man if you want to.

H.M.JR: But I haven't.

MR. LUXFORD: I am using "you" in the impersonal sense. Someone can make him out as a very sinister man. On the other hand, the four movements that he has been for, I think in his own opinion, have been for the betterment of the Jews, and he has been fighting the same cause all the time. It has simply been through different tactics. And I don't see anything inconsistent behind the four moves that he has sponsored. I think all of them tie into a very clear pattern. He is an idealist. In my dealings with him, I can't go any further than that; he has been honorable. He hasn't backed down on one statement he made to me or one promise he made to me. I have never found anything in his actions vis-a-vis myself which was in any sense shady. Beyond that, he is a powerful man in the sense that he understands public opinion; he understands how to get public opinion shaped on a given issue. When we want press statements of a given kind--if you want them--Bergson is a man that will produce them if he is in agreement with your objective. Now, I am simply saying that on the basis of what he has done and what he has said, I have no basis for thinking there is anything sinister about that man. I have no reason to think he is a crook. I think he is a man who is a sincere idealist.

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MR. DuBOIS: I will say the same thing in my dealings with him, also.

H.M.JR: But I gather in this fourth manifestation you all agree it is something that the President's Refugee Committee should have nothing to do with.

MR. LUXFORD: I am not willing to say that. I am willing to say it is not for the Board to take an official position on that in any sense. We are not to back it or fight it.

H.M.JR: We should have nothing to do with it.

MR. LUXFORD: Now wait just a second. That Board says they want to submit plans, too, on the saving of Jews. To my mind, our door is open to anyone. We go to Tito if we think he can help us save some Jews. I for one wouldn't say we have to screen people who come in our door. Anybody can come in the door and talk. We say, "Thank you," and close the door.

H.M.JR: But that has nothing to do with it, Luxford.

MR. PEHLE: I don't think life is quite that simple.

H.M.JR: Now, Luxford, you have worked with me long enough. You can't kid me.

MR. LUXFORD: I am not trying to kid you. I wasn't kidding when I said that about Tito or DeGaulle or the Underground.

MR. DuBOIS: I don't think you have to face that issue, because when Bergson comes in with a plan or a program, he is perfectly willing to come in as representing the Emergency Committee. But to suggest that we shouldn't deal with Bergson--that is the practical issue. I don't think anyone suggests when Bergson comes in we shouldn't see him or talk freely with him.

MR. LUXFORD: Then there is no practical problem.

H.M.JR: What I am saying is this, that the question of the White Paper--the question of the number of visas in Palestine is not our business.

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MR. LUXFORD: That is right.

MR. DuBOIS: I think we may have been wrong, but that is the position we took on that.

H.M.JR: I say it is not that this is a Refugee Committee--that isn't what anybody had in mind as far as I know. And I don't believe that the Refugee Committee should get in on a political matter like this.

MR. LUXFORD: We all agree.

MR. PEHLE: The only difference between us, Mr. Secretary--between this group--is one of confidence or lack of confidence or neutrality as to where this guy is going, and what chance he has of success.

MR. ABRAHAMSON: And the methods that he uses.

MRS. KLOTZ: That is the thing that slips over so quickly; it is the methods that he uses.

H.M.JR: Now wait a minute before we get to that. I don't believe that we think just because he is going places that we should get on the tail of his comet.

MR. LUXFORD: I didn't put that as one of my points. He probably will fail, but it is still a good fight.

H.M.JR: You have been very quiet.

MR. ABRAHAMSON: I am struggling with the problem, and I can give you very briefly my feelings as of today on it. I think as the War Refugee Board, we wear no collar or we wear every man's collar. Everybody with an idea or any organization or agency that doesn't conflict with other laws, and so forth, who comes to us with plans for propaganda for rescue or relief, we deal with them. And in the next to the latest manifestation, the Emergency Committee was such an organization. It had propagandized this country; it had called the attention of Congress and the public, and particularly of the non-Jewish public, to the plight of the Jews in Europe. It had, I think, a lot

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to do with agitation on the Hill and agitation around town for a more vigorous approach to the problem.

I would be inclined on this matter, anyway, to side with Luxford, that if this group, even in its latest form, called up and said, "We have an idea for rescue of people," I think we ought to talk to them. I think we ought to stay out completely of any official relationship with them; certainly we don't let them have an exclusive right to represent the refugee population of Europe or any place else. So officially, I think our position can be stated.

H.M.JR: And certainly not represent Palestine when you already have the Jewish agency.

MR. LUXFORD: We already have the British.

MR. ABRAHAMSON: In the second place, as far as Bergson himself is concerned, I have only seen him once in my life for a few minutes, and here I am going to be on the spot, but without having any documentary evidence, and having the greatest respect for Luxford and Joe's judgment--they know him much better--I happen not to like the way he operates. To put it on the basis of esthetics or morals, I just don't like fellows like him. I don't like the combination of having his name changed at least once--I don't like the way the agencies have been shoved around; I would like to know how much money he got and what he did with it, whether the money that bought the Embassy came from the ads. I have studied them very carefully. They are worded in such a way that people who don't know think that the money is going for relief and rescue. It is not going directly for that. It is going to aid those people. I just don't like a guy that operates that way. I don't happen to agree with his plan.

As much as I know about the problem, and yet not caring much for him and not caring much for his plan, I certainly don't think it is the job of the War Refugee Board to suppress him or interfere with him. I think, as a matter of fact, if you believe in the right of people to discuss their views, that you would say like Voltaire, "I

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don't agree with the words you say, but I will defend with my life your right to say it." I think he has a right within the law to present his proposal, to have it discussed in the press, and to have it argued; and if he violates any of the immigration regulations or State Department requirements or any of those things, or Treasury regulations, then let them deal with him. But I don't happen to feel at the moment that the issue ought to be handled by attempts to suppress him. That is about the way I feel about it.

MR. LUXFORD: Can I have about one or two more minutes?

H.M.JR: I have lots of faults. I am the best listener, but I like to be listened to, too.

MR. LUXFORD: I thought you would have to terminate the meeting.

All I have in mind is that you have our personal views, and you have our official views on this question. I would like to say that from my point of view I would suggest that you are going to be put under very extreme pressure on this issue, as you perhaps already have been, and people will want your official views, and they will want your personal views on Peter Bergson and his various reactions.

H.M.JR: That is why I am having these meetings today.

MR. LUXFORD: I wanted to make one further suggestion, that if I were you, I would be very careful to avoid a statement one way or the other at this time on this issue. It is a thing that is developing, and I don't think that a statement either way at this time will probably be right.

I do think that the thing has potentialities, and nobody knows what will happen. Bergson may turn out to be a scoundrel. On the other hand, he may be another DeGaulle, and I don't think any of us should be in a position to fight him, if he can make a success of this program. His objectives, as far as I am concerned, are good objectives. Whether he is the man that can deliver, I don't know. I think he is sincere, and I think that he will make a real fight. I am afraid he will lose, but I just want to be sure that he is given a chance.

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H.M.JR: You can read this and return it to me. There is nothing confidential about it. (Hands Bergson file to Mr. Pehle)

MR. LUXFORD: I wouldn't be surprised to see Bergson a martyr, if anybody is a martyr. You can talk about Wise. I think the feeling is so strong in this issue that I wouldn't be surprised to see Bergson killed. I wouldn't.

MR. PEHLE: They are certainly out to get him.

MR. LUXFORD: The feeling is so strong against Bergson that I wouldn't be surprised.

H.M.JR: On whose part?

MR. ABRAHAMSON: On the part of most of the Jewish organizations.

MR. LUXFORD: It is the most bitter feud you have ever seen in your life.

MR. PEHLE: Mr. Secretary, they just turn livid, and one of the few things that makes me believe that Bergson is more than a joke and a clown that the Jewish agencies are saying he is, is that they couldn't be so mad at something which didn't have more chance of succeeding than they say he has. They are terribly worried about him. There is no question about that.

MR. DuBOIS: The Jewish newspapers for the last week have had nothing on the front page, except this. War news and everything else was relegated.

MRS. KLOTZ: You mean the Jewish press. You know how I feel. I agree with Mr. Abrahamson. I definitely feel that way, with the little knowledge that I have.

MR. LUXFORD: Tell me about those tactics that are bad.

MR. DuBOIS: A few you mentioned--

MR. LUXFORD: The tactics he employed are the ones that really got Congress exercised about the Jewish problem, his publishing full-page ads. The wording must inflame people.

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MR. ABRAHAMSON: Now, Luxford, just to be perfectly clear, I tried to point out that it came more in the realm of taste, if you want. But I read those ads, and what I am interested in, for instance, is the question of people taking the coupon in the lower right-hand corner, giving money with the firm belief--I mean, the headline says, "Do you want to save a Jew from Turkey?" It is fifty dollars per Jew.

Now, the War Refugee Board has gone through those ads, and the things are very cleverly written. But I just don't think you go out and raise money on that basis. I grant you there is room for basis of opinion; I don't think you can change your name. I don't think you see one organization now and then you see another. I mean, those things don't appeal to me. I am perfectly willing to grant that if you want to be Jesuitical about it, you will say that his goal is so good that whatever he does on the way to attaining it is justified.

MRS. KLOTZ: A lot of very reputable people quit the Committee when they realized the tactics they used.

MR. LUXFORD: Are these the tactics?

MRS. KLOTZ: I don't know what they were, but things they discovered.

MR. PEHLE: They tend to shade publicity problems quite a bit. There is no question about that. In other words, that is the one field in which I have found they are difficult to deal with, and that is if you say, "Well, I will do this," they tend to add to it and build it up. The first thing you know it is more than you said it was. But that is like an advertising man who tries to convince you that this cough syrup will really cure you of consumption. It is a very common thing.

MRS. KLOTZ: Look at the way you objected to Corff. When he began to misrepresent a little bit, you got cold feet and didn't like to do business with him.

MR. LUXFORD: Who got cold feet?

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MRS. KLOTZ: That was my impression.

MR. PEHLE: I got nervous about him, that is true. I am a conservative.

MRS. KLOTZ: That is just it.

H.M.JR: The point Mrs. Klotz is making is, when we told him about it, that I wanted to be invited, he went right back and said that I accepted. Incidentally, while we are on Corff, I have a letter here that I will read to you. "My dear Rabbi Corff: In reply to your letter of May 22, I will appreciate it if you would see Mr. Pehle in the first instant. After seeing him, you feel he has not given you satisfaction, I will be glad to see you any time." Is that all right?

MR. PEHLE: Sure. I have seen him, of course.

H.M.JR: You saw him yesterday. Is that all right? Is there any reason why I should see him all the time?

MR. PEHLE: No; if you don't see him once in a while, he will just pester you. But I wouldn't see him too often.

H.M.JR: Well, that is what the Committee is for, to see these people.

MR. PEHLE: We see them, Mr. Secretary.

MR. LUXFORD: Mr. Secretary, in talking of tactics and all these people who resigned, I again say that a good many of those people would have another reason for wanting to resign, too, and that is not a popular cause among the organized Jews. It is just bad business to be attached to it.

H.M.JR: Well, I personally--I don't care who this man is or what he is; I personally think it is most unfortunate that he sets himself up here in Washington as representing the Hebrews of Europe and Palestine.

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MR. LUXFORD: Isn't that what DeGaulle did?

H.M.JR: Yes, but I don't happen to think the Jews are a race. I think it is a religion.

MR. LUXFORD: Well, Mr. Secretary, looking at it from the point of view of Palestine--

H.M.JR: I happen to think it is a religion. I happen to think of myself as an American citizen of the Jewish faith.

MR. LUXFORD: Bergson agrees with you a hundred percent.

MR. PEHLE: He doesn't agree on the French Jews.

MR. LUXFORD: He says the American Jew is in that position.

H.M.JR: But he takes the Poles, he takes the Czechs--six or seven countries--plus Palestine, and says he, Bergson, represents them.

MR. LUXFORD: If someone will protect him, I think it will be worth while. If someone will say--

H.M.JR: Talking of the Jewish people, you either feel that way, or you don't. I happen to belong to that school and can't be changed on it, that I am an American citizen of the Hebrew religion.

MR. DuBOIS: He agrees one hundred percent. He doesn't on France.

MR. LUXFORD: That is a different matter.

MR. ABRAHAMSON: I will say this, Mr. Secretary, it is a very shrewd approach, because people like us are out of this thing, because we are Americans, and in America we are American citizens; but since the people in Occupied Europe--Jews in Occupied Europe--have no spokesman, and since the spokesman for those in Palestine is not one that is proper or representative, he and his committee here are pretending to be the mouthpiece for them.

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H.M.JR: Well, I can see where the Jews of American citizenship would be very much worried about a movement like this, because if the people believe in what Mr. Hitler has said, that is a peg to hang their hat on, and that is just what we get. Therefore, let's take all the Jews, irrespective of where they live, and put them down in the French island of Madagascar. It gives them just that opportunity to say, "Well, here Bergson is saying just what we are saying." And I can see where--I am very calm, but I wanted to get the thing--I again say that Mr. Pehle was very forthright on his presentation.

MR. LUXFORD: Would you like to talk to him some day privately?

H.M.JR: No, why should I?

MR. PEHLE: He might convert you, Mr. Secretary.

MR. LUXFORD: It would be very interesting, Mr. Secretary.

MR. PEHLE: There is no question, he is a very charming and very smart man, and I am convinced a very sincere man. He really thinks he is doing something.

H.M.JR: You see, a fellow like that--I know enough that when a man who is as smart as he is reputed to be gets into an argument on Jewish politics, he will run circles around me, because I don't know enough about it, just as I have to ask you to explain the difference between going up to Philadelphia, and Mrs. Klotz, who knows more about it than I do--she has to have it explained to her. But I mean, a fellow like that who makes this a profession--

MR. ABRAHAMSON: Don't you feel that, again assuming that he is here legally and assuming the proper authorities are satisfied, that he has a right, as a person holding the right to be in this country, to present a plan and have it discussed? I happen to feel, for instance, that the traditional Jewish agencies made a very serious mistake by timing all their blasts against him the day he got his announcement, because it played it up. You had Goldman, Stephen Wise, and everybody talking about it. I think it ought to be judged on its merits.

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H.M.JR: On advice of counsel, I am not going to answer you, because then I would be taking sides.

MR. LUXFORD: That is right!

MRS. KLOTZ: The only fear I have is that the gossip is--and I am not saying it is so--that you permit these people to give you dinners, you see, and therefore, so and so and so. That is the fear.

MR. PEHLE: Mrs. Klotz, don't you be taken in by such things. Last Sunday I spoke over the radio, coast to coast, with the UJA. All right, two weeks from now I am going to New York to address a fund-raising meeting for the UJA.

MRS. KLOTZ: You have to do a lot to offset the other thing, Mr. Pehle.

MR. PEHLE: But the other thing was about that big!

MRS. KLOTZ: But they blew it up.

MR. PEHLE: Of course they blew it up. That is part of their stock in trade. We try to stop them, and we have some success. Furthermore, not a week goes by but what somebody comes in and says--I am not referring to the Emergency Committee, but some other group--"Do you know who is really in that? There are some Communists in that, this free-world group. You know, there are Russians in there."

H.M.JR: On the free-world thing?

MR. PEHLE: And he said, "Suppose I start a labor group to advise the War Refugee Board?"

I said, "What do we need them for? We talk to the AF of L or CIO."

He said, "To sort of offset this free-world group."

I said, "We don't deal with them as the labor group."

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H.M.JR: What is the name of the Frenchman?

MR. PEHLE: Dolivet.

H.M.JR: You know who his wife is, don't you? She is Dorothy Straight's (?) daughter, a real Communist.

MR. LUXFORD: Do you know Dolivet?

H.M.JR: No, I don't, but I am just mentioning that he is married to Dorothy Straight's (?) daughter.

MR. LUXFORD: He is another coming man.

MR. PEHLE: I am not sure about Dolivet. Kingdon is so worried about Russia, Mr. Secretary, that he thinks that Russia sort of has the OGPU in that organization and somehow something is very bad. And his assistant in the group that Kingdon is working in is Sheba Strunsky, who is a Trotskyite, and who is worried about our working with somebody too closely.

MR. LUXFORD: Every organization, I sometimes think, is more interested in their fight with some other organization than they are with the objective of saving the Jews.

H.M.JR: Well, when I hear all this, I wish the Jews would learn something from the Catholics.

MR. PEHLE: We have been left alone this week by Jewish organizations, except the few who came in to see me and tell me what they thought of Bergson; because they are so busy fighting Bergson, they are neglecting everything else. It has united the Jewish press for the first time in history. They all agree that Bergson is bad.

MRS. KLOTZ: Well, that is something.

MR. LUXFORD: Like the American press as opposed to Roosevelt. That is what I meant, Mr. Secretary, when I spoke of wearing no man's collar; it is a hard course to follow, but I think the War Refugee Board can honestly say-- I happen to think they are worse than the other agencies,

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but I am a minority on that. I think they tend to be very possessive, and as you point out to me, new organizations are more likely to be that way. I think they gave the impression they have us in their vest pocket. But as John points out, there are other organizations.

MRS. KLOTZ: But you people agree he is so powerful, so very powerful. Of course; he has spread that around.

MR. PEHLE: But all the Jewish agencies say this man is such a liar, why should they believe him.

MRS. KLOTZ: Because they feel that you believe him.

MR. PEHLE: Have they talked to me? Does anybody, following their talk with me, believe that? Even your friend Mr. Weisgall--

MRS. KLOTZ: You don't mean you converted him yesterday?

MR. PEHLE:..who also did some flirting around with Mr. Bergson in one of his earlier manifestations.

MRS. KLOTZ: But he learned. And that is why--

MR. PEHLE: He said Bergson is all right until he starts to flirt around with the organized group.

The thing that makes these people so mad is that-- when he speaks for the Jews, "How can this upstart come in here?"

H.M.JR: May I have the last word? This has nothing to do with Bergson, but you must not repeat this. This was a couple of years ago when we first started on this. I don't think I ever told this story. Doctor Wise and his son same in. There was a question as to who should handle this pittance of stuff from Portugal that was supposed to go into Poland. He sat here and was arguing that he should do it as against the JDC. And in my youth and innocence, I said, "Doctor Wise, whom do you represent?"

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Whew! The roof went off.

"Whom do I represent," pounding his chest. Were you here?

MR. PEHLE: No.

H.M.JR: Boom!

"You should ask me that question! I have told the President; the President has told me"--and, Oh, boy!

Then there were only two organizations.

MR. PEHLE: Then we referred it to State, and State picked the JDC.

H.M.JR: Yes, I remember.

Well, anyway, the net result is, let's all be careful and non-partisan. We have--

MR. PEHLE: We have to be.

MR. LUXFORD: You can't be non-partisan in your thoughts.

H.M.JR: Ah, ah, ah, I wanted the last word.

May 24, 1944

My dear Rabbi Korff:

In reply to your letter of May 22nd, I would appreciate it if you would see Mr. Pehle in the first instance. After seeing him, if you feel he has not given you satisfaction, I will be glad to see you any time.

Sincerely yours,

(Signed) H. Mergenthau, Jr.

Rabbi Baruch Korff,
160 Central Park South,
New York, New York.

RABBI BARUCH KORFF

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ONE HUNDRED SIXTY
CENTRAL PARK SOUTH
NEW YORK

May 22, 1944

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

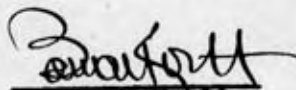
My dear Mr. Morgenthau:

I take this occasion to thank you whole-heartedly for the way you have received me during my three visits with you. I realize that the tasks confronting you are numerous, and your wisdom must be divided accordingly to serve the needs of your department. However, certain developments in recent days caused me great worry and concern. I am sure that an additional visit with you will greatly alleviate my pain and serve to promulgate the rescue work.

Believe me, Sir, when I say that I look to you as a beacon of light in this world of conflagration, and therefore respectfully request another appointment with you at your convenience, preferably Tuesday, May 23rd.

Kindest regards.

Yours with great respect,


Baruch Korff

BK:sk

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May 24, 1944.

Dear Paul:

It was good of you to write me as you did on May 23, and I appreciate what you say of the days spent working on the Fourth War Loan Drive. I too look back on them with pleasure, and I need not tell you that my good wishes go with you as you take up your new work. I am sure that it will be carried out with all the enthusiasm and ability you brought to our War Loan Campaign.

Thanks also for your word of greeting to Mrs. Morgenthau, which I shall be happy to pass on to her.

Come back soon to eat some of the Morgenthau apples!

Sincerely,

(Signed) H. Morgenthau, Jr.

T/Sgt. Paul Dailey,
903 Park Avenue,
New York, New York.

GMS/shc

The Secretary of The United States Treasury
The Honorable Henry Morgenthau, Jr.
Washington, D.C.

May 22, 1944

My Dear Secretary Morgenthau,

May I express my deep gratitude for the opportunities and cooperation you gave me during the Fourth War Loan. It has never been my pleasure to work with a person more gracious or understanding than yourself.

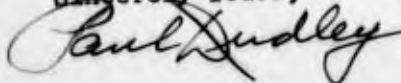
While it was a great disappointment not being able to continue thru the Fifth War Loan, a lucky star seems to be charting an exciting course for my Army career to follow. If all goes well, I will soon be overseas in charge of programs for the new Allied Network.

Until such time as my orders arrive, I will be working under your leadership on the Fifth War Loan with the touring Air Force Unit which will play Bond Rallie through major cities in the Eastern Sector.

Again, all my thanks and all my good wishes to yourself and to your most charming wife.

Also, here's a cheer for the future of "Morgenthau's Ball O' Fire Apples".

Sincerely Yours,



903 Park Avenue
New York City

.....Secretary Morgenthau.....

O

This is a message for the
Special Edition of the Texarkana
newspaper, copies of which will
be sent to all newspaper editors
by the Texarkana editor.

For your O.K. or suggestions.

FS

EG

Fred Smith
Room 290+

5/24/44

91

TO THE PEOPLE OF TEXARKANA:

*H.M.
indicates
approval
1 ribbon copy
retail to Mr
Smith*

The civilian D-DAY which you are organizing is, in my estimation, much needed at this time.

Ten million of our men, and thousands of our women, stand today on the brink of the most thunderous clash of armed force in the history of the world. The enemy they will face is stubborn, well equipped, and desperate. The engagement, therefore, will be bloody and expensive -- we must expect that and be ready for it.

And we must remember that the invasion is not the end of the war, but only the beginning of the most violent phase. We must stand ready back here at home to give our fighting men the last ounce of support which we can muster. It is more necessary now than before.

Let us not lose sight of the fact that victory in war requires more than equipment, more than explosives -- more even than trained and willing men. Napoleon once said that nine-tenths of the success of an army comes from its spirit, its morale, rather than the quality or quantity of its equipment. And the source of spirit in our army lies right

- 2 -

here at home -- lies in our support and our interest. Our support will be reflected in the great battles to come. Our faith here at home will help shape the spirit of our army. And the barometer of that faith is our willingness to stay on the job, to lend our money, and to work for victory in every possible way.

FS:ven

May 24, 1944

My dear Mr. President:

I thought you would be interested in seeing the splendid cartoon by Fitzpatrick in the St. Louis Post Dispatch on the coming international monetary conference.

Yours sincerely,

(Signed) Henry Morgenthau, Jr.

The President,
The White House.

ST. LOUIS POST DISPATCH-May 9, 1944

INTERNATIONAL MONETARY STABILIZATION



“What Do Those Big Words Mean, Mother?”
“They May Mean ~~Peace~~ for You, Son.”

✓
95

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE May 24, 1944.

TO Secretary Morgenthau

FROM Mr. White *HDW*

You have inquired concerning the ownership of Lazard Companies in London, Paris and New York.

I. The Capital Ownership of Lazard Freres, New York

At the present time the outstanding capital of the New York firm amounts to approximately \$6,800,000. The direct interest of Pierre David-Weill is about \$850,000 and that of Andre Meyer is about \$850,000. The balance of the capital, namely, \$5,100,000, represents the investment of the French firm, Lazard Freres et Cie. of France.

II. The Capital Ownership of Lazard Bros. and Company, Ltd., London.

The capital of Lazard and Company, London, is held as follows: Lazard Freres et Cie. of France holds a 20 percent interest and the balance, or 80 percent, is held by S. Pearson and Son, a prominent London banking house. The only tie between Lazard Freres, New York, and Lazard Brothers, London, is the common interest of Lazard Freres, France.

III. The Capital Ownership of Lazard Freres et Cie. of France

According to the information in our files and from statements made by the former French partners, Pierre David-Weill and Andre Meyer, neither the London company nor the American firm as such had any interest in the French partnership. It is our understanding that the majority interest in the French firm is held by Lazard family heirs, the David-Weill family, and Andre Meyer.



TREASURY DEPARTMENT

PROCUREMENT DIVISION

WASHINGTON 25



96

OF THE DIRECTOR

May 24, 1944

MM

MEMORANDUM TO THE SECRETARY:

There is submitted herewith the weekly report of Lend Lease purchases.

A requirement of socks and mufflers has been received for use by Polish prisoners of war in Germany.

Clifton E. Mack
Clifton E. Mack
Director of Procurement

SECRET

LEND-LEASE
TREASURY DEPARTMENT, PROCUREMENT DIVISION
STATEMENT OF ALLOCATIONS, OBLIGATIONS (PURCHASES) AND
DELIVERIES TO FOREIGN GOVERNMENTS AT U. S. PORTS
AS OF MAY 17, 1944
(In Millions of Dollars)

	<u>Total</u>	<u>U. K.</u>	<u>Russia</u>	<u>China</u>	<u>Administrative Expenses</u>	<u>Miscellaneous & Undistributed</u>
Allocations	\$4743.9 (4740.1)	\$2298.4 (2294.7)	\$1877.3 (1877.3)	\$133.9 (133.9)	\$12.6 (12.6)	\$421.7 (421.6)
Purchase Authoriza- tions (Requisitions)	\$3824.6 (3773.8)	\$1934.5 (1927.7)	\$1518.0 (1483.1)	\$ 83.1 (83.9)	- -	\$289.0 (279.1)
Requisitions Cleared for Purchase	\$3720.7 (3685.7)	\$1903.6 (1896.8)	\$1481.7 (1456.8)	\$ 61.4 (62.2)	- -	\$274.0 (269.9)
Obligations (Purchases)	\$3593.2 (3577.4)	\$1884.0 (1877.2)	\$1424.2 (1419.9)	\$ 61.2 (61.1)	\$11.6 (11.6)	\$212.2 (207.6)
Deliveries to Foreign Governments at U. S. Ports*	\$2041.1 (2023.1)	\$1284.5 (1274.5)	\$ 692.7 (685.4)	\$ 23.1 (23.1)	- -	\$ 40.8 (40.2)

*Deliveries to foreign governments at U. S. Ports do not include the tonnage that is either in storage, "in-transit" storage, or in the port area for which actual receipts have not been received from the foreign governments.

Note: Figures in parentheses are those shown on report of May 10, 1944.



TREASURY DEPARTMENT

WASHINGTON 25

May 24, 1944

AM

MEMORANDUM TO THE SECRETARY:

Representatives of Treasury Procurement attended a meeting to discuss the use of Industry Advisory Committees by Surplus War Property Disposal Agencies. The following agencies were also represented: Defense Supplies Corporation, Defense Plant Corporation, Metals Reserve Corporation, and Foreign Economic Administration. Mr. Clayton had previously indicated the desirability of using the WPB Industry Advisory Committees and the Advisory Committee machinery to the extent that it meets our needs. Those present agreed that we could conserve the time of business men and most effectively attain our own objectives by cooperating in the use of Industry Advisory Committees. Mr. Clayton's office is looking into the legal aspects. Further meetings will be held to discuss this subject.

Attached is a letter from Mr. A. T. Colwell which may be of interest to you. Will you be good enough to return it for my files.

E. P. Olrich
Olrich
Assistant to the Secretary

THOMPSON AIRCRAFT PRODUCTS CO.

EUCLID, OHIO

EXECUTIVE OFFICES

May 22, 1944

Office of the Vice President

Mr. Ernest L. Olrich
Assistant to the Secretary of the Treasury
Washington, D. C.

Dear Mr. Olrich:

On behalf of the Special Committee on Redistribution, Removal and Disposal of Surplus War Property, of the Automotive Council for War Production, we wish to thank you for your time and that of your assistants devoted to our conference in Washington.

We feel that the discussion was most constructive and we are in accord with the program which you are undertaking. We believe that from mutual cooperation much can be accomplished.

Sincerely yours

A. T. Colwell

A. T. Colwell, Chairman
Special Committee on
Redistribution, Removal
and Disposal of Surplus
War Property, A.C.W.P.

ATC LH

*Original to
Mr. Clerk*

100

May 24th, 1944.

Honorable Henry Morgenthau, Jr.,
Department of the Treasury,
Washington, D. C.

Dear Henry:

I have given the most careful consideration to your request for the services of Lieutenant Colonel Hoh of the Medical Corps. I understand the importance of the work you have in mind for him in the Procurement Division of the Treasury Department.

Lieutenant Colonel Hoh at present is directing the purchases of all medical supplies for the Army. He is also in charge of purchasing the medical items that we procure for lend-lease and for the Red Cross. He is also in charge of the Inspection Section of the Purchasing Office of the Medical Corps.

The success of our operations in equipping the Army with medical supplies is in large measure dependent upon his efforts. The work is of vital importance to us, and he is a key man. There was recently a reorganization in the purchasing work of the Medical Corps, certain officers who formerly had important executive positions being released to other duties. This has enhanced the importance of the work done by Lieutenant Colonel Hoh and renders his virtually indispensable. I am sure that you will understand.

Sincerely yours,

(Signed) ROBERT P. PATTERSON
Robert P. Patterson,
Under Secretary of War.

rpj:ls

22 8 MAY 25 1944

RECEIVED
MAY 25 1944

THE SECRETARY OF THE NAVY

WASHINGTON

24 May 1944

101
16

MEMORANDUM TO HON. HENRY MORGENTHAU, JR.

The attached is taken from Captain Puleston's
document which I spoke about today.

Sincerely yours,



James Forrestal

"It is now known that the freezing of Japanese credits in the United States, and the embargoes placed by Great Britain, the United States, and the Dutch East Indies on exports to Japan seriously affected Japanese economy, although these restrictions were in effect only a short time previous to the war."

AIR MAIL

No. 531

EMBASSY OF THE
UNITED STATES OF AMERICASubject: Exchange of Correspondence between War
Refugee Organizations.The Honorable
The Secretary of State,
Washington, D.C.

Sir:

I have the honor to enclose herewith copies of letters between the Delegate of the World Jewish Congress and the European Chairman of the American Joint Distribution Committee, which it is believed the War Refugee Board would be interested to see. If the Department perceives no objection it will be appreciated if the Department would transmit these copies to the War Refugee Board.

Respectfully yours,

For the Ambassador:

Edward S. Crocker
Counselor of Embassy

Enclosures:

1. From World Jewish Congress.
2. From American Joint Distribution Committee.

Enclosure no. 1, despatch no. 531 dated May 24, 1944, from the American Embassy in Lisbon.

COPY

WORLD JEWISH CONGRESS
 Delegate for Portugal & Spain
 Isaac Weissman
 179 Avenida da Liberdade, Lisbon

Lisbon, May 19th, 1944

Dear Sir:

The delegate of the WORLD JEWISH CONGRESS for Portugal and Spain begs leave to present his compliments to the European Director of the American Joint Distribution Committee and to call his attention to the following situation.

1. As is known to the European Director of the American Joint Distribution Committee the World Jewish Congress has been fortunate enough to have been able to bring out of occupied Europe to Spain and Portugal a number of Jewish children and adults.

2. In order to accomplish this the World Jewish Congress has made a considerable financial outlay; and if the World Jewish Congress is to increase the number -- as they have every expectation of doing in the near future -- they will also need increased funds.

3. The World Jewish Congress understands that the Joint Distribution Committee has presently available funds for the above purpose.

4. It would facilitate greatly the immediate rescue of a large number of children and adults if the Joint Distribution Committee could see its way clear to allocate a portion of its unused funds to the World Jewish Congress to be used exclusively for the purpose of rescue of children and adults from German occupied lands.

The delegate of the World Jewish Congress awaits the reply of the European Director of the Joint Distribution Committee with the keenest interest.

Dr. Joseph Schwartz
 European Director
 of the American Joint
 Distribution Committee
 Lisbon.

Faithfully yours,
 Delegate for Spain and Portugal
 of the WORLD JEWISH CONGRESS

Enclosure no. 2, despatch no. 531 dated May 24, 1944, from the American Embassy in Lisbon.

COPY

May 21, 1944

Mr. Isaac Weissman
Delegate of the World Jewish Congress
179 Avenida da Liberdade
L i s b o n

Dear Mr. Weissman:

I just returned to Lisbon to find your letter of May 19th in which you ask for a subvention from the American Joint Distribution Committee for a program of rescue.

As you probably know the Joint Distribution Committee is itself engaged in a program of rescue which includes, among other things, the bringing of refugees, children as well as adults, to the Iberian Peninsula. To further this program we have had to set aside considerable sums of money. My recent visit to Spain has made it clear that we shall have to use all our available funds for our own work of rescue which we believe can best be accomplished through our direct efforts rather than through the intermediary of another organization.

It should also be noted that while you are asking for a subvention to your rescue program you have at the same time set up duplicating machinery here for the care and maintenance of children when it was well known that facilities for this purpose are already in existence and that no new expenditure in this direction was necessary.

Under the circumstances the Joint Distribution Committee cannot see its way clear to grant a subvention to the World Jewish Congress. Should you desire to pursue the matter further we shall, of course, be glad to afford you an opportunity of doing so.

Sincerely yours,

Joseph J. Schwartz
Chairman

KEM-907

Distribution of true
reading only by special
arrangements (SECRET V)

Algiers

Dated May 24, 1944

Rec'd 8:21 p.m.

Secretary of State,

Washington.

1709, May 24, 3 p.m.

FROM MURPHY FOR WAR REFUGEE BOARD FROM ACKERMANN
NO. 20

Have returned from Italy. Army is willing that representative of Board be stationed in Italy but will not release Lawler as his present work is considered too important. Suggested by Lawler that Fraser or Fiedler might be used. Since there will be no Board representative in Bari for some time I recommend that funds mentioned in No. 1573 from Department be sent to AFA representative in Bari for delivery to Yugoslav Refugee Committee. Lira can be used. Colonel Milentije Popovich will receipt for funds and at same time will forward to me tentative plans for use. After use full report will be furnished. My report on Italian trip follows by mail.

Beckelman has cabled U^S NSA and FBA about difficulties at Fedhala camp. Supply situation now appears settled despite closing down of Atlantic base section. There still remains question of securing army aid for guarding camp. Guards are necessary to protect property of camp. I am working on this problem and have received assistance of Ambassador Murphy. Hope to settle it soon. Because of failure to give advance notice of sailing date ship for refugees did not leave on 20 May as expected. New tentative date is June 7. I am following problem to prevent another mixup.

CHAPIN

NSA
23

AIRGRAM

From: Addis Ababa, Ethiopia

Date: May 24, 9 a.m., 1944

Desp: May 25, 8 a.m.

Rec'd: June 1, 6 p.m.

Secretary of State.

Washington.

A-20, May 24, 9 a.m., 1944. Reference Department's circular airgram of January 26, 7 p.m., 1944.

Representations and repeated inquiries on part of Legation since receipt of airgram under reference have failed to evoke any statement from the Ethiopian Government relative to the extent to which it is prepared to cooperate in rescue and relief of Jews and other persecuted minorities.

I have been promised that a statement of the policy of the Ethiopian Government respecting the matter will be forthcoming, and understand that a draft statement was referred to the Council of Ministers some weeks ago for consideration. The Vice Minister of Foreign Affairs recently informed a member of the Legation staff that it is the policy of the Ethiopian Government to act in accordance with the other members of the United Nations; but that, since the country is still engaged in efforts at reconstruction, the assistance it could afford refugees is necessarily limited.

About eight hundred Greek refugees formerly located in Palestine were admitted to Ethiopia during 1943 and are provided with housing, light and water by the Ethiopian Government. Other expenses of these refugees are said to be met by the Greek Government at Cairo, the American Red Cross, and by contributions of the local Greek community.

CALDWELL

WBC:hs

~~SECRET~~

108

AIRGRAM

FROM:
Port-au-Prince, Haiti,
May 24, 1944,
Rec'd: May 27, 1944, 8 a.m.

The Secretary of State,
Washington, D. C.
A-286, May 24, 11:00 a.m., 1944.

Department's secret circular airgram of May 11,
7:30 p.m., 1944, and previous concerning refugees:

The Haitian Minister for Foreign Affairs is disposed to ask the American Government, being charged with the representation of Haitian interests in Spain, to present to the Spanish Government a request that the good offices of that Government be utilized to invite the German Government to accord to all persons holding Haitian passports the status of Haitian nationals until the receipt from the Haitian Government of a report on the validity of the passports in question.

In making this request, the Minister again expressed concern lest any action taken be prejudicial to the interests of any authentic Haitians, and desirability or usefulness of making such a request of the Spanish Government when the Swiss Government represents Haitian interests in territory occupied by the enemy.

The Foreign Minister therefore requested that, before delivering any official note in the sense requested, an informal approach to the Spanish Foreign Office be made for assurance that it will carry out the request made. The Minister further observes that he has confidence that the United States Government will so conduct the negotiations as to safeguard the status of Haitian nationals which are under the control of the Germans.

CHAPIN

File: 711.
V C :MAK

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Consulate General, Jerusalem
TO: Secretary of State, Washington
DATED: May 24, 1944
NUMBER: 69

CONFIDENTIAL

In accordance with telegram 103, May 17, I have checked delivery to addresses of contents Department's 46, March 16 to Roman and 68 of March 28 to Meyereff and my willingness to transmit replies has been expressed by me. A request to do so has not as yet been received by me.

PINKERTON

DGR:MAS:EM
5/26/44

AIRGRAM

STRICTLY CONFIDENTIAL

The Secretary of State,
Washington.

A-195, 8:15 a.m., May 24, 1944.

FROM

Asuncion

Dated: May 24, 1944

Rec'd: June 3 2pm

The Department's secret circular airgram of May 11, 1944, 7:30 p.m. with regard to the protection of refugees with Paraguayan documents in German occupied territory has not been directly discussed with the Foreign Office, since the latter had already assumed a strong position as to the maintaining of its passports issued to the non-nationals in question. The Foreign Minister informed me this morning that Paraguay has no representative at Madrid; and for this reason I did not raise with him the matter of obtaining from Germany the return to Vittel of previously deported refugees. It will be recalled that his Government last week addressed a firm minatory note to the Spanish Chargé d'Affaires here to be communicated to the German Government.

FROST

848.
TF/ajl

AIRMAILEMBASSY OF THE
UNITED STATES OF AMERICA

No. 532

Lisbon, May 24, 1944.

Subject: Report to National Catholic Welfare Council.

The Honorable
The Secretary of State,
Washington, D. C.

Sir:

I have the honor to submit herewith a financial report from Dr. Henry Amiel, Director for Portugal of the War Relief Services of the National Catholic Welfare Council. It is believed that the War Refugee Board would be interested to see this report, and if the Department sees no objection, it is requested that the report be transmitted to the War Refugee Board with the request that when they have finished with it, it be transmitted to:

Monsignor Patrick A. O'Boyle,
Executive Director,
War Relief Service -
National Catholic Welfare Conference,
350 Fifth Avenue,
New York, New York.

Respectfully yours,

For the Ambassador:

Edward S. Crocker
Counselor of Embassy

Enclosure:

Financial report.

May 23rd, 1944

LETTER NO: 7

Monsignor Patrick A. O'Boyle,
Executive Director,
War Relief Services -
National Catholic Welfare Conference,
350, Fifth Avenue,
New York, New York.

Reverend and Dear Monsignor:

You will find attached details of expenditures by Father Turowski, for the period extending from December 20th 1943 to March 31st 1944. Included in the total disbursements are 1,050.30 escudos which His Eminence the Cardinal Patriarch spent for cables.

April disbursements will follow very shortly.

With best wishes,

Very sincerely yours,

Henry Amiel

TOTAL DISBURSEMENTSDecember 30th. 1943 to March 31st. 1944

RELIEF AND REHABILITATION	208,434.65
ADMINISTRATION FATHER TUROWSKI	26,324.45
CABLES CARDINAL PATRIARCH	<u>1,050.30</u>
	<u>235,809.40</u>

DETAIL OF EXPENDITURES

December 20th 1943 to March 31st 1944

RELIEF
REHABILITATION

All figures are given in Escudos. Divide by 24.55 to obtain dollars.

DECEMBER:

Relief	22,250.00	
Medical	<u>1,190.00</u>	
	<u>23,440.00</u>	23,440.00

JANUARY:

Relief	28,054.00	
Clothing	4,750.00	
Medical	<u>3,588.00</u>	
	<u>36,392.00</u>	36,392.00

FEBRUARY:

Relief	49,227.00	
Clothing	2,100.00	
Medical	13,018.50	
Rehabilitation	2,726.60	
Miscellaneous	<u>188.00</u>	
	<u>67,260.10</u>	67,260.10

MARCH:

Relief	62,518.00	
Clothing	5,850.00	
Medical	11,794.35	
Miscellaneous	<u>1,180.80</u>	
	<u>81,342.55</u>	<u>81,342.55</u>
	TOTAL:	<u>208,434.65</u>

ADMINISTRATIVE-EXPENSESFATHER TURONSKI

December 20th 1943 to March 31st 1944

<u>DECEMBER:</u>	Cables and telegrams	519.60	
	Transportation	30.00	
	Trips	283.00	
	Stationary and supplies	80.83	
	Miscellaneous	<u>838.00</u>	
		<u>1,721.45</u>	1,721.45
<u>JANUARY:</u>	Telegrams	2.90	
	Transportation	210.50	
	Trips	260.00	
	Stationary and supplies	183.10	
	Telephone	32.50	
	Mail	34.30	
	Salaries and wages	<u>2,000.00</u>	
		<u>2,723.30</u>	2,723.30
<u>FEBRUARY:</u>	Transportation	98.50	
	Trips	108.00	
	Office Supplies	582.80	
	Rent	600.00	
	Salaries and wages	<u>2,200.00</u>	
		<u>3,589.30</u>	3,589.30
<u>MARCH:</u>	Telegrams	416.45	
	Transportation	381.60	
	Trips	238.00	
	Office Supplies	19.50	
	Promotion	30.00	
	Telephone	40.00	
	Mail	84.85	
	Rent	330.00	
	Salaries and wages	2,000.00	
	Loss	<u>14,750.00</u>	
		<u>18,290.40</u>	<u>18,290.40</u>
		<u>TOTAL:</u>	26,324.45

DECEMBER 1943RELIEF ROLLCITIES:CASES

LISBON

16

CALDAS

26

ESTORIL

5TOTAL:47

There were in December 26 Individual cases.

3 Families in Lisbon with a total of 7 persons.

5 " " Caldas " " " of 14 persons.

JANUARY 1944RELIEF ROLL

<u>CITIES:</u>	<u>CASES</u>
LISBON	24
CALDAS	17
ESTORIL	6
POVORANGE SEIXAL	3
COIMBRA	<u>4</u>
TOTAL:	<u>54</u>

There were in January 31 Individual cases.

4 Families in Lisbon with a total of 9 persons.

2 " " Caldas " " " of 7 persons.

1 " " P. de Seixal " of 3 persons.

2 " " Coimbra " " of 4 persons.

FEBRUARY 1944RELIEF ROLL

<u>CITIES:</u>	<u>CASES</u>
LISBON	27
CALDAS	20
ESTORIL	6
POVOA DE SEIXAL	3
COIMBRA	4
CAXIAS	1
ERICEIRA	1
ALJUBE	<u>1</u>
TOTAL:	<u>63</u>

There were in February 43 Individual cases.

2 Families in Lisbon with a total of 4 persons.

3 " " Caldas " " " of 9 persons.

1 " " P. de Seixal " " of 3 persons.

2 " " Coimbra " " of 4 persons.

MARCH 1944

RELIEF ROLL

CITIES:

CASES

LISBON	34
CALDAS	21
ESTORIL	4
POVOA DE SEIXAL	3
COIMBRA	5
CAXIAS	1
ERICEIRA	1
ALJUBRE	<u>1</u>
TOTAL:	<u>70</u>

There were in March 47 Individual cases.

3 Families in Lisbon with a total of 6 persons.
 3 " " Caldas " " " of 9 persons.
 2 " " Coimbra " " " of 5 persons.
 1 " " P. de Seixal " " of 3 persons.

NJR - 782
Distribution of true
reading only by special
arrangement. (SECRET V)

Lisbon

Dated May 24, 1944

Rec'd 2:40 p.m.

Secretary of State,

Washington.

1502, May 24, 4 p.m.

Referring license \$10,000 for Weissman note
provision giving control expenditures representatives
WEB. This is WEB 53 referring Department's No. 1420
your WEB 24. Terms clear Weissman Financial Attache
and Dexter.

It would simplify matters here if in all similar
licenses to private American organizations a provision
identical this were inserted. Have discussed matter
with Financial Attache and he concurs this recommendation.

FORGED

WMA

WMB

NR - 858
Distribution of true
reading only by special
arrangement. (SECRET W)

Lisbon

Dated May 24, 1944

Rec'd 5:53 p.m.

Secretary of State,

Washington.

1587, May 24, 6 p.m.

THIS IS WRB 51 FROM WEISSMAN FOR RABBI STEPHEN WISE.

Joint who previously refused to deal with rescue work, alleging this illegal, now claims large scale activity this direction. This most welcome if sincerely meant and not merely momentary for propaganda and prestige. Nevertheless, if Joint prefers non-cooperate Jewish Congress whose experienced rescue organization running since beginning war thwarting maneuver against us must cease.

Rescue work means working inside enemy territory, transmission of message through and from occupied countries and regular contact with people therein. Such activities too delicate and dangerous for private unsupervised workers. For securities purposes must be officially controlled and supervised. These reasons explain Goldman's suggestions to Winant to London and our action in putting our activities under official control here.

NOEWB

EB
MEV

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Stockholm
DATED: May 24, 1944
NUMBER: 1000

SECRET

1. Reference your 1738 to Department, your 14 to War Refugee Board, May 16, 1944.

Program Estonian rescue and similar Lithuanian and Latvian projects excellent, provided it is borne in mind that Board is concerned with rescuing victims of enemy persecution in imminent danger of death, regardless of race or creed. With respect to funds there follows a message to H. Lindroth, Goodyear Gummi Fabriks, Norrkoting, Sweden:

"War Refugee Board desires purchases 209,500 kroner for local use Sweden-consult foreign exchange office and cable if they approve your effecting sale this amount from your surplus funds. Equivalent \$50,000 being credited your account our books Akron. Signed, Thure Melander."

If this message unsatisfactory to you do not deliver and cable Board your suggestions. If you deliver it, advise Lindroth he may reply through you.

2. Reference your 1688 to Department, your 12 to War Refugee Board, May 12, 1944.

American relief for Norway has remitted via banks equivalent of dollars 50,000. Additional funds to follow promptly if Goodyear channel effective.

THIS IS WRB STOCKHOLM CABLE NO. 18.

HULL

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Bern
DATED: May 24, 1944
NUMBER: 1797

CONFIDENTIAL

From War Refugee Board to Harrison

Please deliver the following message to Rene Bertholet, Waserstrasse 14, Zurich, from the International Rescue and Relief Committee:

"No. 27. Received your 9 and 10. Contact immediately Suzanne Ferriers International Red Cross Geneva for cooperation. Two thousand five hundred dollars monthly for Jewish labor cases satisfactory but that should cover all Hersch and Oiser Schwarc cases. Do not pay ten thousand dollars Gurvic that is probably separate arrangement Jewish Labor Committee. Give limited assistance Eugene Anagnino. Inform us Swiss address Mrs. Cesare Ernesta Battisti. Give equivalent hundred and fifty dollars Ernesto Rassi our agreement with Salvemini and continue help. Cable via John W. Pehle War Refugee Board." THIS IS WRB CABLE TO BERN NO. 25.

HULL

PARAPHRASE OF TELEGRAM SENT

TO: American Embassy, Moscow
FROM: Secretary of State, Washington
DATE: May 24, 1944
NUMBER: 1283

CONFIDENTIAL

Following refers to Embassy's Jan. 19 telegram
No. 192.

In the United States and Canada, representatives of the Union of Orthodox Rabbis and affiliated organizations have requested again to be informed of latest developments regarding their request that the departure of group of rabbinical students and Rabbis from Soviet Union be given consideration.

It would be appreciated if you would telegraph whether any new developments have occurred and what the prospects are for all or any part of this group to leave USSR, if any.

HULL

SECRET**OPTEL No. 166**

Information received up to 10 a.m., 24th May, 1944.

1. NAVAL

On 21st one of H.M. Submarines sank German HOCHEIMER, 1,766 tons, and on 23rd another German ship, probably BLADUR, 3,594 tons, off BILBAO. Both were carrying ore to BORDEAUX.

2. MILITARY

ITALY. A concerted attack on the main and bridgehead fronts was started early 23rd. Preceded by an hour's artillery bombardment attack launched (6.00?) a.m. against Hitler Line between AQUINO and PONTECORVO. After heavy fighting Canadian troops gained the line of the AQUINO-PONTECORVO road. French North African troops also encountered bitter resistance in the MONTE LEUCIO area. They were counter attacked N.W. of PICO and driven off a height previously gained 1½ miles N.W. of the town; further W. they captured 2 heights N. of LENOLA. Advanced U.S. troops are reported to have reached MONTE ALTO, 2 miles N. of SONNINO and in the coastal sector in hard fighting they are trying to outflank TERRACINA through the mountains. The bridgehead attack started at 6.30 a.m. and made satisfactory progress in the general direction of CISTERNA. U.S. elements have reached highway 7.3 miles S.E. of CISTERNA, others have approached the railway E of the town and U.S. armoured elements were about 500 yards S. of the railway to the W. of the town.

BURMA. IMPHAL-KOHIMA road now clear to a point 16 miles from IMPHAL.

3. AIR OPERATIONS

WESTERN FRONT. 22nd/23rd. DORTMUND. 769 tons H.E., 854 incendiary. Clear, good visibility. Bombing accurate and concentrated. Fires spread rapidly over large area. Several impressive explosions. Ground defences active. Searchlights numerous but ineffective. One JU 88 claimed destroyed.

BRUNSWICK. 203 tons H.E., 417 incendiary. Poor weather ground marking unsuccessful, crews bombed on sky markers, bombing scattered, fighters active.

LE MANS. 386 tons H.E., clear, but ground haze. Bombing on markers and visual, results difficult assess owing to smoke. One large explosion.

ORLEANS. 437 tons H.E., clear, slight haze. Markers well placed, bombing accurate under instructions from Master bomber. Two large explosions.

23rd. 764 U.S. heavy bombers dropped total 1,577 tons on five airfields and aircraft works and four railway centres in central and eastern FRANCE, and 318 tons on railway centre SAARBRUCKEN. One bomber and four supporting fighters missing. 270 light and fighter bombers (4 missing) attacked R.D.F. installations, coastal batteries and airfields in FRANCE. Mustangs claim railway bridge HASSELT destroyed. Fighters (7 missing) destroyed 34 locomotives and damaged 20 more. Off BREST 2 ships of 3,000 and 1,500 tons were damaged.

23rd/24th. Aircraft despatched: DORTMUND - 24 Mosquitoes, BERLIN - 16 Mosquitoes, Sea mining - 30, other operations - 21. All returned safely.

ITALY. 22nd. Adverse weather restricted operations but 2,277 sorties were despatched including 558 heavy bombers which attacked objectives in Central, North and Eastern ITALY.

May 25, 1944
9:40 a.m.

FOREIGN EXCHANGE

Present: Mr. White

H.M.JR: Whom did you get that from?

MR. WHITE: That is Foreign Funds.

H.M.JR: Who is your contact?

MR. WHITE: Orvis Schmidt is the head of Foreign Funds, and Luxford both worked on it.

H.M.JR: Who is this person?

MR. WHITE: He is one of the big finance people there.

H.M.JR: They own eighty percent of--

MR. WHITE: We can inquire further.

H.M.JR: That, to me, is amazing. I never heard of him before.

MR. WHITE: Their name is mentioned in financial circles.

(Secretary speaks to Mr. Luxford over phone, as follows)

May 25, 1944
9:37 a.m.

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HMJr: Lux, I've got a memo from Harry that he got from Foreign Funds....

Ansel
Luxford: Yes.

HMJr:that S. Pearson & Son....

L: S. Pearson....

HMJr: P-e-a-r-s-o-n.

L: Yes.

HMJr:own eighty per cent of Lazard of London.

L: Yes.

HMJr: Now, I want to know who S. Pearson & Son is and if necessary send a cable to Taylor.

L: Yeah.

HMJr: I want to know who the partners are and everything.

L: All right, sir.

HMJr: I want to know all about them.

L: All right, sir.

HMJr: Because that's a brand new name to me.

L: We will check into it right away.

HMJr: Now, this thing of Captain Puleston, what's-his-name was telling me yesterday -- Forrestal -- how good he's been on this S.K.F. business and all that.

L: Yes, I ran into him on that and he's been a fighter.

HMJr: Yeah. And so I asked him whether I couldn't get him in on the Argentine and he said he'd be glad to.

L: Good.

HMJr: So I thought we'd show him everything we've got and get him started on this Argentinian thing.

L: All right. What I thought I'd do, if I get a little time, is to run some of this stuff in memorandum form without any address on it to anyone so we can let him have some of it to mull over.

HMJr: Right.

L: All right.

HMJr: You've got the time he's coming?

L: Eleven o'clock.

HMJr: Yeah. And you see, he used to be the head of Naval Intelligence.

L: Didn't he used to work for you?

HMJr: And he worked one year for me.

L: I thought he did.

HMJr: But before that he was the head of Naval Intelligence for the Navy.

L: He's been very good on these things.

HMJr: Oh, he's -- he's a fighter and I thought we'd get him in on the Argentinian show.

L: It's a very good move.

HMJr: Right.

L: All right, sir.

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H.M.JR: Now I am at your service.

MR. WHITE: Now K'ung is making an offer, in which he is in effect, giving sixty to one, a rate which is much too low and which we agreed we couldn't accept. And he is giving an alternative in which he says you can buy the money you need in the Army on the market. Now, that was all right several months ago, but the way things are going now there is no particular advantage in that. It will take a lot of money, particularly gold, and now the Army is very reluctant even to send a single ton of gold. They are having difficulty meeting their needs to this program, the other program that they have, a terrific amount of tonnage required and of course they are way behind schedule.

So I don't think we could get anything nearly enough to do the job, and I think he knows it, too, and that is why he is trying to put us in a corner. So our reply has to be evasive, but what I think we ought to do is give him some sugar.

H.M.JR: Something ought to go out of here by tomorrow. The letter has been in here what--a week?

MR. WHITE: It is dated April 19; we got it May 19. It should go out.

H.M.JR: I'd like it to go out by tomorrow.

MR. WHITE: Yes, we can do that. We'll have to get agreement with the Army. I suggest we get the Army to give them another twenty-five million dollars on account, and try to devise some kind of an evasive answer.

H.M.JR: Yes, but the 19th! I'd like to clean it up by noon tomorrow, please.

MR. WHITE: I know it will require some time.

H.M.JR: But a week is time enough.

MR. WHITE: I suggest we get the Army to give them

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another twenty-five million dollars and stall on the rest of it, and also send some money to be sold on the market to try it out. That is what we want to do.

H.M.JR: I want an answer.

Now, where is the answer from the Army on China, anyway?

MR. WHITE: I called up General Clay. He said he had prepared it, and it would follow through.

H.M.JR: Shall I call up General Somervell and tell him he is going to give it to me Monday? These fellows are always pushing me and always wanting it immediately.

MR. WHITE: All right. I didn't get it!

You referred to the economist. I saw Olrich several days ago. He said he was going to have another chap.

H.M.JR: That was another memorandum I wanted a week ago.

MR. WHITE: No, he said he was going to have another chat with him. I didn't know you had anything imminent in mind.

H.M.JR: If the fellow is good, let's take him on. Supposing we have somebody around here with administrative responsibility and let him think.

MR. WHITE: Did you want me to take him on in my division, do you mean, or take him on independently?

H.M.JR: I don't want him independent, no. I want him tied into somebody.

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MR. WHITE: If I would take him on, it would be a good spot for him to work on reparations. Winant spoke to me that he is at sea on the reparations problem. He says he hasn't got anybody that he can rely on, and it's a big problem and apparently the British have a lot of people working on it, and he asked if I couldn't help him. I said that you had already asked us to begin working on the reparations and I have had one man working on it, getting all the background, but it requires a lot of thought. Otherwise, you just get the mediocre stuff. If I get him and put him on that, it would be pretty excellent.

(Secretary speaks to General Clay as follows)

May 25, 1944
9:42 a.m.

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HMJr: Hello.

Operator: General Somervell is out of town. He'll be back late tomorrow afternoon.

HMJr: Is General Clay there?

Operator: I'll find out.

9:43 a.m.

HMJr: Hello.

Operator: General Clay.

HMJr: General.

General Clay: Good morning, Mr. Secretary.

HMJr: How are you? After Cabinet last Thursday, which was eight days ago, I called up General Somervell and asked for a report on China. He promised it to me Monday. Today is Thursday and I haven't got it yet.

C: I turned that report over to him on Monday.

HMJr: Yeah.

C: Then he left town and I started to check through on it yesterday to see if a copy is on its way to you.

HMJr: Yeah.

C: I know that he was to send it to you and he told me that he was going to do so and I can't figure out what's happened to it, Mr. Secretary.

HMJr: Well, you're only four days behind schedule.

C: Well, I'm sorry about it. I think that -- he isn't here but I'll find a copy....

HMJr: Well....

C:of the report and if it hasn't gone

HMJr:is he in Continental United States?

C: Oh, yes, yes.

HMJr: Well, he can be reached.

C: Oh, yes. I'll get hold of him.

HMJr: Well, I'd like it today.

C: All right, sir.

HMJr: If you please.

C: All right, sir.

HMJr: Thank you.

C: Yes, indeed. All right.

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MRS. KLOTZ: That's that!

MR. WHITE: The Army isn't used to being jogged like that.

There are two things about that man: I would have to pay him seventy-five hundred to get him.

H.M.JR: Is he worth it?

MR. WHITE: Oh, yes.

H.M.JR: All right, put him on stabilization.

MR. WHITE: And this job on reparations is a temporary job. When the reparations problem is over, the assumption is there will be something else.

H.M.JR: Oh, sure, if he is bright, we'll take him. When do you want him to come in?

MR. WHITE: As soon as I can get him. I'll find out.

H.M.JR: I could see him at eleven thirty this morning.

MRS. KLOTZ: What is his name?

MR. WHITE: Silvermaster.

MRS. KLOTZ: Oh, yes, he is marvelous. Is that the Silvermaster I know?

MR. WHITE: If you met him at my house.

MRS. KLOTZ: Yes, oh, he is awfully smart. He is one of the few people I have met that I like.

MR. WHITE: He suffers from asthma occasionally.

MRS. KLOTZ: But he is a very remarkable person.

MR. WHITE: Here is this that you wanted.

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(Dr. White hands Secretary memorandum)

H.M.JR: Two hundred yuan for the dollar?

MR. WHITE: Yes, do you remember Stimson said four hundred?

H.M.JR: Stettinius.

MR. WHITE: Well, maybe you want to wait until we get an answer to our cable and get the very latest, because that is a month old.

H.M.JR: Oh, no, I don't want to wait that long.

You write the President:

"My dear Mr. President:

"In view of the discussion at Cabinet last Thursday, I am sending you a memorandum on the foreign exchange situation in Chungking and Kunming.

"You will note that the yuan in April was selling on the black market for about two hundred for the dollar. That is just half the figure that Ed Stettinius used."

MR. WHITE: Ed Stettinius reported four hundred. You might want to mention what I think is true, that the situation will get worse, so we can bring it down temporarily.

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H.M.JR: No, I'll put it this way:

"We in the Treasury, in cooperation with the Army are watching this situation very closely and will always be glad to furnish any information you may want in regard to the foreign exchange and monetary situation in China or any other part of the world."

MR. WHITE: A little gratuitous.

H.M.JR: All right, in China.

"Yours sincerely."

Then write a letter to Ed Stettinius:

"Dear Ed:

"I am inclosing herewith a memorandum that I have sent to the President.

"I think that the pilot that gave you the quotations on the yuan must have been suffering from too much oxygen! "

MR. WHITE: He might have got the fellow in a jam. The fellow may have told him the truth.

H.M.JR: Anyway, "was suffering from too much oxygen. Yours sincerely."

I don't mind rubbing his nose in it. I would like to have those back at two o'clock for Mrs. Klotz.

MR. WHITE: We had a meeting yesterday with the Russians and the British and Chinese to agree on--Did you happen to see an editorial which appeared in the P.M. on the B.I.S?

H.M.JR: Yes, Mrs. Morgenthau gave it to me last night.

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MR. WHITE: It is reprinted from the day before. There was also an editorial in the Herald Tribune about it. It was certainly doing a job on the B.I.S.

We had a meeting with the Russians and British to agree on what country shall be asked to the preparation of the agenda and the drafting committee which would meet a couple of weeks in advance. Now since there isn't a conference we can't do it officially. Ordinarily, there would be a conference at which that would be decided formally or there would be an exchange of discussions among various ambassadors. So, in order to avoid the need for doing that, we won't have time and it won't be possible, we are assuming the matter is at a technical level, that we can agree among ourselves and this is the statement that we are suggesting to go forward and that is the list of countries.

(Hands Secretary list of technical experts)

H.M.JR: It's all right with me.

MR. WHITE: There is one point here that is giving us trouble. We want your advice on it. We wanted France very much on it, they have some very able persons here and they are very important in finance, anyway, and they would help us in the conference. And the State Department is wholly agreed that they ought to be on, but Dunn says very strongly that in view of the President's statement about all matters of France have to be referred to him, he thinks only the President could pass on this. It seems a little bit like nonsense to me, because we already have asked them to the conference, we already have discussed matters with them at length, and this is only technical experts.

H.M.JR: What I would do is this: I would show him this and say, "Would you mind okaying this?" Just give him the list, do you see? Have that part of it and let him look it over. If he doesn't say anything, okay.

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MR. WHITE: Now, I just got this a second ago from Charlie Bell.

H.M.JR: Did you see him?

MR. WHITE: He must have given it on the telephone. He was supposed to telephone me yesterday afternoon but I suppose it took longer.

(Hands Secretary memorandum of May 25 from Charles Bell, concerning location of Monetary Conference)

H.M.JR: Where do we have to get the cooks and everything?

MR. WHITE: I didn't read it yet.

H.M.JR: "By way of comparison, at the Mt. Washington, Brunswick, they have four hundred rooms against the Wentworth and Farragut and Stony Manor. To insure satisfactory service at the Portsmouth area it would be necessary for the Departments of State and Treasury to undertake to recruit personnel, such as cooks, chambermaids, waitresses, etc., since the management will not consider the proposal on any other basis.

"While the Portsmouth location has the advantage of being near the city facilities and better transportation service, it is not thought to outweigh the elements favoring Mt. Washington at Bretton Woods. At the latter location the conference delegation proper and immediate associates can all be housed under one roof with the Crawford House, 3 miles away, available for secondary service personnel. Further, the Mt. Washington has twice as many telephone outlets as are available in the Portsmouth area, it is accessible by a standard gauge railway connecting with Portsmouth and Boston; it has already arranged for 1-day laundry service as against 5 days at the Wentworth; it has bowling alleys, pool room, indoor and outdoor bathing pools, 36 hole golf course--as against 9 hole golf course at Wentworth, auditorium, and the dining room is twice the size of the one at the Wentworth, with added private parlors which could be used for small committee conferences.

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. "Furnishings and all hotel appointments are far superior at Bretton Woods than at any other location surveyed. In fact, one could think of the Wardman Park Hotel and not be disillusioned in the Mt. Washington at Bretton Woods. This hotel is being thoroughly renovated at the present time whereas the other hotels have not begun to renovate nor have they secured the necessary labor to do so.

"While it is recommended that the Mt. Washington be selected over any other hotel in New Hampshire, I do so with this reservation. The management changed this last January and while some assurance has been given that no difficulties will be encountered, this is a matter which must be thoroughly checked with the manager or his assistant, and I am endeavoring to develop this side of the picture today as there was no manager on the premises yesterday."

Well, he recommends Bretton Woods. It's in New Hampshire.

MRS. KLOTZ: Aren't those all places that Sullivan objected to?

H.M.JR: Yes, because Sullivan says he thinks David Niles is at the bottom.

MR. WHITE: Not really. No, he doesn't even know David Niles.

H.M.JR: No, but the new manager who has bought this hotel is a friend of David Niles.

MR. WHITE: But I mean Warren Kelchner. He was the one who suggested it.

H.M.JR: David Niles is at the bottom of this.

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MR. WHITE: He would have to be way, way down at the bottom.

MRS. KLOTZ: Stupid!

MR. WHITE: Then Bretton Woods is all right?

H.M.JR: It look to me so.

MR. WHITE: You also will want to have the meeting of the Preparatory Committee in which we hope to iron out as many differences as possible. We have enough of the major countries so it will be as little trouble in the conference as possible. I think that we ought to go up there. I think it will be possible if we do the job a couple of weeks ahead of time.

H.M.JR: Sure.

MR. WHITE: Pasvolsky doesn't think he will be able to get away. The extent of the joke you would appreciate. He has never made the slightest contribution, so the assumption that he is necessary there is funny.

H.M.JR: I don't know how much influence he has.

MR. WHITE: He may have considerable influence but Lord Keynes' health is very poor. He has to come over on the boat and he is very desirous of having a meeting in a cool spot.

H.M.JR: I think that is more important.

MR. WHITE: Did you happen to see it--

H.M.JR: Times, yesterday?

MR. WHITE: I wasn't thinking of that, I meant his statement before the House of Lords. It didn't give quite as much as it did in the cable.

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Now, I have a few other things.

H.M.JR: You're so hurried; I'm not. All I want is a few results. Did you think I was abrupt with the Army?

MRS. KLOTZ: Not abrupt, but you gave them their orders.

H.M.JR: It's perfectly nonsensical. They want General Marshall telling me--

MR. WHITE: What was the report he was going to give you about China?

H.M.JR: The present status, construction, and everything else.

MR. WHITE: I have spoken about this before. It's standard now to include other things. The British and the Americans are going to supply, through the Army, relief goods for Europe. They are drawing up a plan as to approximately what they need.

H.M.JR: Who is doing this?

MR. WHITE: FEA and State Department. The plan is being drawn up by the Combined Chiefs, but in collaboration-- They come to the Treasury because of the finance aspect.

H.M.JR: This is to be used when?

MR. WHITE: As soon as they get in and thereafter, not continuously, because the plan only calls for up to six months. What they refer to as Plan A merely for convenience, calls for about seven hundred million dollars. They will very quickly modify it for a variety of reasons and there are already some additional items, so it will eventually probably run to a billion dollars in the first six months.

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These goods are going to come from England, the United States and Third Countries, but chiefly the United States. The Combined Chiefs are indicating where they shall come from. As their plan calls for, it means about half will come from the United States and presumably about half from England. Now the following problems are created: One, England is going to send some of the goods out of Lend Lease stock. It has been our position that if it goes out of Lend Lease stock it ought to be our share. It ought not to count as British share.

H.M.JR: You will have to explain that.

MR. WHITE: This is a hypothetical example: We sent wheat to England on Lend Lease. England has it in the warehouse included with other wheat that she may have from her own supplies. Wheat is sent from England to France as her half of the program. The question is, should we permit England to count as her half, goods that we have sent her on Lend Lease and which she has warehoused?

H.M.JR: The answer is no.

MR. WHITE: That is what we felt like.

H.M.JR: What Committee is this?

MR. WHITE: Sidney Mitchell is in charge, working under Acheson, FEA under Currie, and the Army Combined Chiefs. This is informal.

H.M.JR: Couldn't Bob McConnell represent us on this?

MR. WHITE: I doubt it. He would have to go into it--it's wholly financial.

H.M.JR: No, it gets into the goods.

MR. WHITE: I doubt unless you want him--the way he might represent us is where we have no representation and

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that is on the Combined Food Board, who determine where this stuff shall come from.

H.M.JR: That will be raw materials. You know he has been very loyal to me and he has stuck up for me in all of these other places.

MR. WHITE: I don't think that is a very fruitful area, but it's all right.

H.M.JR: What about on the Combined Food Board?

MR. WHITE: We have nobody there because they have taken the position that we have insisted upon, that their decisions shall be determined by financial consideration.

H.M.JR: This would be the incipient thing.

MR. WHITE: Oh, yes, because we also are coming into another area. We are going to sell salvaged goods. Lauch Currie was in to see me the other day and was disturbed about the fact that Leo Crowley asked him how about Rovensky for the job. As important as that job is in the United States, it will be almost as important abroad, because Lauch says it will be a couple of billion dollars of salvage easily to sell and the conditions of sale will permit it. He asked me about him and I said he would be an unfortunate choice because he is a man who is interested in financial aspects rather than in doing a good job. I wouldn't be inclined to trust him to that extent, myself. They tried to get a General Dwyer whom they spoke very highly of, but Patterson won't release him. He asked if I had any suggestions. I said I didn't know.

H.M.JR: Of course Crowley won't take this man, but he is a wonderful man to watch Crowley.

MR. WHITE: You see, this is part of the same problem, because it could be part of the same problem, although it has been kept separately up to now as to how the proceeds of salvaged materials are divided. It is a very complex

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question and it might well be that he might get into it. For example, whose material is it that is being sold?

H.M.JR: I think he would be ideal. It was his whole plan on this whole business. Let's see if he is in.

(Asks Mr. Fitzgerald to have Mr. McConnell step into the office)

The thing that I like, this would get up to B.M. Baruch and his crowd, you see, because they supervise this whole business.

MR. WHITE: I thought that had been turned over to FEA.

H.M.JR: Yes, but they kind of watch this whole thing. He stands awfully well over there.

MR. WHITE: If you are willing and he is willing, it will take several weeks to get into it and from then on I am sure he would be quite useful.

H.M.JR: With the Monetary Conference you are out of the running. I like the way he stood up for my own personal interests in every case.

(Miss McCathran reports Mr. McConnell is out of town. The Secretary makes an 11:00 o'clock appointment with him for May 26th)

MR. WHITE: Why don't I postpone it until then?

H.M.JR: Yes, I would rather do it tomorrow. That interests me very much and it's going to be a very important thing.

MR. WHITE: Important and very complicated and a first-class fight, because there already is emerging a difference of viewpoint.

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H.M.JR: He would love it on the Crowley angle because then he would have to watch Crowley. That is what he has been doing.

MR. WHITE: Currie says he has been trying to keep it under his control until he could get a good man and he has done so, but now Crowley and others are beginning to sense what a big this it is. But Crowley did try to get Dwyer. They even got the President's order to release Dwyer.

H.M.JR: I would like to have Clrich sit in, because he knows a lot about it--just at the inception. The point is that up to now, "there ain't going to be no surplus".

MR. WHITE: This is salvage--trucks, everything that the Army is leaving over there.

H.M.JR: Oh, it is the other side?

MR. WHITE: It is the selling.

H.M.JR: Not from this country?

MR. WHITE: No, this is stuff that will be left over there from the Army, Army uniforms. You remember at the end of the last war I think we got four hundred million dollars from the French, supposedly.

H.M.JR: Take a minute and explain it to me.

MR. WHITE: The first thing I spoke of related to goods we will send and England will send from our stock, surplus or otherwise, as relief, before presumably UNRRA begins to operate. As I say, present plans call for about a billion dollars worth of such goods.

H.M.JR: And that is taking stuff which is already over there, or--

MR. WHITE: Both. England wants to take some of her Lend Lease goods which she has got on reserve. She claims that the reason she has it on reserve is because it is her

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own. Our claim is that she had enough for herself, the only reason we gave her Lend Lease was that she didn't have enough. If she did have enough so that she can sell it, it's ours, not hers, but that relates to goods on relief before UNRRA comes in the picture and the division of payment between the British and ourselves. As a part of that picture, there is also the question of the revenue, because many of these goods are going to be sold, and it has been our position and we are getting agreement on that, that we ought to get that portion of the total revenue received that we contribute. In other words, supposing we contribute seventy-five percent of that billion dollars worth of goods, we ought to get seventy-five percent of the gross revenue, whatever it is. Now that is different from the salvage problem I am talking about.

H.M.JR: The salvage problem is the question of what is already over there.

MR. WHITE: What will be left there.

H.M.JR: I know, Mr. Roosevelt was in on that himself in the Navy.

MR. WHITE: It wouldn't be worth while to bring it back.

H.M.JR: When you said two billion dollars, what did you mean?

MR. WHITE: That is the salvage that will be left there. It may not amount to much.

H.M.JR: FEA going to handle that?

MR. WHITE: FEA has control. That has been turned over to them. The comparable organizations of Olrich's Treasury Procurement, as I understand it, is now in FEA as it applies to foreign countries, but FEA includes stuff that the Army and Navy has left over.

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H.M.JR: I see. I am beginning to understand it better.

MR. WHITE: Do you have a suggestion of a man whom we could recommend through Currie for that job?

H.M.JR: That I don't know.

MR. WHITE: I mentioned Sumner Pike as a possibility.

H.M.JR: Pike and McConnell are great friends.

MR. WHITE: Pike is a very straightforward fellow.

H.M.JR: That is something else again.

MR. WHITE: Of course I don't know what Crowley has in mind, but he mentioned Rovensky. I don't know whether you know Rovensky well. He was sent down here several years ago to keep an eye on Rockefeller so he wouldn't make any mistakes. In the interim Rockefeller brought another fellow not from the banking interests, but they sent a man down from the oil interests to see that he didn't make mistakes. Two different groups were interested in his performance. Those two advisers, after very short periods, got into difficulties between themselves. There was a running undercover struggle. Eventually both of them left, but Rovensky is a man who is mixed up in a lot of things. I would have very serious doubts about his reliability.

H.M.JR: This is going to be when the war is over, isn't it?

MR. WHITE: I am not sure. You see, they may salvage some stuff in France before or in some countries after they have pushed on. There may be some trucks. I don't know what their authority is.

H.M.JR: Of course, if the thing is over, the most able fellow around this town is General Clay.

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MR. WHITE: A very good man. Seems to be a very straight sort of chap, but I don't think he could begin to function until the war is over. I don't know how much they have to prepare ahead of time, but they are looking around for a man now. Then we will pursue that tomorrow.

Another problem is the one that I brought before you a number of times and they are again bringing a lot of pressure on us as to the settlement of this monetary arrangement with Belgium and Holland also. Do you want to initiate that or speak to the President first?

H.M.JR: Who is bringing pressure?

MR. WHITE: State Department.

H.M.JR: I asked Winant. Did I tell you? I said, "Look Winant, is anybody over in England of these governments in exile bringing pressure?" He said, "On what?" I had to explain. He said, "Morgenthau, I have never heard of it before."

MR. WHITE: Well, they are doing it here, because they have the arrangement they want with the British Government.

H.M.JR: He doesn't know about it. I would sit tight. Let Hull talk to me about it.

MR. WHITE: I almost have to pass-the-buck to you because Dean Acheson is calling up every--

H.M.JR: All right. You tell them that when Mr. Hull wants to talk to me, okay, at that level.

MR. WHITE: The issue is whether or not--

H.M.JR: We should pay our troops in dollars.

MR. WHITE: That's part of the issue. Another part is that Lend Lease arrangement which the State Department is negotiating with these fellows as to what they should get for nothing and what they should pay for. What the State

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Department is doing may be appropriate but they are now making arrangements which will determine how much of the burden of the war shall be met.

H.M.JR: Let Mr. Hull take it up with me.

MR. WHITE: All right. I'll tell him you have a personal interest in that matter.

Now the question of the exchange rate for German currency. There is a difference of view within the Government here as there has been in the past. We have taken the position here in the Treasury that the question of what the relative purchasing power of the dollar and the mark and franc--and the mark has no significance in this problem, because whatever it is, there will be difficulty, when we get in. We feel that you ought to have the highest rate that you can have come chance of holding, because if there is a depreciation of the mark after the occupation forces get in and we have the responsibility, it will be very bad for many reasons. In the first place, it will be harder for us to control the situation and in the second place, we will get the blame and the disintegration will proceed much more rapidly. Therefore, there is no sense in having a higher rate than can be maintained, and the controls are going to break down, prices are going to shoot up. We don't believe you can even hold a ten cent rate. The nominal rate is forty, the actual rate is about--

H.M.JR: Well, we are going to fight for ten cents, which we think is much higher than it should be, but much lower than the other fellows say. Germany, of all places, I would like a rate which we could hold.

MR. WHITE: Well we can't hold a ten-cent rate either. The other fellows want a twenty-cent rate.

H.M.JR: At what can we hold it?

MR. WHITE: I don't know whether you could even hold a fifty-cent rate, but you can't get too low because there

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will be an awful howl. It's a question of fighting for as low a rate as we can get.

H.M.JR: Whom?

MR. WHITE: Britain, State Department, FEA.

H.M.JR: This one I want to take to the President. I want to go in with a rate which will steadily improve from the standpoint of the Germans and not steadily deteriorate. This, I will fight for personally and with the President.

MR. WHITE: Well, in the meantime, we have your support and we will go ahead.

H.M.JR: This one, I want to go in at a rate-- I have just been reading this thing "Between Two Worlds"-- I want to go in at a rate, so you can say to me, "Mr. Morgenthau, this rate will improve from the standpoint of the Germans, not deteriorate."

MR. WHITE: Certainly I can say the rate we select is a better rate than the rate they select.

H.M.JR: I want you to give me a rate at which it will get better and not worse .

MR. WHITE: I wasn't at the meeting, but McCloy insisting says he blames the Treasury, because we always take a position different from the others, because we feel we know more about it.

H.M.JR: Who does?

MR. WHITE: I talk it over very carefully with our boys and come to a conclusion and then call in the other groups. The other groups were making quite a stir around town about the preposterous rate we had suggested; we had suggested five cents as a start for bargaining, but when they came to the meeting, we had a meeting of several hours.

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After the discussion we then started out with their position, they had about eighteen or twenty people present, went around the room and after the discussion, they all took back what they said and they all abandoned their position, but you can't always be there when these fellows are talking around.

H.M.JR: Did you start at five?

MR. WHITE: We started at five.

H.M.JR: Stick to it!

MR. WHITE: Well, there are certain other angles. McCloy has said if we can't settle it, the Army will make its own decision.

H.M.JR: It won't. Who represents you over there?

MR. WHITE: Taylor did before he went away. Glasser ought to be back within a week.

H.M.JR: You serve notice on McCloy on this one, I am going to really fight. Do you want me to call him up and tell him that?

MR. WHITE: No, let's wait and see whether we can win out. I just want you to know.

H.M.JR: This is the most important thing we have brought up.

Meeting at the White House
May 25, 1944
12:45 P.M.

Present: President Roosevelt
Secretary Morgenthau
Dean Acheson
H. D. White

Secretary Morgenthau had asked for the conference to clear with the President the letter of invitation, list of delegates, and press release.

Myron Taylor had just left the President and the President commented that Myron Taylor had said that he found the Italians dirty, diseased and lazy. The President said that he didn't think we would be able to do much in Italy to clear things up until after Rome had been taken.

The Secretary handed the President the folder containing the draft of a letter of invitation from the President, the suggested list of delegates, the press release, etc. The President read through the letter of invitation and thought it was all right, and approved it. He then read the list of delegates and thought they would be all right. He wondered whether Vorys of Ohio might not be troublesome. He paused briefly under the names of the women delegates and said he thought he remembered Sarah Wumbaugh. Acheson said she might be very difficult, at least she had been so many years ago. The Secretary asked whether the President "would like to have my Eleanor talk to your Eleanor about an appropriate woman delegate." The President said that would be good.

Acheson suggested that the President might get the views of the Congressional leaders on the selection of Congressional delegates at his next conference with them. The President replied that he would do so before appointing any of the Congressional group.

The President then glanced at the draft letter of his appointment of Secretary Morgenthau as chief of the delegation and said "that's good, here's where you get a medal, Henry." He glanced at the press release then he said "all right, that's fine. Go right ahead."

Secretary Morgenthau asked him whether the President might not speak to Steve Early about the White House press release. The President asked that Secretary Morgenthau see Early and tell him that he, the President, wanted this press release issued from the White House.

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Secretary Morgenthau mentioned that Portsmouth was apparently not large enough and Bretton Woods seemed to be suitable. The President said "That's fine."

The President noted that the conference was referred to as the World Conference and he wondered whether that was an appropriate name, but Acheson explained that the official name was going to be the United Nations Monetary and Financial Conference. The President thought that was all right. The President asked how many were to be invited and Acheson replied all the United and Associated Nations. The President inquired whether Sweden and Switzerland and other neutrals were included and Acheson said they were not. The President then asked whether Albania was on the list of the invited and Acheson replied that he didn't think it was. The President said "maybe we ought to do something with Albania" and asked Acheson to have the department look into the possibility of adding Albania to the list.

The President referred to the fact that the Secretary had been fixing some exchange rates for the liberated territories. The Secretary said that the matter of the German rate was coming up and that he might need the President's support. He said that the Treasury was in favor of a lower rate, possibly a 5 cent rate and there seemed to be some objection to it. The Secretary said we felt we ought to set a rate that gave some promise of holding. The President wanted to know why it was necessary to fix any rate. "Why couldn't we go in there without fixing any rate," he asked. I explained that it might be possible to do so but that there were certain difficulties. The soldiers had to be paid and the Army had to make purchases. The President said "why can't they do it in dollars?" I replied that they could, but prices in Germany were all stated in marks and there would have to be some rate set for converting the mark prices into dollars. I said that the disadvantages of going in without some rate would probably outweigh the advantages.

The conference lasted little more than half an hour and the President seemed to be in excellent humor and interested in the conference and approved wholly of the program presented him by the Secretary.

After the meeting the Secretary got in touch with Steve Early and gave him a duplicate set of the letters and lists given to the President and explained to Early what we were proposing to do and what the President had said. Early said that he would take care of getting the release out. He also said that he was disturbed about the press. There was a possibility that the President might say something to the press boys about attendance at the conference which would irritate the press. Early thought that there was danger that the President might

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say something to restrict the activities of the press at the conference. He suggested that Secretary Morgenthau speak to the President before the press conference and impress upon him the desirability of having the press be given the same liberties that they had been given in Atlantic City at the UNRRA Conference. Secretary Morgenthau replied that he thought Steve Early might be in a better position to do that and Steve Early replied "no, Henry -- I mean this as a compliment -- but you get more out of the President than anyone else in Washington by boring from within." The Secretary laughed and said he didn't believe that, and Steve Early repeated the remark. The Secretary said he might have an opportunity to mention something at the Cabinet meeting that was to be held that afternoon and Early said he would try to say something to the President if he got an opportunity before the press conference was called.

H. D. White

May 25, 1944.

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Took 2 sets in blue binders to
President's office for meeting at
12:45 - left at White House.

1 Carbon to Secretary (gave to
Stenotypist).

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1. Draft of a proposed invitation to the international conference to be sent by the State Department to the United and Associated Nations by direction of the President.
2. Proposed list of the United States Delegation to the international conference.
3. Recommendation of the State and Treasury Departments to invite the technical experts of 12 countries to prepare a draft agenda for the conference.
4. Draft of a letter from the President appointing Secretary Morgenthau as head of the United States Delegation.
5. Draft of a proposed press release to be issued from the White House announcing the calling of the international conference.

MEMORANDUM FOR THE PRESIDENT

Subject to your approval, the State and Treasury Departments have agreed on the following form of invitation:

"By direction of the President you are requested to deliver the following telegram to the Government to which you are accredited:

"The publication of the Joint Statement of Technical Experts recommending the establishment of an International Monetary Fund and setting forth the principles for such a Fund has been deeply gratifying to this Government as marking an important step toward the postwar international economic cooperation. Undoubtedly the Government and the people of (insert country) have been equally pleased by this evidence of the common desire of the United Nations and the nations associated with them in the war to cooperate in meeting the economic problems of the postwar world.

"The President of the United States of America now proposes, as a further step toward the realization of this objective, to call a conference of the United Nations and the nations associated with them for the purpose of formulating definite proposals for an International Monetary Fund and possibly a Bank for Reconstruction and Development. It would be understood, of course, that the delegates would not be required to hold plenipotentiary powers and that the proposals formulated at the conference would be referred to the respective governments and authorities for their acceptance or rejection.

"I have the honor, therefore, on behalf of the President, cordially to invite Your Excellency's Government to send one

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or more delegates to participate in a formal monetary and financial conference of the United Nations and the nations associated with them to be held in the United States beginning July 1, 1944. I am pleased to inform Your Excellency that the delegation of the United States to the conference will be headed by the Secretary of the Treasury. The names of the other delegates of my Government, as well as information regarding the seat of the conference and arrangements for the meeting will be communicated to Your Excellency at a later date.

'Because of my Government's belief that the formulation of definite proposals for an International Monetary Fund and a Bank for Reconstruction and Development in the near future is a matter of vital concern to all of the United Nations and the nations associated with them, my Government sincerely hopes to receive the favorable reply of Your Excellency's Government at the earliest possible moment together with the names of all members of _____ (insert country) delegation.'

**Suggested list of Delegates to be Appointed
by the President to the World Monetary Conference
to be held in the United States
on July 1, 1944**

Secretary Morgenthau, Chief of the Delegation

Congressional Delegation:

Senator Wagner (New York)

**Senator Vandenberg (Michigan) or Senator Ball
(Minnesota)**

Congressman Spence (Kentucky)

**Congressman Wadsworth (New York) or
Congressman Vorys (Ohio) or Congressman Eaton
(New Jersey)**

Mr. Harriner S. Eccles

Mr. Dean Acheson

Mr. W. L. Clayton

Mr. H. D. White

**Mr. Edward E. Brown, President of the First National
Bank of Chicago**

**Miss Sarah Wambaugh or Mrs. Virginia C. Gildersleeve,
Dean of Barnard College, or Mrs. Helen Taft Manning,
Dean of Bryn Mawr**

MEMORANDUM FOR THE PRESIDENT:

The State and Treasury Departments would like to recommend that the following announcement be made soon after invitations to the conference are sent.

"The technical experts of the United States, in consultation with those of the U. K., the U.S.S.R. and China, have invited the technical experts of the following additional countries to cooperate with them in the preparation of a draft agenda to be submitted to the conference for its consideration:

Canada
Brazil
Mexico
France
Czechoslovakia
Netherlands
Belgium
Australia"

We would, of course, clear this announcement with the U. K., the Soviet Union and China before it is made. The British are making strong representations to have Australia included.

**DRAFT OF LETTER FROM THE PRESIDENT APPOINTING
SECRETARY MORGENTHAU AS HEAD OF THE AMERICAN DELEGATION**

My dear Mr. Secretary:

I am pleased to inform you that I have appointed you as head of the American Delegation which will participate in the United Nations Monetary and Financial Conference to be held at

_____, beginning July 1, 1944. A complete list of this Government's Delegation is enclosed herewith.

It is my hope that this conference will formulate for presentation to the participating governments, definite proposals for an International Monetary Fund and possibly a Bank for Reconstruction and Development. In the invitation which I extended to these governments to participate in the conference, I stated that the agreement by the conference upon definite proposals will not be binding on the governments represented but will be referred to the respective governments for adoption or rejection. You will, of course, be governed accordingly in your discussions and negotiations.

In formulating a definite proposal for an International Monetary Fund, both you and the other delegates will be expected to adhere to the joint statement of principles of an International Monetary Fund announced April 21, 1944. You, as head of the

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delegation, are authorized, however, after consultation with the other delegates to agree to modifications which, in your opinion, are essential to the effectuation of an agreement and provided that such modifications do not fundamentally alter the principles set forth in the joint statement.

You will apply the same principles in your discussions and negotiations with respect to the proposed Bank for Reconstruction and Development except that you will be governed by the principles agreed upon by the American Technical Committee on _____, 1944.

As the head of the American Delegation of the conference, you will be the principal spokesman for this country and you will be expected to coordinate the activities and views of the other American delegates. You will, of course, work in close consultation with the Secretary of State.

The responsibility which you and the other delegates will undertake is the responsibility for demonstrating to the world that international post-war cooperation is possible. I am confident that you will do your best to accomplish the purposes of the conference.

Sincerely,

5/25/44

SUGGESTED WHITE HOUSE RELEASE

(FOR RELEASE AFTER 11:00 A. M.

_____, MAY ____.)

President Roosevelt has called an international conference for the purpose of discussing proposals to meet post-war international monetary problems. Invitations have been extended to all the United Nations and the nations associated with them in the war, requesting them to send official representatives to the United States for the conference which will begin on July 1.

The American delegation will be headed by Secretary Morgenthau of the Treasury.

The conference is expected to last several weeks. The program agreed upon in this conference will subsequently be submitted to the respective governments for approval.

May 25, 1944
2:50 p.m.

PUBLICITY ARRANGEMENTS FOR MONETARY CONFERENCE

Present: Mr. White
Mr. Smith
Mr. Shaeffer

H.M.JR: I don't know whether you fellows have seen White, but I was of the impression that you people thought that the State Department was going to handle this publicity.

MR. SMITH: No, I told you the other day that it would be very helpful if you would sit down with Acheson and White and have it designated whether we are or whether they are, because Mike McDermott was angling for it.

H.M.JR: Mr. Smith, with all due respect to you, that is not what you told me.

MR. SMITH: That isn't all I told you. Then I told you when I checked this release with McDermott, they said those releases about conferences usually go out from the State Department and not the White House, which I said was the way he was angling to get control of all the publicity and it would have to be determined one way or the other.

H.M.JR: But you left me with the other impression. Anyway, the White House is going to do it.

MR. WHITE: I think it is important that you get Dean Acheson and indicate whom you want for a number of things. Included would be Fred Smith in charge of press and publicity, collaborating with the State Department. That would have to come from you. And then there is the appointment of the Secretary General, which is Warren Kelchner of the State Department. He would like a little note from you to that effect. It would

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be very pleasing to them.

H.M.JR: What is the Secretary General?

MR. WHITE: He is general factotum, takes care of all--

MR. SMITH: He is a sergeant-at-arms.

MR. WHITE: Takes care of finances, clerical help, and so forth. An awful lot of details. He is in most conferences. We ought to have Charlie Bell Secretary General of the American delegation, to be sure things are done properly.

H.M.JR: I see. It's all right with me.

MR. WHITE: He said you can't have two Secretary Generals, but I notice he was in Brazil and he has probably forgotten that, Warren Kelchner. So I think we will be able to.

H.M.JR: We will make Bell Secretary General, Jr! You had better wait on the Smith thing. There is no hurry on that. I want to do that with Acheson face to face.

MR. WHITE: That's right.

MR. SMITH: They want to do it and the line is going to have to be drawn one way or another. I don't care, so long as it's drawn definitely. If they are going to take the responsibility, then they should have the responsibility and we don't want the blame, Charley and I, for having things wrong and not having Treasury represented.

H.M.JR: We'll have to see.

MR. WHITE: I should think there is a lot more to publicity than the mere issuing of releases.

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MR. SMITH: There is.

MR. WHITE: That is why I think it's important.

H.M.JR: If they insist on actually handling the mechanics of it, Smith could still be there, and I would want, as Chairman of the American delegation, to pass on all releases. Then this other fellow could hand them out. All right?

MR. SMITH: Of course, there is another thing. When we get there, it might be highly advantageous to have various people make various statements at various times. That will have to rest with somebody, and whether or not the State Department works that way, I don't know.

MR. WHITE: What they are thinking of is their publicity of the State Department. Sure, it's all right to have the State Department issue the releases, but the man who should be saddled with the responsibility of taking care for you of all press releases and all publicity might--we had assumed you would want to take some people from your own office up there, because there will be a number of things anyway that you will want to take care of.

H.M.JR: Well, I have to take care of my regular work besides.

MR. WHITE: We had assumed that would be so.

There are a number of other things that we can clear all in one session, so if you meet early next week with Dean Acheson we can have a list of those things which can be quickly settled.

H.M.JR: Now, could I have a copy of what I gave to him, because I want to speak to my wife and Mrs. Roosevelt?

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MR. WHITE: I have it right here. It's not an original.

H.M.JR: That's good enough for this purpose.

(Hands Secretary file on preparations for Monetary Conference)

MR. WHITE: You were going to call up?

H.M.JR: I'll have to do that later. I have what's-his-name coming in here and I am all right for the time being?

MR. SMITH: Yes.

The time on the White House release will have to be determined finally by McDermott of the State Department, because it hinges on receiving the invitations at the other end of the line.

H.M.JR: Let's settle it at eleven tomorrow morning.

MR. SMITH: Well, McDermott and Early will get together, anyway. I think they can do it all right at eleven.

H.M.JR: I think the thing went beautifully this morning. Early said eleven and he said he would do it at eleven. Acheson said that is what he wanted. Wasn't it all settled?

MR. WHITE: That's right. They could adjust the time to that eleven o'clock.

H.M.JR: Fred, I would leave it alone.

MR. SMITH: The State Department was insisting that the invitations all be received at the other end.

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H.M.JR: That is all about settled. Don't raise anything, just leave it. Unless they raise it, it's all settled.

MR. SMITH: They will have to conform, one way or another, then, the State Department. O. K. Thank you.

May 25, 1944
3:00 p.m.

POST-WAR TAXATION

Present: Mr. Paul
Mr. Blough
Mr. Surrey

H.M.JR: How are you?

MR. PAUL: I told Harry I was working hard, and he wouldn't believe it.

H.M.JR: Well, somebody speak.

MR. PAUL: Well, I'll give you some disjointed views, if you want them.

For a variety of reasons I think it is well to keep out of the public eye on this whole question of post-war taxation, for two or three reasons. One is that you can't know your fundamentals on it. By fundamentals, I mean the level of post-war income, the post-war budget, and the policy with respect to amortization of the debt.

That being true, you are apt to say something that will be inconsistent with what you have to say later.

Then, the Democratic Convention will probably want a platform on taxes. So that anything would have to be lined up with that.

Then, thirdly, there is the whole problem of--if you do something--Congress' resenting it.

Now the first reason is the main one in my mind, that you just can't know. The Budget figures range from twelve to thirty billion dollars; and on the national income figures some people say a hundred, some say one hundred and thirty, some say the present level. So it seems to me that the thing to do is another type of program.

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When I say there is nothing to be done publicly, I don't mean nothing to be done, because there is an awful lot to do. I think there is one program which would seem to me to be feasible, to have some hearings in the Treasury this summer and call in representatives of labor in one group; maybe have two meetings devoted to each. Have a preliminary meeting with each group, and then have another meeting at which they give their more mature views.

Call in labor, call in various people like the farm groups, call in various sections of industry like utilities and railroads, and so forth. Have at least two sessions, and draw up for those sessions certain lines of questions which would be particularly interesting to each group.

If you did that, I think one would have to be very careful about the selection of the representatives of industry, but there wouldn't be any question about labor or the farm groups. You would have to put O'Neal and Patton in the same room--if they'd get together.

In connection with that, I would be very frank about it and just tell Doughton and George what I was doing, perhaps even inviting Stam to attend the sessions.

H.M.JR: Well, the month of July will be given over to the monetary conference.

MR. PAUL: Would that necessarily exclude the others?

H.M.JR: I couldn't run more than one thing at a time.

MR. PAUL: I don't think you would have to attend all these. I think you'd go crazy if you did attend them. It is just a safety valve idea, as far as they are concerned. You wouldn't get much out of them.

H.M.JR: I wonder what the political repercussions would be on a thing like that?

MR. PAUL: I wouldn't issue any statement of what I

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was doing, but I would think you would want to have it become known.

H.M.JR: What do you mean?

MR. PAUL: Well, Roy and I have talked this over. I haven't had a chance to talk to Stanley.

MR. BLOUGH: I don't know about the month of July. I think this much responsibility would be on you personally, in that part of their reward for coming down here would be a smile and a kind word, if you see what I mean--some recognition from you that they had come, and some thanks.

I have been exploring the whole problem at some length, because we have a number of factors here which are difficult. You have the sort of thing that Mr. McConnell has recommended; namely, the setting up of a committee which would meet once a month, let's say, over a period of time.

Now, that would require publicity, almost of necessity. It would, I think, put you in a position of having to take very seriously the advice you got from the committee.

Two, I think it would cause difficulties in connection with the Congress, because they are thinking about using that kind of a committee there. It would look like you were trying to get in.

On the other hand, you are not limiting it to a few people. You are getting several groups of five or six in, representing different viewpoints. You are not getting them to come back again and again. You are getting them in perhaps twice. You are not promising them to prepare a program; you are not promising anything when you get them in, except to listen to them. You let it be known through them--it will get around--that you are thinking about post war, that you haven't made up your mind, and that you are consulting with leaders of thought along various lines. I can't see that that would be harmful politically, unless it were bungled, which of course it might be. But unless someone became seriously alienated

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or some group became seriously alienated, I should think if there are any political repercussions at all, they would be favorable and that idea would have the advantage that you can assure George and Doughton that you were not coming out publicly with a plan and this Committee wasn't coming out with a plan, there was no Committee, that you were just exploring it and trying to get the best advice you could. It is a modification, I think you have to recognize, of the idea that Mr. Hanes put into effect in the summer of 1939. I think a more intelligent approach, because he had no questions to ask these people, he just invited everybody to come in. They came in and talked and went away again. They had very little to say and there was nothing organized about it. I think this would be a more intelligent approach than that. I think it could be handled.

I expect next year, if the invasion is successful and if there is an invasion and it is successful and the war is pretty well over in Germany, next year may be a big tax year.

H.M.JR: What do you mean a big tax year?

MR. BLOUGH: There may be a big tax bill and for that reason--

H.M.JR: I thought you meant a big increase in taxes.

MR. BLOUGH: No, I don't think that, probably a decrease, but the Treasury, of course, would have to be ready. I think this sort of approach might help them get ready with relation to the public, as well as in their own technical staffs.

MR. SURREY: I haven't discussed this with Randolph at all.

MR. PAUL: That idea you had I gave to the Secretary.

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MR. SURREY: No, I wasn't thinking about that. I meant, was this intended to have something for the public or was this intended to get some information?

MR. BLOUGH: This is intended, I should say, to have two or three values, first it has the value in that we do get the judgment of a lot of people. You do get some guidance and help, because you ask basic questions of people who ought to know the answers to those question.

MR. PAUL: I would be inclined to minimize the helping.

MR. BLOUGH: Second, if these people are chosen, selected as able representatives of various branches of industry, the word gets around that the Treasury is counselling with business men, professional, labor, agricultural people. I think that would be helpful. Third, when you do go up to Congress with a program, I think you can capitalize on the fact that you have not just done this as a purely internal academic proposition, but you have consulted with people who are presumed to know all walks of life.

MR. PAUL: Of course, you are really formalizing what you always do anyway.

MR. BLOUGH: That's right.

H.M.JR: I am going to have to think about this. I haven't quite caught my breath yet. I was through with the President a little before two on this Monetary thing. Confidentially, he has given the whole thing the green light. It will be announced tomorrow for tomorrow night's papers, but it's a secret until tomorrow.

MR. PAUL: How is he?

H.M.JR: He is wonderful. In a grand humor.

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MR. PAUL: I get the strangest stories all around, everybody hoping he is half dead.

H.M.JR: Nice people! I have never seen him in better form or more sympathetic or in better humor. He concentrates. I wanted to see him. He cleared up this whole thing. The cable is going out to forty-four countries. Everything just goes like clock-work.

MR. BLOUGH: There is nothing here that you could or should pass on today. I think I'd like to talk to Dan Bell about it.

MR. PAUL: One thought that we had that neither of us put out was that a group ought to be formed in the Treasury which would sift this stuff first.

H.M.JR: I tell you what I might do. Have you spoken to Dan at all about this?

MR. BLOUGH: Yesterday or the day before I talked to him briefly about it, and he said, "Well, that sounds pretty good to me and I would like to talk to you about it some more."

H.M.JR: Let me see what he is doing now. Maybe he will see the three of you right now.

(Secretary speaks to Mr. Bell over the phone)

He said in a minute or two. I think you might get him and see how he reacts.

MR. BLOUGH: He told me the day before yesterday, "I had thought the Committee idea was better, but you may be right about the repercussions of a Committee."

MR. PAUL: There are a lot of these Committees that are being formed in every lot. I just heard the inner gossip last night of the Falk Committee. It was started

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by the President of Brown University, and they appropriated a hundred thousand dollars against the advice of everybody in the group they consulted except the little professor group, and the others all said it would be just a waste of money. That's the Magill Committee. McGill was one of those who said that it would be a waste of money, and yet he took the job and turned down the Twentieth Century Fund job.

MR. BLOUGH: They were going to set up a Committee, which, I think, has given a pretty fair picture. Magill has taken chairmanship of a Committee he has stacked on the conservative side and has Harley Lutz as Director of Research.

MR. PAUL: Even the Committee.

H.M.JR: You know before hand what is going to count.

May 25, 1944

Dear Fiorello:

I have your letter of May 23 setting forth your views on the subject of taxation of Federal, State and City employees who are living on fixed retirement allowances.

I shall be glad to see you on Wednesday, May 31, if this is convenient to you.

Yours sincerely,

[Signed] Henry Morgenthau, Jr.

Honorable Fiorello H. La Guardia,
Mayor, City of New York,
New York 7, N. Y.



CITY OF NEW YORK
OFFICE OF THE MAYOR
NEW YORK 7, N.Y.

May 23, 1944

tp

HONORABLE HENRY MORGENTHAU, JR.,
Secretary of the Treasury
Washington, D. C.

My dear Mr. Secretary:

During the time the Tax Simplification Bill (H.R. 4646) was pending in the Senate, I endeavored to obtain an amendment to that measure in order to eliminate unjust and discriminatory provisions from the income tax law which subject to taxation the pensions paid to retired Federal, State and Municipal employees. Such injustice and discrimination are doubly apparent when it is understood that pensions paid under the Railroad Retirement Act and the Social Security Act are exempt from the Federal income tax. As you are aware, government employees are excluded from participation in the benefits of the Social Security Act.

It is patently unjust to exempt recipients of railroad and social security pensions (ranging up to \$1440 a year) from the Federal income tax and at the same time compel government pensioners to pay this tax upon pensions of similar amounts under the Internal Revenue Code. Every consideration of fairness clearly requires that the same exemption be extended to each of these classes of pensioners and that any governmental pension not exceeding \$1440 per year be given the same immunity from taxation as is enjoyed by railroad and social security pensions.

Generally speaking, half of all governmental pensions is paid out of funds contributed by the respective governments. The Internal Revenue Code works the inequitable result of imposing an income tax not only upon the actual contributions by such governments to pension funds, but also upon the interest accruing on these contributions and upon employees' pension deductions.

May I call your attention to the fact that four hundred thousand (400,000) retired Federal, state and city employees living on fixed retirement allowances, very often less than half of their former salaries, and very insufficient for a minimum subsistence for their families and dependents, the citizens who are really feeling the pinch of the high cost of living, in addition thereto, the burden of heavy taxes.

I have been advised by Senator Walter F. George, Chairman of Senate Committee on Finance, that the Treasury Department is studying pension questions. It is a question which merits careful consideration and takes on a more serious aspect when those in the armed forces return and for jobs. The fundamental theory and purpose of pensioning superannuated

Henry Morgenthau, Jr.

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May 23, 1944

is to make it possible for them to retire with security in order to create positions for young people. The taxing of pensioners makes it necessary for old people to remain in service because after the deduction of taxes from the pensions to which they would be entitled, the sums remaining would be insufficient to enable them to live decently. The attached brief sets forth in detail the problem created by the taxing of pensions.

I am strongly of the opinion that elderly, retired civil employees are sorely in need of relief from a burdensome, unjust and discriminatory tax on their pensions and that this relief should be given promptly.

I will welcome an opportunity to discuss this matter with you personally. May I expect to hear from you?

With kind personal regards, I am

Sincerely yours,



Henry Morgenthau, Jr.

Enclosure

PROPOSAL FOR LEGISLATION TO EQUALIZE TAXATION OF
PENSIONERS OF GOVERNMENTAL AND PRIVATE EMPLOYEES

POINT I

Through recent reversal of Federal income tax policy, the income from pension of governmental employees, federal, state and municipal, is now taxed, but the income from social security and railroad pensions is exempt from income taxation.

Until recent years, the income from pension of governmental employees, federal, state, municipal, county and court, was exempt from income tax while other pensioners were taxed. Governmental employee pension income is now taxed (see paragraph 5, Annuities, in current income tax instruction sheet) after the retired governmental employee has received back the amount which he contributed, while under I.T. 3447, social security pensions, and I.T. 3069 and Section 10 of the Railroad Retirement Act of 1935, railroad pensions, covering the great majority of American workers not governmentally employed, are now exempt from income tax.

POINT II

Congressional tax discrimination against governmental employee pensions while most private pensions remain exempt is not believed to be deliberate.

It is not believed that Congress deliberately taxed and wishes to continue taxing pension income of governmental employees while withholding income taxation of the income from social security or railroad pensions, nor that Congress desires the Treasury and the Bureau of Internal Revenue to discriminate against governmental pensions and in favor of private employees retired on social security and railroad pensions.

POINT III

Income taxation of staff pensions, by compelling the aged to continue employment, will obstruct reemployment of our soldiers and sailors after the War.

Social Security and railroad pensions are geared to enable the aged to separate from industry and make room for youth. The efforts of employees, the social security and the railroads, to accomplish similar results, for being assisted or encouraged, are defeated, for when they cooperate with Federal aid to similarly take themselves out of the employment market when the Federal Government, through discriminatory income taxation, compels them to serve any additional years to produce the pension income necessary for tax purposes. Thus, the aged employee is forced by taxation to remain in service years beyond the age of ability, in order to live, and the young, in years after the stress of war is over, will be compelled to put up with resulting and unnecessary unemployment. The Government, by its uneconomical income taxation policy, thus siphons money from an aged group uneconomically employed and will presently distribute the income derived, and more, in employment benefits of one sort or another to the returning soldiers and sailors who could and should and would do the work.

Pension income taxation defeats or seriously delays retirement of the

Consider an employee who has looked forward to half-pay retirement at 65 and who, having now reached half-pay status at age 65, faces a 23% income taxation on the taxable \$770 of his pension under the new Tax Simplification Bill. He now finds that he will have to work four to five years more, practically to age 70, in order to produce \$230 additional income for payment of income tax on a taxable \$1,000 pension and leave him not half-pay, his minimum subsistence requirement.

Multiply this situation by tens of thousands of delayed retirements all over the country and the result will be specially unfortunate when our soldiers and sailors return to find tens of thousands of old men who should retire, who want to retire, and who are prevented, by unwise, uneconomic, pension income tax law, enacted by Congress, from retiring and who are compelled to continue their own employment and to hold out of employment the young and fit.

POINT IV

Elimination of taxation of retired employees is more economic than ultimately subsidizing pensioners against the rising cost of living.

The Little Steel Formula does not benefit retired employees with fixed incomes.

The pension of hundreds of thousands of pensioners were fixed before the present 25% to 45% increase in the living cost got under way. Their income has not been increased in the slightest degree by the Little Steel Formula. Their standard of living has been gravely reduced. Their plight is so serious that if no previous action is taken, Congress and the State Legislatures will presently be obliged to provide a relief subsidy for pensioners. Congress is aggravating that condition by unwise and discriminatory taxation of governmental pensioners. Congress could avoid the situation by extending its present social security and railroad pension exemption policy.

POINT V

Governmental pensioners are discriminated against in the computation of taxation as well as in the exemption itself.

Not only are other retired employees taxed while private employees exempt from income taxation on their social security and railroad pensions. By the Treasury rulings, they are also discriminated against in computation of income.

The Purchaser of a commercial annuity is required to declare no income until he receives back his entire purchase price except that he is to pay, annually, meanwhile, 3% of that purchase price.

The Treasury prevents the retired governmental employee and other contributors to staff pensions, from including in their purchase price thereof (often a large part of the entire sum) which represents the income accumulation before retirement on their contributions over the years to the pension. The Treasury thus hastens arrival of the full income tax payment for a staff pensioner as compared with a commercial annuitant.

Retired governmental employees are the real stepchildren of the federal income tax laws, present and proposed.

POINT VI

Efficient local government is seriously hindered when governmental pensions are income taxed.

New York City alone contributes \$47,000,000 annually for pensions, i.e. to assure that employees will be able to retire when they become incapable through age or disability for efficient performance of their duties. Other governmental units make similar contributions in proportion to their payroll. Federal income tax neutralizes these contributions in two ways:

1. Since the employee's retirement is delayed for years, the purpose of huge governmental contributions is defeated.
2. 23% annually more or less of the local contributions toward the pension is deflected from support of the aged pensioner to support of the Federal Government.

CONCLUSION

Congress should include in the Tax Simplification bill as proposed below exemption of the pensions of retired governmental employees as well as of employees retired under Social Security and under the Railroad Retirement Act.

We are now living in an era when as never before, social service and assistance of all kinds are sponsored and maintained by Federal, State, and Municipal grants in the form of social security, old age and widow pensions, employment insurance, etc. It is inconceivable that a socially minded Congress would intentionally place a tax burden on the smaller group of retired public employees (who for years have been compelled to set aside part of their earnings for pension in their old age), and, on the other hand, provide unpaid Federal Social Security and Railroad Pensions for the much larger group. Congress, having made this unintentional error, will, it is believed, in the spirit of justice and fair play welcome the opportunity to rectify this injustice by passing an amendment providing for the payment of a fair and equitable income tax within the limits of the retired employee to pay.

As an act of simple justice to the hundreds of thousands of governmental employees throughout the Country, retired or to be retired, who are not under the Railroad Retirement or under the Social Security Act, the Tax Simplification Bill now before the Senate should be amended by inserting the following after Section 6:

"Sec. 6 A. PENSIONS AND ANNUITIES.

Subparagraph (B) of paragraph (2) of Subdivision (b) of Section 22 (relating to gross income) is amended by inserting at the end thereof the following:

"Notwithstanding the foregoing provisions of this paragraph there shall be excluded from gross income all annuity, pension or retirement income up to \$1440 in any year by reason of service covered by the Railroad Retirement Act or by the old age and survivors provisions of the Social Security Act or by any federal, state or municipal retirement pension or annuity system or by any combination thereof."

May 25, 1944

Fred Smith

Secretary Morgenthau

When you talk to Dick Meyers at Poughkeepsie today, I wish you would tell him (1) I'll be on the farm over the week-end and (2) to please get me a half a dozen copies of the Sunday Poughkeepsie article. I don't want the whole paper but just the one page that has the article on it. I asked them to send me six copies and they only sent me two. I really would like to have six copies. I want to send them to the family and some friends.

Thank you. *- Finished -*

Harry White

May 25, 1944

Secretary Morgenthau.

I'm still waiting for an answer on Dr. H.H.Kung.
I really would like to have that today. I also sent
you a memo in regard to that economist that you
recommended to Mr. Olrich and I have had no answer
on that. *Finished -*

May 25, 1944.

My dear Admiral Leahy:

I have your letter of May 24, 1944, with enclosures, regarding the control, documentation and security intelligence interrogation of alien seamen in the United States. The enclosures outline certain procedures to be followed by various agencies and you ask my advice as to whether those described for the Treasury Department may be carried out.

The matters pertaining to this Department are now carried out by the Customs Service in accordance with the pertinent statements in the enclosures of your letter. They will continue to be so carried out with every effort to promote the objectives of your program.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Admiral William D. Leahy, U.S.N.
Chief of Staff to the Commander in
Chief of the Army and Navy
The Joint Chiefs of Staff
Washington 25, D.C.

WRJ/mah

ASSISTANT SECRETARY OF THE TREASURY

May 25, 1944

MEMORANDUM

The attached papers from Admiral Leahy have been shown to Commissioner Johnson and the attached reply has his approval.

The enclosures seem to approve of the present functioning of the Customs Service and to merely ask for its continuance.

The functions of Customs in this matter are shown in the charts under "Annex A" and "Annex B."

JS

CS11443

THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

24 May 1944.

SECRET

The Honorable,
The Secretary of the Treasury,
Washington, D. C.

My dear Mr. Secretary:

Enclosed herewith is a copy of J.C.S. 863 on the subject of the Control, Documentation and Security Intelligence Interrogation of Alien Seamen in the United States. In approving the recommendations contained therein, the Joint Chiefs of Staff believe that the parts affecting your department are in accordance with the duties and responsibilities with which you are charged.

It is hoped that you will be able to carry out our desires in this matter and if for any reason you can not do so, that you will be so kind as to advise the Joint Chiefs of Staff promptly.

The Joint Chiefs of Staff feel that the adjustment of details should be left to the discretion of the implementing authorities.

Sincerely yours,

For the Joint Chiefs of Staff:

William D. Leahy

WILLIAM D. LEAHY,
Admiral, U.S. Navy,
Chief of Staff to the
Commander in Chief of the Army and Navy.

Enclosure:
JCS 863 (Copy No. 66)

This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50 U. S. C., 31 and 32, and its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law.

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COPY NO. 66

S.S. 863

May 1944

Pages 1-21, incl.

JOINT CHIEFS OF STAFF

CONTROL, DOCUMENTATION AND SECURITY INTELLIGENCE
INTERROGATION OF ALIEN SEAMEN IN THE U.S.A.

Reference: a. C.C.S. 556

Note by the Secretaries

1. C.C.S. 556 was referred to Joint Security Control for study and recommendation to the Joint Chiefs of Staff. The enclosed report by Joint Security Control is submitted for consideration of the Joint Chiefs of Staff.

A. J. McFARLAND,
E. D. GRAVES, JR.,
Joint Secretariat.

M E TE N C L O S U R ECONTROL, DOCUMENTATION AND SECURITY INTELLIGENCE
INTERROGATION OF ALIEN SEAMEN IN THE U.S.A.

Reference: a. C.C.S. 556

Report by Joint Security ControlTHE PROBLEM

1. To study C.C.S. 556 and make recommendations to the Joint Chiefs of Staff.

FACTS BEARING ON THE PROBLEM (See Appendix "A")DISCUSSION (See Appendix "B")CONCLUSIONS

2. Without careful examination and inquiry into the details of the actions of various U.S. agencies outlined in Appendix "B," an erroneous impression is gained that a security of dependable quality in the realm of alien seamen is achieved. Unless alien seamen are known criminals or subversives, the present system may be easily penetrated by enemy agents for movement into and out of the United States, into U.S. merchant vessels and into all theaters of operations.

3. Seven U.S. agencies are involved in various aspects of this question. The system is dangerously compromised by that fact, plus the lack of effective coordination between the agencies concerned; their partial coverage of the problem; the non-participation in security examination of some of the agencies best equipped at the present time quickly to deliver information on such men; easy avenues for violation of the immigration laws; the number of laws, proclamations, rulings and exceptions to them; and the actual war requirements for the movement of ships.

SECRET

4. Except for an administrative agreement between the War Shipping Administration (WSA) and the shipping agencies of ten allied countries (to prevent the U.S. from "pirating" their tonnage), all aliens can obtain without security interrogation the U.S. Coast Guard documents required for shipping in U.S. vessels and depart in such vessels to theaters of operations or anywhere else in the world. There is no such arrangement interfering with the employment of alien NEUTRAL seamen (such as Spanish and Portuguese) and they are freely employed in U.S. ships, even though they may be deserters from their own ships and illegally in this country.

5. The British have a centralized, authoritative organization which achieves a high degree of general security, including security in the field of merchant seamen. To establish in this country a counterpart of that organization would, in our opinion, require new legislation (probably of a contentious nature), the transfer of authority from a number of long-established Government departments to a central organization and more delay than is acceptable considering the present course of operations. However, there are a number of actions which will distinctly increase the security of our own and allied operations and which are considered feasible of prompt execution under our present government organization.

RECOMMENDATIONS

6. That the Coast Guard be ^{REQUESTED} ~~directed~~ to cease issuing "Z" Certificates, Continuous Discharge Books, and Certificates of Service to alien seamen until it has conducted a search of available intelligence records and an interrogation of the applicant and determined that it is not inimical to the United States to make such issues.

SECRET

7. That the Coast Guard be ^{re-directed} ~~directed~~ to conduct a similar investigation in the cases of aliens to whom the documents named above have already been issued, and cancel such documents in cases which appear inimical to the United States.

8. That the Chief of Naval Operations amend the letter of 14 January 1942, subject: "Merchant Marine Suspect List" (Appendix "C"), which requires that the District Intelligence Officer check only the crew lists of departing U.S. registered vessels, to read as follows:

Paragraph 6, first sentence: "Except in cases in which the Commandant of the District is satisfied that the security factors involved are adequately protected, crew lists of vessels of all registries leaving the United States for foreign ports should be" etc.

Paragraph 7, add at the end: ". . . The scheduled departure of vessels on voyages essential to the war effort should not be delayed in order to remove a suspect, but if he cannot be removed before the ship departs, authorities in the ports of call should be warned of his presence aboard."

9. That agencies involved in the movement of alien seamen into and out of the United States be requested to carry out the following procedure in the case of alien seamen who enter the country illegally:

a. The Immigration Service, upon learning the identity of such seamen, will promptly notify the headquarters of the U.S. Coast Guard, the Federal Bureau of Investigation (FBI) and their own immigration inspectors in various ports of the country.

b. When any of the agencies named above learns of the presence of such seamen they will immediately inform the Immigration Service.

10. The Immigration Service will not permit such seamen depart from the United States unless a security investigation by the FBI and the Coast Guard indicates that their departure will not be inimical to the United States.

10. That a copy of the letter contained in Appendix "E" be attached to the Secretary of State, the Attorney General, the Secretary of the Treasury, and the Secretary of the Navy (for the Commandant of the Coast Guard).

11. That the letter to the WSA (Appendix "F") be approved.

12. That the memorandum proposed in Appendix "D" be approved and forwarded to the Combined Chiefs of Staff.

APPENDIX "A"

FACTS BEARING ON THE PROBLEM

If the War Shipping Administration requests that the Coast Guard issue a Certificate of Service in favor of an alien applicant for employment on a U.S. vessel, the Coast Guard automatically issues to him the following requisite U.S. documents:

A Coast Guard Identity Card.

The "Z" Certificate, or "Seaman's Certificate of Identification," (or in lieu thereof, a Continuous Discharge Book).

A "Certificate of Service" in a certain rating.

2. In this cycle by which aliens secure berths on U.S. ships, neither the War Shipping Administration nor the Coast Guard conducts any security intelligence investigation of the applicant.

3. On 28 April 1944 there were approximately 6,800 alien seamen employed on U.S. merchant vessels, all of whom, as far as can be ascertained, possessed required U.S. documents which were secured without security intelligence interrogation. This number is about 5% of the total number of seamen on U.S. merchant vessels on a typical day.

4. Because of an administrative agreement between the War Shipping Administration and the shipping authorities of ten co-belligerent nations in the United States which restrains the WSA from employing seamen from these co-belligerent nations, (unless prior to 8 April 1942 such seamen were employed in U.S. ships), it is distinctly simpler for an alien NEUTRAL seaman to secure employment in a U.S. vessel than it is for a co-belligerent.

SECRET

Alien seamen departing from the United States on foreign vessels are "screened" to a certain extent for security purposes by agencies of their own governments and (or) of the governments under which the vessels are registered, but are not given security interrogations by U.S. intelligence agencies unless the latter are particularly "alerted" to suspicious cases. The foreign agencies mentioned above are of widely-differing competence in this work and the liaison between them and U.S. intelligence agencies operating in this field is only moderately effective.

6. Representatives of the following Federal Departments and agencies have assisted Joint Security Control with information and advice in the preparation of this report and these representatives are in general agreement with its contents:

- The Department of State,
- The Navy Department (including the Coast Guard),
- The War Department,
- The Department of Justice (Immigration and Naturalization Service and the Federal Bureau of Investigation),
- The War Shipping Administration.

APPENDIX "B"

DESCRIPTION OF THE OPERATIONS OF THE AGENCIES CONCERNED IN THE MATTER OF THE MOVEMENT OF ALIEN SEAMEN INTO AND OUT OF THE UNITED STATES

Alien seamen arriving at United States ports. (See Annex "A")

a. In Foreign Vessels. (Other than Neutrals.)

(1) Department of State - Permits to enter the United States: Masters of foreign flag vessels departing foreign ports for the United States are required to obtain a crew list visa from the U.S. Consulate prior to departure. This affords an opportunity for a name check against the files available to the particular Consulate. The foregoing requirement may be waived with respect to seamen entering temporarily, such as those who are members of the crew of a vessel arriving from a port at which there is no American Consul and the master of the vessel was unable to obtain a crew list visa from a nearby consular officer without undue delay of the vessel's departure.

Title 8, U.S. Code, Section 174.44, sub. (p) grants the Secretary of State authority to waive the requirement of proper documents for an alien seeking admission.

Sub. (p) reads as follows:

"Special cases of unforeseen emergency in which the Secretary of State is satisfied that the aliens concerned are entering temporarily and have had no reasonable opportunity to procure appropriate documents."

(2) U.S. Immigration and Naturalization Service, Department of Justice - All alien seamen are checked to verify identity documents in their possession, such as passports and certificates of nationality. In addition, each seaman is checked to establish his bona fide status as a seaman in relation to the Immigration regulations.

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Title 8, U.S. Code, Section 175.54 provides additional requirements for alien seamen:

"In addition to all other requirements, no non-resident alien seaman employed on any vessel arriving in the United States from any place outside thereof shall be granted shore leave or be permitted to go ashore in the United States, except with the approval of the master and in the discretion of the immigration officials at the port of arrival acting under authority of the Attorney General. The period of shore leave granted a seaman shall not exceed that during which the vessel on which he arrived will remain in a port of the United States, unless the Attorney General, in his discretion, concurs in the granting of a longer period of shore leave."

Immigration authorities may deny shore liberty to an alien seaman. When shore liberty is denied a notice is served and the owner or agent of the vessel then becomes liable for a \$1,000 fine for each individual seaman ordered detained aboard by Immigration who fails to depart with the ship. There is no known policing of the ship by Immigration or any other authority to enforce the order.

When Immigration grants shore liberty to an alien seaman the latter is not required to register under the U.S. Alien Registration Laws if the seaman intends to depart the United States within 29 days. If he remains for 30 days he must register. During the first 29 days an alien seaman is ashore no control is exercised over the seaman's movements within the United States.

If the seaman has been remanded aboard the ship and he fails to depart with the ship, a lookout notice is distributed by Immigration Service to all its offices.

The seaman is subject to arrest and deportation on sight. No known objection is made by any agency to the departure of such a seaman providing he is willing to ship for a foreign port. Such seamen are not prevented from shipping to war areas.

(3) Treasury Department - The Customs Service examines the personal effects of alien seamen before they are permitted to take them ashore. Acting as the Agent of National Censorship the Customs examines all communications in the possession of the alien seamen. Acting as the agent of the Foreign Funds Control the Customs authorities check the amount of currency which the alien seamen may have in their possession. A customs search squad goes through the ship for contraband, illegal communications and stowaways.

(4) U.S. Coast Guard - Requires all alien seamen to possess a Coast Guard Identity Card prior to the Immigration Service granting shore liberty. This is issued without question if the man is cleared by Immigration.

(5) Federal Bureau of Investigation - Interrogates alien seamen whenever FBI has been alerted to suspicion of espionage, sabotage, or subversion.

(6) Military Intelligence Service - No known action taken.

(7) Office of Naval Intelligence - Interrogates alien seamen where "a naval interest" is known or perceived by another agency in particular cases.

b. In Neutral Vessels.

(1) Department of State - Same as for United Nations vessels. Disseminates crew lists received from American Consuls to Intelligence agencies in advance of arrival of the ship. ✓

SECRET

(2) U.S. Immigration and Naturalization Service, Department of Justice - Same as for United Nations vessels, except that no shore privilege is granted an alien seamen when an objection from a security standpoint is interposed by one of the Intelligence Agencies.

(3) Treasury Department - Same as for United Nations vessels. In addition, each member, on going ashore and returning aboard, may be given a strip-search. Also a control may be exercised over all visitors desiring to go aboard the ship. A security intelligence check of such visitors may be conducted.

(4) U.S. Coast Guard - Same as for United Nations vessels. In addition, an anti-sabotage guard and surveillance of the vessel is maintained.

(5) Federal Bureau of Investigation - Checks all crew lists prior to the vessel's arrival. Interrogates all seamen aboard for security intelligence. May request the Immigration Service to remand certain crew members aboard for security reasons.

(6) Military Intelligence Service - Collaborates with FBI in the security intelligence interrogations.

(7) Office of Naval Intelligence (O.N.I) - Crew lists received from Department of State are checked against O.N.I. control files in order to perceive naval interest in particular crew members. When a naval interest is perceived, collaborates with FBI and Military Intelligence Service (M.I.S.) in security intelligence interrogation.

c. In U.S. Flag vessels.

(1) Department of State - The master of a U.S. flag vessel arriving on shore in a foreign port should make and submit to the U.S. Consulate at the port of arrival a crew list to be submitted to the U.S. Department of State. The U.S. Department of State will then forward the list to the appropriate Intelligence Agency for processing.

Consul exists or the Consulate is closed and obtaining a crew list visa from another Consulate would delay the sailing of the ship, then the State Department can waive the crew list visa requirement on a request of Immigration at the time of the vessel's arrival at a United States port.

(2) U. S. Immigration and Naturalization Service, Department of Justice - Same as in a. above.

(3) Treasury Department - Same as in a. above.

(4) U.S. Coast Guard - Same as in a. above.

(5) Federal Bureau of Investigation - Same as in a. above.

(6) Military Intelligence Service - Same as in a. above.

(7) Office of Naval Intelligence - Same as in a. above.

2. Alien seamen departing United States ports. (See Annex "B")

a. In Foreign Flag Vessels. (Other than Neutrals.)

(1) Department of State - No known action taken.

(2) U.S. Immigration and Naturalization Service, Department of Justice - All alien seamen are checked to verify identity documents in their possession and their bona fide status as seamen. The Immigration Service requires a master's report which, prior to sailing, sets forth the following facts: crew paid off, crew signed on, crew signed off, desertions and hospitalizations.

(3) Treasury Department - The Customs Service examines the personal effects of alien seamen before they are permitted to take them ashore.

(4) U.S. Coast Guard - No known action taken.

(5) Federal Bureau of Investigation - No known action taken, unless previously alerted to particular seamen.

(6) Military Intelligence Service - No known action taken, unless the vessel has been allocated to the Army, in which case the regular security procedure in effect at ports of call is followed. This involves a crew list check of each the file available to the Army Intel-

SECRET

(7) Office of Naval Intelligence - No action taken.

b. In Neutral Vessels.

(1) Department of State - No known action taken.

(2) U. S. Immigration and Naturalization Service,
Department of Justice - Same as in a. above.

(3) Treasury Department - Same as for United Nations vessels. In addition, the crew members may be given a strip-search. Also a control may be exercised over all visitors desiring to go aboard the ship. A security intelligence check of such visitors may be conducted.

(4) U.S. Coast Guard - An anti-sabotage guard and surveillance of neutral vessels is maintained.

(5) Federal Bureau of Investigation - No known action taken.

(6) Military Intelligence Service - No known action taken.

(7) Office of Naval Intelligence - No action taken.

c. In United States Flag Vessels.

(1) Department of State - No known action taken.

(2) U.S. Immigration and Naturalization Service, Depart-
ment of Justice - Same as in a. above.

(3) Treasury Department - Same as in a. above.

(4) U.S. Coast Guard - Requires all alien seamen to be in possession of a U.S. seamen's certificate of identity and U.S. certificate or certificates of efficiency. No security intelligence interrogation is made prior to the issuance of these documents.

(5) Federal Bureau of Investigation - No known action taken.

(6) Military Intelligence Service - No known action taken.

SECRET

(7) Office of Naval Intelligence - All crew lists of U.S. flag vessels outbound are checked against the suspect files available to the District Intelligence Officer. The names of any alien seamen included therein are therefore subjected to a security intelligence check. If information found in the file is sufficiently derogatory on evaluation, the District Intelligence Officer may recommend to the District Coast Guard Officer that the alien seamen be removed from the vessel. FBI is notified of any action taken.

SECRET

ANNEX "A"

ENTERING ALIEN SEAMEN
(1 photostat)

JCS 863

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Annex "A"
to Appendix "B"

Annex A

ENTERING ALIEN SEAMEN

State FBI MIS ONI Treasury Coast Guard INS

allied
vessels

Crew List Visa required
(Can be waived)

Conducts Interrogation
- Special cases only

No action

Conducts Interrogation
- Cases of Naval Interest

Personal Effects
Communications
Funds
Searches ship

Issues Identity Card
(when shore liberty granted)

Identity Documents (see 1-10)
Passport Status
Grants Shore Liberty
Recommendations (see 1-10)
Ship passengers (see 1-10)
Ship documents (see 1-10)

neutral
vessels

Crew List Visa required
(Can be waived)
Disseminates advance crew
lists to intelligence agencies

Crew Lists checked
Panels all seamen
Recommends denial
shore liberty suspects

Collaborates
in paneling seamen

Crew lists checked
Joins in paneling -
naval interest cases only

Personal Effects
Communications
Funds
Searches ship
May strip-search seamen
May check ship visitors

Issues Identity Card
(when shore liberty granted)
Anti-sabotage guard maintained

Identity Documents (see 1-10)
Passport Status
Grants shore liberty
Recommendations (see 1-10)
Ship passengers (see 1-10)
Ship documents (see 1-10)

U.S.
vessels

Alien Crew List Visa required
(Can be waived)

Conducts Interrogation
- Special Cases only

No action

Conducts Interrogation
Cases of naval interest

Personal Effects
Communications
Funds
Searches ship

Issues Identity Card
(when shore liberty granted)

Identity Documents (see 1-10)
Passport Status
Grants Shore Liberty
Recommendations (see 1-10)
Ship passengers (see 1-10)
Ship documents (see 1-10)

SECRET

ANNEX "B"

DEPARTING ALIEN SEAMEN
(1 photostat)

Annex B

DEPARTING ALIEN SEAMEN

State FBI MIS ONI Treasury Coast Guard INS

allied
vessels

No action

Conducts interrogation
- Special cases only

Crew list checked
(if vessel allocated to Army)

No action

Examines personal effects
of seamen

No action

Identify Documentarily
Name File Status
Requires Master Report
Seamen put off report in
desertions
hospitalized

neutral
vessels

No action

No action

No action

No action

Examines personal effects
of seamen
May strip-search seamen
May check ship visitors

Anti-Sabotage guard maintained

Identify Documentarily
Name File Status
Requires Master Report
Seamen put off report in
desertions
hospitalized

U.S.
vessels

No action

No action

No action

Checks crew lists
(against suspect files)
Requires master report of report
to Coast Guard
Notifies FBI

Examines personal effects
of seamen

Issues (certificate of identity
certificate of clearance
trading aboard)

Identify Documentarily
Name File Status
Requires Master Report
Seamen put off report in
desertions
hospitalized

CONFIDENTIALAPPENDIX "C"NAVY DEPARTMENT
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON[50]A8-5/281
Op-16-B-7-CP
CONFIDENTIAL
Serial No. 0137016

January 14, 1942

From: The Chief of Naval Operations.
 To : Commandants, All Naval Districts (except N.D.#16).
 Subject: Merchant Marine Suspect List.
 Encl: (A) Four Copies of Subject Names List.

1. The enclosure is forwarded for the information and use of the District Intelligence organizations.

2. Although the classification has been changed from the former list, attention is invited to the importance of guarding its security and every care in its handling must be exercised.

3. Each holder of subject list will, when he obtains additional information on individuals listed thereon or information that indicates that additional names should be added thereto, will advise all other holders, as shown in distribution list. In this matter, all copies of subject list will be kept up-to-date.

4. This list was compiled from O.N.I. sources, and also from F.B.I. and other Government agencies.

5. A brief summary of the information on file in the Office of Naval Intelligence is entered opposite the name of the individual concerned for easy reference purposes. Each district should refer first to its own files for any additional information desired and then to the local F.B.I. If such sources fail to produce the data desired, inquiry may be directed to the Office of Naval Intelligence.

JCS 383

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Appendix "C"

CONFIDENTIAL

6. Crew lists of U.S. registered vessels should be obtained as early as possible before the ship sails so that there will be no delay if it becomes necessary to cause the removal and replacement of suspects. If the ship's complement will not be filled until just before sailing, a partial list should be obtained and the names added as the crew signs on. Cooperation of the Shipping Commissioners and the ship's operators in respect to an early completion of the crew lists should be requested.

7. The crew lists should be checked against the Merchant-Marine Suspect List and the Naval District files and the resulting information so obtained evaluated in the light of the itinerary of the ship and the nature of its cargo and the character of its passenger list, i.e., civilian or military. If after such evaluation has been made and the presence on board of certain suspects is believed to be dangerous to the vessel, its crew and passengers, or dangerous to the interests of the United States, the removal of such suspects should be recommended to the local Shipping Commissioner and the vessel's operators or agents, through the Office of the Port Director or Port Captain under whose control the particular vessel may be while in the Naval District. The local representatives of the Federal Bureau of Investigation and the Maritime Commission should be requested to cooperate in causing the removal of the suspects.

/s/ F. J. Horne
Acting

CC: BuNav
F.B.I.
M.I.D.

SECRETAPPENDIX "D"PROPOSED DRAFTCOMBINED CHIEFS OF STAFFCONTROL, DOCUMENTATION AND SECURITY INTELLIGENCE
INTERROGATION OF ALIEN SEAMEN IN THE U.S.A.Memorandum by the United States Chiefs of Staff

1. The statements of the Representatives of the British Chiefs of Staff regarding the lack of security intelligence interrogation of a number of alien seamen who have passed through U.S. ports and reached the United Kingdom (C.C.S. 555) are substantially correct.

2. The lack of security intelligence interrogation has been due in part to the fact that several agencies are concerned with the entry and departure of such alien seamen and several different intelligence agencies are concerned with the gathering of information about aliens and citizens of the United States and secondarily due to the restrictions placed by the War and Navy Departments upon the activities of their own intelligence agencies in U.S. ports.

3. The subject of control, documentation and security intelligence interrogation of alien seamen in the U.S. has been given intensive study for the past month with the result that new and improved procedures have been evolved which it is believed will serve to cut down, if not eliminate, the lack of security intelligence interrogation of alien seamen set forth in C.C.S. 556.

SECRET

4. Specifically the U.S. Coast Guard has been ^{REQUESTED} ~~directed~~ to cease issuing documents to alien seamen which would enable them to ship on U.S. ships until it has conducted a search of available intelligence records and an interrogation of the applicant. The U.S. Coast Guard has also been ^{REQUESTED} ~~directed~~ to conduct similar investigation in cases of aliens to whom such documents have already been issued and cancel them in cases inimical to the United States.

5. The U.S. Immigration and Naturalization Service has been ^{REQUESTED} ~~instructed~~ to prevent the departure from the U.S. of any alien seaman who has entered the United States illegally unless a security investigation by the Federal Bureau of Investigation and the U.S. Coast Guard indicates that the seaman's departure will not be inimical to the U.S.

6. The Navy Department has been ^{REQUESTED} ~~directed~~ to check against its records the crew lists of all vessels leaving the United States for foreign ports for the purpose of removal of suspects, unless the Commandant of the Naval District concerned is satisfied that the security factors involved (such as in the case of crews of ships checked by the British Security Service) are adequately protected. However, the scheduled departure of vessels on voyages essential to the war effort is not to be delayed in order to remove a suspect. In such case the authorities in the ports of call will be warned of the presence of the suspect aboard.

S E C R E T

APPENDIX "E"

DRAFT OF LETTER TO THE SECRETARY OF STATE, THE ATTORNEY GENERAL,
THE SECRETARY OF THE TREASURY, AND THE SECRETARY OF THE NAVY
(FOR THE COMMANDANT OF THE COAST GUARD)

Enclosed herewith is a copy of JCS _____ on the subject of the Control, Documentation and Security Intelligence Interrogation of Alien Seamen in the United States. In approving the recommendations contained therein, the Joint Chiefs of Staff believe that the parts affecting your department are in accordance with the duties and responsibilities with which you are charged.

It is hoped that you will be able to carry out our desires in this matter and if for any reason you can not do so, that you will be so kind as to advise the Joint Chiefs of Staff promptly.

Sincerely yours,

For the Joint Chiefs of Staff:

SECRET

APPENDIX "F"

PROPOSED LETTER TO WAR SHIPPING ADMINISTRATION

Dear Admiral E.S. Land,
Administrator,
War Shipping Administration,
Washington, D.C.

Dear Admiral Land:

Enclosed herewith is a copy of J.C.S. _____ on the subject of the Control, Documentation, and Security Intelligence Interrogation of Alien Seamen in the United States. In approving the recommendations contained therein the Joint Chiefs of Staff believe that no great difficulty in the responsibility of your administration to recruit and man your vessels will result from the added security measures which will be implemented, especially as only a small percentage of the seamen on U.S. owned or controlled vessels are aliens. However, in the event that you believe otherwise or events prove our belief to be erroneous, it is hoped that you will notify the Joint Chiefs of Staff promptly.

Sincerely yours,
For the Joint Chiefs of Staff:

MAY 25 1944

Dear Dr. Goldmann:

This is to acknowledge receipt of your letter of May 24, 1944, in which you enclosed a copy of a letter being sent to the Embassies in Washington on the matter of the Hebrew Committee for National Liberation and a statement which you released to the press.

Very truly yours,

(Signed) J.W. Pehle

J. W. Pehle
Executive Director

Dr. Nahum Goldmann,
The Jewish Agency for Palestine,
1720 Sixteenth Street, N. W.,
Washington, D. C.

JWP:ngt 5/25/44

THE JEWISH AGENCY FOR PALESTINE

Washington Office: 1720 16 St., N. W.

May 24, 1944

Mr. John W. Pehle
War Refugee Board
Treasury Building
Washington, D. C.

Dear Mr. Pehle:

I am enclosing for your information a letter which I am sending to all the Embassies in Washington, on the matter of the Hebrew Committee for National Liberation, together with the statement I have released to the press.

Sincerely yours,

(s) Nahum Goldmann

Nahum Goldmann

The Jewish Agency for Palestine

Washington Office: 1720 16 St., N. W.

May 24, 1944

Dear Mr. Ambassador:

I assume you have read of the formation of the Hebrew Committee of National Liberation in Washington, which announces that it will see recognition from governments as representing the Hebrew nation in Europe and Palestine.

As the representative of the Jewish Agency for Palestine, recognized by the League of Nations under Article IV of the Mandate for Palestine, and also by the government of the United States, as the Agency representing the Jewish people in all matters concerning Palestine, I feel it my duty to call to your attention that this group does not represent the Jewish community in Palestine or elsewhere. Palestine Jewry is represented in a democratically elected body called the Asefath Hanivcharim. All European Jewry is represented in the Jewish Agency or affiliated to the World Jewish Congress, on whose behalf I am also authorized to speak, as chairman of its Administrative Committee.

I thought it might be of interest to you to receive the enclosed statement issued to the press, so that you may know that no responsible Jewish organization in this country, Palestine or Europe, has anything to do with the Hebrew Committee of National Liberation, which has been repudiated by all the leading bodies in Palestine and America.

This group uses high pressure publicity methods and any move they may make to seek recognition among the Embassies and Legations in Washington will be used by them for publicizing their unauthorized activities, which create confusion, and harm the Jewish cause.

Sincerely yours,

Nahum Goldmann

HEBREW AGENCY FOR PALESTINE

Washington Office -- 1720 16th Street, N. W., Washington, D. C.

FOR IMMEDIATE RELEASE

Dr. Nahum Goldmann, representative of the Jewish Agency for Palestine and the World Zionist Organization in Washington, made the following comment on the announcement of the formation of the Hebrew Committee of National Liberation:

The Jewish Agency for Palestine is the only international body recognized under Article IV of the Mandate for Palestine by the British Government, the United States, and the League of Nations, as representing the Jewish people in all matters concerning the upbuilding of the Jewish National Home in Palestine. It is composed of all Zionist organizations the world over and numerous non-Zionists in various countries. The attempt of a few persons, who have come from Palestine to this country without any authority, without having been delegated by any group in Palestine, having played no role whatever in Jewish life in Palestine or elsewhere, to proclaim themselves as the "trustees of the Hebrew Nation's interests" is an act which, I am sure, will be rejected by all sections of the Jewish people as a fraud.

There is some danger that well-intentioned non-Jewish groups, eager to help the Jewish people in its time of tragedy, may be misled by the bombastic phrases and claims made by an insignificant group, which substitutes noise for a complete lack of standing, authority and influence in Jewish life. These well-meaning friends must be warned that by allowing themselves to be persuaded by these impertinent manoeuvres, they are harming the very cause, which they wish to serve.

The insignificant group which the members of the new committee claim to represent has already done untold damage in Palestine by trying to break the unity of Palestinian Jewry and by introducing methods which the overwhelming majority of Palestinian Jewry has rejected with scorn and contempt.

American public opinion should not allow itself to be fooled by the acts of a few men, whom a normally organized people would deal with as traitors to the common cause and exclude from its community.

There is not the slightest chance that any responsible group, Jewish or non-Jewish, not to speak of governments or the

- 2 -

League of Nations, will pay any attention to this group. But, as they have in the past, through various tricks, succeeded in misleading and confusing spokesmen of American public opinion, this warning is necessary. Whoever wants to help the Jewish people and the Zionist movement must do it by cooperating with the established and recognized organizations, the leading one of which is the Jewish Agency, the only internationally recognized body authorized to act for the Jewish people in all matters affecting Palestine. By helping the self-styled Hebrew Committee of National Liberation, which purports to speak on behalf of Jews who never gave them authority to represent them, the prestige and influence of the Jewish organizations, charged with the complex and responsible task of building the Jewish homeland, will be weakened, and harm will be done to the Jewish people.

5/17/44

FOR IMMEDIATE RELEASE

FROM: OFFICE OF ALFRED E. SMITH
EMPIRE STATE BUILDING
NEW YORK 1, N. Y.
LONGACRE 5-3210
5/25/44

AN APPEAL TO THE PRESIDENT OF THE UNITED STATES

The civilized world is appalled by the news of new criminal plans of Hitler and his puppets to exterminate the innocent and helpless minorities that have lately fallen into their hands. In Hungary alone nearly a million lives hang in the balance. Men, women and children, who have committed no recognized crime but whose only offense is an ancient lineage and a high moral code hated by the Nazis, are being herded into concentration camps. There, in defiance of all the laws of Christian civilization, they are about to be exterminated.

As citizens of a free nation and as believers in the doctrine of the sanctity of human life, we cannot remain silent while those shocking crimes are being committed, but are forced by our deepest convictions to protest against the Nazi barbarities.

We call upon the Governments of the United States and all the Allied Nations to repeat their warnings to the Nazis and their satellites that no person who participates in crimes against the Jews and other minorities shall escape punishment. We urge the Allied Governments to speak directly to the people of the satellite countries through all the broadcasting facilities owned by the United Nations and to warn their puppet officials and other collaborators through neutral diplomatic channels that the end of the war will bring swift retribution upon all those guilty of atrocities.

Furthermore, it is our belief that the people marked for death must be informed that they have friends among the free nations of the world. By word and by concrete act, the American people and their allies must let them know that there are hearts that understand their sufferings and hands that are eager to help them. If they are convinced that the free and democratic peoples recognize them as brothers under God, it will give them hope and the courage to use every means within reach to escape Hitler's torture chambers and death traps.

For these reasons we endorse the idea of establishing

in this country temporary havens of refuge for those who are brought out of Europe by the War Refugee Board. It is a moral obligation of the United States and all other freedom-loving nations to erect temporary havens where the refugees may find sanctuary until conditions in their native lands enable them to return and take up their lives in the atmosphere of respect and decency and charity that our certain victory will create.

(signed)

Alfred E. Smith

- Chauncey Sparks, Governor of Alabama
- Sidney P. Osborn, Governor of Arizona
- John C. Vivian, Governor of Colorado
- Spessard L. Holland, Governor of Florida
- C. A. Bottolfson, Governor of Idaho
- Henry F. Schricker, Governor of Indiana
- Simeon Willis, Governor of Kentucky
- Herbert R. O'Connor, Governor of Maryland
- Thomas L. Bailey, Governor of Mississippi
- Robert O. Blood, Governor of New Hampshire
- Walter E. Edge, Governor of New Jersey
- J. M. Broughton, Governor of North Carolina
- John W. Bricker, Governor of ~~Idaho~~ Ohio
- J. Howard McGrath, Governor of Rhode Island
- Olin D. Johnston, Governor of South Carolina
- M. Q. Shurpe, Governor of South Dakota
- Matthew M. Neely, Governor of West Virginia
- L. C. Hunt, Governor of Wyoming
- Charles G. Dawes, former Vice-President of the United States
- Frank Murphy, Associate Justice of the U. S. Supreme Court
- Robert F. Wagner, U. S. Senator from New York
- James A. Farley, former U. S. Postmaster General
- Owen D. Young, chairman of the General Electric Company
- Judge John P. McGorty, of Chicago, Illinois
- Frank S. Hogan, District Attorney of New York County
- Basil O'Connor, of New York City, former law partner of President Roosevelt

Dr. Nicholas Murray Butler, President of Columbia University and co-winner of the 1931 Nobel Peace Prize

Dr. Irving Langmuir, of Schenectady, N. Y., winner of the 1932 Nobel Prize in Chemistry

Dr. Robert A. Millikan, of Pasadena, Calif., winner of the 1923 Nobel Prize in Physics

Dr. George R. Minot, of Brookline, Mass., co-winner of the 1934 Nobel Prize in Medicine

Dr. Harry Woodburn Chase, Chancellor of New York University

George N. Shuster, President of Hunter College

Harry N. Wright, President of the College of the City of New York

Frank P. Graham, President of the University of North Carolina

Robert G. Sproul, President of the University of California

William P. Tolley, Chancellor of Syracuse University

Raymond R. Paty, President of the University of Alabama

Homer P. Rainey, President of the University of Texas

R. B. Von Kleinsmid, President of the University of Southern California

Very Rev. M. J. O'Connell, President of De Paul University

F. C. Bolton, President of Agricultural and Mechanical College of Texas

L. N. Duncan, President of Alabama Polytechnic Institute

John L. McMahon, President of Our Lady of Lake College, San Antonio, Texas

Prof. Eugene H. Byrne, of Columbia University

Prof. Harry J. Carman, of Columbia University

Prof. Helen C. White, of the University of Wisconsin

Thomas H. McInnerney, Chairman of the National Dairy Products Corp.

Dr. Samuel McCrea Cavert, General Secretary, Federal Council of the Churches of Christ in America

James S. Adams, President of Standard Brands

Robert Gaylord, President of the National Association of Manufacturers

A. T. Mercier, of Chicago, Ill., President of the Southern Pacific Railroad Company

J. C. Happenny, of Tulsa, Okla., President of the Oklahoma Power & Water Company

P. C. Lauinger, of Tulsa, Okla., publisher

William Green, President, American Federation of Labor

James B. Carey, Secretary of the CIO

Samuel Seabury, New York

Edward Skillin, Jr., New York, Editor of the Commonweal

Quentin Reynolds, war correspondent and author

William Rose Benet, New York, poet and editor

Edna St. Vincent Millay, poet

Margaret Culkin Banning, Duluth, Minn., novelist

John B. Collins, editor of The Pittsburgh Catholic

Maurice F. Donegan, former Chief Justice of the Supreme Court of Iowa

Martin Quigley, New York City, editor

Daniel Mahoney, Miami, Fla.

Leo Considine, Oklahoma City, Okla.

Andrew T. Healy, Miami, Fla.

Thomas P. McDonald, St. Louis, Mo., attorney

James J. Moore, New York City

Andrew P. Burke, San Francisco, Calif.

George W. Strake, Houston, Texas

BJR-286
Distribution of true
reading only by special
arrangement. (SECRET W)

Algiers

Dated May 25, 1944

Rec'd 7:30 p.m.

Secretary of State,

Washington

US URGENT

1727, May 25, 4 p.m.

FROM MURPHY FOR WAR REFUGEE BOARD FROM ACKERMANN

NO. 21.

Continued evacuation of Yugoslav refugees to Italy depends on their continued removal to Middle East or other areas. Middle East recently agreed accept additional 14, 500 but now reports that acceptance was on condition that UNRRA would supply additional medical personnel. Such additional help not provided and efforts to secure assistance locally not sufficiently productive. Since this will impede refugee flow recommended you investigate and urge UNRRA to secure needed personnel immediately. Refer my cable No. 17 of May 3. Also suggest you ask War Department for copy of my 201 of May 24 referring to request to UNRRA for assistance in staffing refugee camps French North Africa and Italy.

CHAPIN

REP
RR

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, London
 TO: Secretary of State, Washington
 DATED: May 25, 1944
 NUMBER: 4208

SECRET

Following is for War Refugee Board's attention.

Concerning the action taken in an attempt to help Jews and other being deported from Hungary, Randall of the Foreign Office was advised of the contents of Department's cable of May 17, No. 3934.

According to Randall, the BBC already has made broadcasts to the continent in the Hungarian language, warning the Hungarian Government against deportation and persecution of Jews. It was stated by him that the British had also approached the Vatican, but that inasmuch as the church in Hungary is under Axis domination it is not believed that we can expect much from this source. The Swiss Government has been requested by the British Minister in Bern to ascertain, if possible, the truth of the various reports which have come from Hungary concerning persecution of Jews, but no reply has been forthcoming as yet. Although the Soviet Government has not been directly approached concerning the situation in Hungary, it was approached previously with respect to a similar situation in Bulgaria, with somewhat negative results. It was confidentially stated by Randall that the Russian reply had been to the effect that the Government of Bulgaria was so thoroughly under the thumb of Germany that the Soviet Government did not feel any useful purpose would be served by approaches to it. Randall feels that a similar reply would be made if the Soviet Government were asked to use its influence on Hungary.

The office of Mr. Schoenfeld has approached the Czech Government in London concerning the Czech request that Moscow take all possible action to protect Czech nations in sub-Carpatho-Russia. The Czech Government apparently has no special comment to make at this time concerning the situation, other than to state that at the present the unwillingness of the Government of Turkey to ease its restrictions on refugees entering Turkey is the main stumbling block to the escape of Czech refugees from central Europe.

BUCKELL

DCR:VAG:HL 5/27/44

FE-419

PLAIN

London

Dated May 25, 1944

Rec'd 6 a.m., 26th

Secretary of State

Washington

4227, Twenty-fifth

CONFIDENTIAL LIMITED DISTRIBUTION ONLY

FOR DEPARTMENT AND FEA

Reference Department's 4046, May 22.

Relief subcommittee approves transfer of \$25,000

to American Friends' Service Committee representative
in Lisbon and similar amount to its representative
in Switzerland for the purposes and under the conditions
given in Department's telegram under reference.

BUCKNELL

EDA EEC

PARAPHRASE OF TELEGRAM SENT

FROM: American Consulate General, Jerusalem
TO: Secretary of State, Washington
DATED: May 25, 1944
NUMBER: 71

CONFIDENTIAL

Department's cable of May 11, No. 101 is referred to herewith.

You are informed that yesterday there arrived in Haifa the group of 317 refugees who reached Turkey on the steamer HARITZA. Included in the group were a few Jews who escaped from Hungary early in May. The names of Hungarian officials associated with the Germans in persecution of the Jews which have been supplied by those refugees are as follows:

Yaros Andor Minister of Interior, Baky Laszlo Deputy Chief of Jewish Department, Andre Laszlo formerly reported as Minister of Interior now said to be chief of Jewish Department, Ministry of Interior, Dovenyi Naglagos liason officer between Hungarian and German armies, Zrrokol Gexvari, head of central Police, Keledy Tibor, Mayor of Budapest.

PINKERTON

the information, all of the above is for publication.

It is imperative that the United States send out as effective warning as possible as this is the zero hour for salvation of 800,000 Hungarian Jews. To secure the admission of Jews wherever they may be able to escape is also necessary. Appointment of special representatives to deal with rescue and protection of Hungarian Jews by neutral powers or International Red Cross is highly advisable. Also it is most advisable that envoys of the War Refugee Board proceed for the same purpose immediately to Geneva and Istanbul.

In an effort to continue by sea from Constanza small groups escape over the border to Rumania. In small boats 500 Greek and 1,200 Rumanian refugees reached Turkey during April and May and subsequently came to Palestine. Because the Germans refused to give the ship safe conduct the scheme of Hirschmann regarding charter of a large ship has not yet materialized. Unless this large ship is prepared to sail without safe conduct the only available method remaining is the use of small boats. Every day counts and very large sums are needed. Although it has not yet replied, the Joint has been approached. Until present advanced 170,000 pounds, but hundreds thousands more needed for execution other plans. It is absolutely indispensable that you share this expenditure.

PINKERTON

CABLE TO LISBON

Please deliver following message to Minister Norweb, Lisbon, for Dexter, War Refugee Board Representative, from J. W. Pehle.

Re your letter May 13 to Stewart. All arrangements for your salary payments are being handled in Lisbon and modification of these arrangements to provide for payment partly in Washington and partly in Lisbon would be very cumbersome and difficult at this time. Under circumstances suggest you accept full salary payment in Lisbon as originally planned and mail or otherwise transfer to your bank in Cambridge such funds as you see fit. Regret that alternative you propose is not practical at present.

THIS IS WRB LISBON CABLE NO. 32.

May 25, 1944
11:20 a.m.

WStewart:pdk 5/24/44

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
 TO: American Legation, Lisbon
 DATED: May 25, 1944
 NUMBER: 1479

SECRET

TO AMBASSADOR NORMAN AND DEXTER

1. Please represent to the Portuguese government that, according to persistent and seemingly authentic reports, systematic mass-extermination of Jews in Hungary has begun. The lives of 800,000 human beings in Hungary may well depend on the restraint that may result from the presence in that country of the largest possible number of foreign observers. To this end, please urge appropriate authorities in the interest of most elementary humanity to take immediate steps to increase to the largest possible extent the numbers of Portuguese diplomatic and consular personnel in Hungary and to distribute them as widely as possible throughout the country.

It is hoped, of course, that all such diplomatic and consular representatives will use all means available to them to persuade individuals and officials to desist from further barbarisms.

Please inform Department forthwith of extent to which Portuguese government is cooperating in the matter.

2. Reference is made to Department's 713 of March 7, and 1013 of April 12 and to your 779 of March 11 and 1150 of April 18. Please advise promptly whether Hungarian channels still available and effective.

3. The following for David P. Jeffe, Palace Hotel

Please advise War Refugee Board through Embassy whether you are in communication with Isambek Khan. If not, please advise whether you deem it practical for Board to request him directly at your suggestion to assist in connection with Hungarian problem.

4. For Dexter:

If Jeffe not familiar with Hungarian problem, please advise him as above.

THIS IS VEB LISBON CABLE NO. 21.

HULL

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Lisbon
TO: Secretary of State, Washington
DATE: May 25, 1944
NUMBER: 1595

CONFIDENTIAL

Reference is made herewith to Department's May 20 telegram No. 1431.

As regards commitments to pay salary of \$200 and seven dollars per diem to Miss Eleanor Widen, do not believe it defensible that Miss Widen be given total remuneration forty-seven percent greater than that received by recently appointed Foreign Service clerk performing similar duties. Department may wish to urge the Board to reconsider amount of remuneration to be paid, provided WRB commitment has not been approved. However, if Department has concurred in Board's commitment already, the advisability of restricting payments abroad to equal remuneration now received by Foreign Service clerks in same capacity, balance of payments effected to employee's credit in U. S., might be considered by the Department.

NORWEB

GAR#166
Distribution of true
reading only by special
arrangement. SECRET F

Lisbon

Dated May 25, 1944

Rec'd 2:28 p.m.

Secretary of State

Washington

1599, May 25, 5 p.m.

Referring Sephardic Jews in Greece claiming
Portuguese nationality Department's No. 1365 (WRB
23) Portuguese Government reports matter referred
their representative Athens for attention. WRB 54.

NORWEB

BB RR

MRE-340
Distribution of true
reading only by special
arrangement. (SECRET W)

Lisbon

Dated May 25, 1944

Rec'd 10 p.m.

Secretary of State

Washington

1604, May 25, 7 p.m.

WRB 53

Embassy has asked Portuguese Government if on humanitarian grounds it can secure information on situation Jews in Hungary. It promises advise Embassy if information obtainable.

Replying Department's 1459, WRB 30. Have Swiss been asked for this information also.

NORWEB

REP
EJH

SECRET BY COURIER

A-292

5:45 pm

SENT BY SECRET AIRGRAM

AMEMBASSY,

MADRID (SPAIN).

CONFIDENTIAL FOR THE OFFICER IN CHARGE FROM THE WAR REFUGEE BOARD.

There is given below the text of a communication received by the World Jewish Congress, New York, from Isaac Weissman, its representative in Portugal.

The Board would appreciate whatever comments or suggestions you might make regarding the conversation between Ambassador Franco and Mr. Weissman reported in this communication. In this connection, the Board would be grateful for any information bearing upon the Department's cable no. 1108 of April 21 to Madrid.

Meeting with D. Nicolau Franco,
Spanish Ambassador to Lisbon,
on April 8th, 1944.

QUOTE The Ambassador began by inquiring if the Jews in Athens are Spanish citizens or only Spanish protected people (among the Sephardi Spanish Jews part are considered only as protected people owing to lack of certain administrative formalities which they did not fulfill in time, and part are considered as regular Spanish citizens). He added that he was asking this question merely from an informative point of view, since the answer would have no influence on the action to be taken. I then showed the Ambassador the cable in which mention is made of Jewish Spanish citizens and not of proteges. (A wire of April 5 received from Barlas at Istanbul).

The Ambassador endeavored to explain that the world overestimates the so-called influence of Spain on Germany, saying that Spanish relations with Germany are only friendly and nothing more. On my remark that neither influence nor special friendship applied when a country intervenes on behalf of its own citizens, the Ambassador answered that intervention would occur.

He then explained in friendly words that Spain is not only

not anti-semitic

A-292, May 27; 5:45 p.m. -2-

to Madrid

not anti-semitic but on the contrary, his brother, General Franco, is very interested in the Jewish question, especially in the Sephardi Jews. He told me further that in spite of all endeavors by the Germans Spain has introduced no anti-semitic laws and that his brother has always avoided introducing measures which might involve difficulties for the Jews in Tangier, where banking and commerce are, to a large extent, in their hands. At this, I ventured to draw the attention of the Ambassador in clear terms to the difficulties which Sephardi Jews of Spanish citizenship are enduring in Spain and all the occupied countries. I also mentioned the fact that 450 Sephardi Spanish Jews who entered Spain some weeks ago must leave that country before any more are allowed to enter. There are about 200 such Jews on the Franco-Spanish border at Perpignan who are unable to obtain their Spanish visas, although they are Spanish citizens, so long as the aforementioned 450 Jews are still in Spain. I then went on to inform him of the 500 Spanish Jews at present interned in the Camp of Drancy near Paris; about the many Jews (Spanish) living in hiding in Paris who cannot obtain visas for Spain and are in no way protected by the Spanish Consulates in spite of their Spanish citizenship. I added that I surmised that these facts were not of the knowledge of the high officials, and even less in the possession of the Spanish Ministers, otherwise from what he had just told me, they would have proffered protection to their nations.

The Ambassador was visibly impressed by my remarks and assured me that his Government is sincerely interested in helping all these unfortunate people. He said he was grateful to us for turning the light on these events.

We finally came to the decision to deal in the first place with the 400 Spanish Jews in Greece, and as soon as this is achieved the Ambassador will request my presence again for the purpose of submitting our other claims.

With regard to the 400 Spanish Jews in Greece, the Ambassador promised me he would immediately contact by telephone Count Jordana, Spanish Minister for Foreign Affairs and he assured me again that steps will be taken without delay to obtain from the Germans their release and permission to leave Greece UNQUOTE.

The cablegram of April 5 in reference above reads as follows:

QUOTE 400 Jews Spanish citizens living in Athens sent to concentration camp Haidari according reliable information. Intervention through Shagrirt Madrid asking protection Spanish Government necessary. Possibility arranging transportation by Swedish boat running for International Redcross under negotiation. Immigration certificates Palestine assured on arrival here. Wire action essential prevent deportation timebeing. Barlas UNQUOTE

WRB:NEV:EG 5/25/44

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PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: Ambassador, Madrid.
DATED: May 25, 1944
NUMBER: 1485

Nothing contained in Department's 1384 of May 16, particularly the first sentence thereof, is to be construed as modifying in any way the policy expressed in Department's 998 of April 10. 1384 was intended to apply, as the Department believes you understood, only to the current GRIPSHOLM exchange.

Use of GRIPSHOLM for exchange of other than repatriated nationals of the participating country is precluded by terms of the charter. Therefore, the Department is exploring other means of effecting the exchange against Germans in the other American Republics of all persecuted persons whom the German Government is willing to release. Bearers of passports of the other American Republics or other foreign travel documents will have first consideration.

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Stockholm
DATED: May 25, 1944
NUMBER: 1010

SECRET

Attention of Olsen and Minister Johnson

Please represent to the Swedish government that, according to persistent and seemingly authentic reports, systematic mass-extinction of Jews in Hungary has begun. The lives of 800,000 human beings in Hungary may well depend on the restraint that may result from the presence in that country of the largest possible number of foreign observers. To this end, please urge appropriate authorities in the interest of most elementary humanity to take immediate steps to increase to the largest possible extent the numbers of Swedish diplomatic and consular personnel in Hungary and to distribute them as widely as possible throughout the country.

It is hoped, of course, that all such diplomatic and consular representatives will use all means available to them to persuade individuals and officials to desist from further barbarisms.

Please inform Department forthwith of extent to which Swedish government is cooperating in this matter.

THIS IS WRB STOCKHOLM CABLE NO. 17.

HULL

PARAPHRASE OF TELEGRAM SENT

FROM: American Legation, Stockholm
TO: Secretary of State, Washington
DATED: May 25, 1944
NUMBER: 1859

CONFIDENTIAL

Following is for WRB, our No. 19.

The sources which stated information has been confirmed in Switzerland have informed us that German authorities have evacuated all Jews from the southern and northern frontiers of Hungary and have concentrated them in Ghettos located in the following places: Beregszasz, Beszterce, Debrecen, Des, Kassa, Marmarossziget, Miskolc, Kolozsvár, Wágyszollos, Nyiregyháza and Szeged. Concerning Jews on the eastern frontiers we have no word.

JOHNSON

PARAPHRASE OF TELEGRAM SENT

FROM: American Legation, Stockholm
TO: Secretary of State, Washington
DATED: May 25, 1944
NUMBER: 1877

CONFIDENTIAL

Following is for the attention of WEB, our No. 21.

Reference is made herewith to Legation's cable of May 22, No. 967.

The Swedish Foreign Office has again been approached by the Legation in accordance with instructions contained in WEB no. 13. The Swedes have been extremely cooperative and sympathetic and today are instructing the Swedish Minister in Berlin to request the Germans for permission to divert the vessel and to guarantee safe conduct. The Swedish Red Cross has agreed to act as charter party. It is indicated by a cable received from the master of the RANDALAND that the vessel is sufficiently seaworthy to make the proposed voyage and that after appropriate refitting in Istanbul to provide sanitary, lifesaving and kitchen equipment, the vessel will be able to accommodate between 400 and 500 persons.

The Swedes have been advised by us that all arrangements for selection of refugees for embarkation, exit permits, and assembling refugees at port of embarkation will be taken care of through War Refugee Board's facilities and that when the RANDALAND arrives at Constanza, all such necessary arrangements will have been completed. This is important as the Swedes do not want to assume responsibility for such matters and, in fact, they have no available facilities in the area for such purposes.

The Swedes are sincerely willing to press the strongest possible case with the Germans although they are frankly very dubious regarding the whole proposition.

JOHNSON

CABLE TO MINISTER HARRISON AND McCLELLAND, BERN, SWITZERLAND

In view disappointingly negative response contained your 3147, May 17, and further in view of desperate situation prevailing internment camps generally, Board is interested stockpile proposal your 1366, March 6 and 2031, April 1, and Intercross letter to you February 29.

In this direction, Board would appreciate information along following:

1. Assurances such stocks would benefit unassimilated groups exclusively.
2. Names of camps where such programs could be undertaken with usual distribution guarantees.
3. The number of standard food parcels and clothing parcels that Intercross estimates could be shipped monthly existing Intercross facilities.

THIS IS WRB BERN CABLE NO. 28.

May 25, 1944

11:20 a.m.

AA:PH:PJMcc/jp

5/23/44

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Bern
DATED: May 25, 1944
NUMBER: 1805

SECRET

Attention of McClelland and Minister Harrison

Please represent to the Swiss Government that, according to persistent and seemingly authentic reports, systematic mass-extinction of Jews in Hungary has begun. The lives of 800,000 human beings in Hungary may well depend on the restraint that may result from the presence in that country of the largest possible number of foreign observers. To this end, please urge appropriate authorities in the interest of most elementary humanity to take immediate steps to increase to the largest possible extent the numbers of Swiss diplomatic and consular personnel in Hungary and to distribute them as widely as possible throughout the country.

It is hoped, of course, that all such diplomatic and consular representatives will use all means available to them to persuade individuals and officials to desist from further barbarisms.

Please inform Department forthwith of extent to which Swiss Government is cooperating in this matter.

THIS IS WRB BERN CABLE NO. 26.

HULL

ORIGINAL TEXT OF TELEGRAM SENT

FROM Secretary of State, Washington
 TO American Legation, Bern
 DATED May 25, 1944
 NUMBER 1806

SUBJECT

Following is for Minister Harrison and McClelland, Bern, Switzerland

Reference is made to Department's 1023 of March 27 and your 2312 of April 12.

Please represent to Interesses that according to persistent and steadily authentic reports, systematic mass extermination of Jews in Hungary has begun. The lives of 800,000 human beings may well depend on the protestant that may result from the presence in Hungary of the largest possible number of international observers. It is difficult to believe that measures designed to check such slaughter directly or indirectly can be considered by Interesses as "intruding into domestic policy" within the meaning of your 2312. If the measure suggested is unprecedented, so is the emergency.

Please convey to Interesses the urgent hope of the Government of the United States that the special delegation requested in our 1023 will be sent forthwith to Hungary. Failing this, it is felt that a considerable and immediate enlarging of Interesses delegation in Budapest and throughout Hungary, especially in the localities in which Jews are being concentrated, is an elementary humanitarian obligation of Interesses in face of this man-made disaster.

Confident that Interesses will rise to the emergency, this Government would appreciate receiving prompt information as to the number and distribution of Interesses delegates in Hungary and as to the extent to which they are able to observe the treatment of Jews in that country.

THIS IS VERY URGENT MATTER NO. 27.

END.

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATE: May 25, 1944
NUMBER: 3341

CONFIDENTIAL

Following is sent by Hirsch Comite Refugees Intellectuals for information of Weissman Self-Help New York.

Your communication of March 31 has been received. Recent news from Fanny Ledermann, Charles Kauffmann, and Marguerite Sellier, France received April 12. The money and parcels have been sent. Request has been made by Josef Blumstein, Basel to address money for Charles Kauffmann to us. Continuous correspondence being carried on Sonnenfeld and Birko Victor. Seven hundred Swiss francs per month are needed by Moritz Tildeheil Bronner. Your first three thousand was acknowledged in our March 16 wire. Total remittance Swiss francs from you in possession. Please inform Josef Ladislav Loewenbein (mother Irma Loewenbein, care National Refugee Service Committee) remains at Vyhne in Jewish Working Camp. It is requested that sum payable for Sutro be indicated. Message Suzanne Ferrier Emigration Service Committee received, Geneva report relative to matter is being forwarded.

Following are figures on our recent financial operations:

\$3,000 equalling 12869.80 Swiss francs received March 28. In occupied territories have disbursed: France five thousand francs for direct relief to people in hiding, 2569.80 francs to effect rescue several families, one thousand francs for research work; for direct relief Belgium 1050 francs. In Switzerland have disbursed: 1750 francs for miscellaneous financial relief, 650 francs to effect liberations from camps, 850 francs for study fees for students. Francs 12869.80 total spent. If you desire further information it will be forwarded.

HARRISON

PLAIN

Bern

Dated May 25, 1944

Rec'd 10:01 p.m.

Secretary of State,
Washington.

3345, twenty-fifth. (SECTION TWO)

World Concil Reconstruction Department reports desire many continental churches to organize nationwide institutes for training lay leadership in view mobilizing churches and evangelizing masses.

Ecumenical Refugee Commission and Swiss Committee have received permission authorities to proceed project building by refugees themselves home refugees. Later to be used as ecumenical conference center. Project financed by American and Swiss contributions.

Netherlands.

Five hundred Dutch pastors met at Utrecht to hear Berkelbach on ecumenical task of church and Kraemer on: The Church at Crossroads. Berkelbach emphasized inevitability ecumenical movement especially in time of calamity. Netherlands Bible Society reports largest sale scriptures in hundred thirty years. Seventy five thousand bibles ninety thousand testaments forty thousand portions new translation Psalms sold out immediately after appearance.

Bulgaria. Great Newsky cathedral seriously damaged by bombardment and no longer in use metropolitan and synod evacuated to monasteries.

Rumania. Patriarchate and theological faculty evacuated from Bucharest.

Hungary. Two Baptist periodicals and Salvation Army magazine have been forbidden.

Switzerland. Annual meeting Federation Churches June will be consecrated to postwar reconstruction.

France. All Protestant bodies working together on plan general coordination in comprehensive organization called Protestant action with sections for youth family professional associations education philanthropy and literature. (End Message)

HARRISON

CSB

REC- 282

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

Bern

Dated May 25, 1944

Rec'd 7 p.m.

Secretary of State,

Washington.

US URGENT.

3346, May 25, 4 p.m., (SECTION ONE).

FOR ELMER DAVIS, CARROLL WENNER ONI FROM MAYOR.

BHMAE 24493.

Further reference our 1912.30.

According to all reliable information (including some published in Hungarian newspapers particularly provincial press) unmistakably steps are being taken preparatory to massive deportation and extermination of the Jewish population especially in Carpatho-Russian and Maramoros regions. The number of people immediately involved is about 200,000 and the action shows every sign of being extended to the Jewish population in Hungary proper.

This action has all the namelessly tragic and brutal earmarks of similar actions carried out in Poland by the Nazis and their henchmen. It is being most savagely taken in northeastern Hungary (along Slovakian border and in Carpatho-Ukraine) the principal towns involved being:

Kassa, Ungvar, Munkacs, Bereszsasz, Maramaros, Sziget and Nagy Sallós. About 200,000 Jews live in this region (namely some 20% to 22% of the population.

During the second half of April concentration of the Jewish population began in the districts of Ung, Bereg, Maramaros, and Peremvidék. In the outlying towns they were first assembled in the synagogues and in the case of the town of Ungvar (district of Ung) concentrated in the Moskorics tile factory, in the Kaposcrtrasse and Randanyerstrasse. At first some 8,700 Jews from surrounding townships were brought here; later when the number grew to 14,000 and there was not room enough in the tile factory, those newly driven in were concentrated from April 30 on in a wood yard belonging to Glueck and Company. The Mayor of the town of Ungvar, Dr. Megay Laslo, as a result of the general attempt of Christian population to bring clothing and food to these Jews, ordered that such concentration camps be isolated and that all traffic in adjoining streets be stopped. He further requested central authorities "to get the Jews out of town as quickly as possible because their presence endangered not only the public peace but hygienic conditions."

HARRISON

REP
EJH

MJK-247

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

Bern

Dated May 25, 1944

Rec'd 5:36 p.m.

242

Secretary of State,
Washington.

US URGENT.

3346, May 25, 8 a.m., (SECTION TWO).

In the town Munkacs Jews from surrounding villages were concentrated at first in area bordered by Kostuhlajos and Jrinyi streets and later transferred to cattle market in the same town. This brutal action considerably aroused the whole (*).

In the town Beregszasz Jews from outlying districts were brought to Vari and Kent tile factories. Varitile factory could house a maximum of four thousand people but twelve thousand to fifteen thousand persons were crowded into it.

In the town Kassa Jews were also concentrated in the open cattle market and in the municipal slaughter houses. In this town in particular the action aroused great popular feeling since the Jewish population played an important part in the town's industries and commercial establishments.

For all reliable reports - and this is even reflected in the Hungarian press especially in the provinces - the Hungarian population have not sympathized with such brutal anti-Jewish measures. On the contrary they have openly sided with the persecuted Jews and have continually attempted to aid these wretched souls by bringing them food and clothing.

On the other hand the Hungarian authorities have taken severe measures to isolate such concentration camps and to cut off all assistance from outside. To quote from one paper: "The mass attempt to get food and clothing to Jews in concentration areas on the part of the population has been incomprehensible phenomenon. As a result the authorities have been forced to take the necessary police measures to cut off such Jews from all contact with the population."

The lot of these Jews in such improvised "camps" is wretched. Such cattle markets, tile factories and wood yards are almost completely devoid of sanitary facilities and in many instances thousands of men women children old and sick people are forced to live in the open under conditions of frightful crowding and promiscuity. They were permitted to take nothing with them in the way of blankets

or covers

- 2 -

or covers and it becomes tragically obvious that a great many will die of exposure disease and slow starvation even before they are jammed 80 to 100 to a wagon into cattle cars for deportation.

HARRISON

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PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATE: May 25, 1944, Section Three
NO.: 3346

It is my urgent suggestion, in close collaboration with the War Refugee Board representative here, that the Government of the USSR be prevailed upon in regard to the purpose of the occupation of Hungary by the Nazis, to associate itself with the declaration of March 24 by President Roosevelt (Eden March 31). Since the Soviet armies are standing on the frontiers of Hungary and the fear of the Russians in the hearts of a large number of "collaborators" in Hungary is mortal, a declaration by the Soviet Union would have all the more weight. A man who returned from Hungary quite recently and who had seen Horthy gave a reliable report that the old man stated that the persecution of the Jews was deplorable in his opinion; but, on the other hand, he felt strongly that as for the Germans who are defending Hungary from the "Bolshevik peril", everything should be done to placate them.

Logically it is to be expected furthermore that the Russians would issue such a statement since their government carried out the "Kharkov trials" after having subscribed to the "War criminal" clause of Moscow agreement.

HARRISON

PARAPHRASE OF TELEGRAM REQUIRED

FROM: AMERICAN LEGATION, RERH
 TO: Secretary of State, Washington
 DATED: May 25, 1944
 NO. 3346 (Section Five)

Copy of following cable should be sent to WRE.

Certain channels of particular value (especially Communist) would be reopened up, through which relief and rescue operations from Switzerland could be carried on in the Balkans if, like the British Government, the Russians would associate themselves with this initiative. Several well-organized underground channels will either be only partly available to WRE activities from Switzerland or remain entirely closed unless the Soviet Government issues such a declaration. (As the work might be hampered and the reaction unfavorable, no mention of Switzerland in particular should be made in any such declaration).

Lastly, it is suggested, on the basis of several appeals which have been received from very dependable groups working in Hungary, that the intention of the Government of the United States to establish provisional havens of refuge be reaffirmed by the WRE or even better by the President on behalf of the work of WRE. In North Africa probably and in former Italian Tripoli and Cyrenaica-Bengasi, particularly as has been suggested, all Jewish and other persecuted fugitives from the Balkans and Hungary—pending the time they can go back to their homes—will be given shelter and refuge in such havens. The Inter-cross might also be influenced in this way to become more active.

(MESSAGE ENDS).

HARRISON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATE: May 25, 1944, 4 p.m.
NO: 3346 (Section four).

By pamphlets especially should the Russian appeal (or rather threat) be publicized since most of the Hungarians do not possess radios in the regions concerned.

In any propaganda campaign the emphasis ought to be placed on the complicity of the satellite Hungarian authorities in inveigling, lending willing hands and carrying out this persecution. Facts which should not be forgotten are that the former Government of Hungary not only had pursued a long-standing policy of anti-Semitism, but also that in the guilt of deportation to Galicia and Poland of some 17,000 Jews (for the reason that they were not able to establish adequately their Hungarian Jews deported in 1942 in forced labor battalions to the eastern front in most cases to death from military action, exposure, disease and hunger; and had been directly responsible for the massacres of several thousand Serbs and Jews at Zabljak and Ugvidik (Novi Sad) in January of the same year.

In addition, the Soviet Government should associate itself with the declaration of the President on the event of the establishment of the War Refugee Board, it is strongly suggested.

HARRISON

MFR:VK:MAS

5/29/44

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Embassy, Ankara
DATED: May 25, 1944
NUMBER: 467

SECRET

The War Refugee Board requests that you deliver the following message to Mr. Jacob Griffel, Hotel Continental, Beyoglu:

Your cable concerning additional 200,000 dollars received. Believed here that difficulty consists in shortage of shipping rather than lack of money, and fear competitive bidding for shipping without increasing total of persons rescued. Therefore, necessary you submit plans to American Embassy and consult Barlas and Resnik cabling your joint recommendation through Embassy.

View Hungarian situation it is suggested here that Hungarian Jews be informed to leave cities and hide countryside near Slovakian and Yugoslav borders. Vaad Hahatzala Emergency Committee, Rabbi Abraham Kalmanovitz."

For Ambassador: First paragraph of foregoing relates to 281 from Consulate General in Istanbul of May 8 and to your 848 of May 10. Would appreciate if, after hearing interested parties, you would cable us your advice.

THIS IS WEB CABLE TO ANKARA NO. 40.

HULL

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Embassy, Ankara
DATED: May 25, 1944
NUMBER: 468

CONFIDENTIAL

Please represent to the Turkish government that, according to persistent and seemingly authentic reports, systematic mass-extinction of Jews in Hungary has begun. The lives of 800,000 human beings in Hungary may well depend on the restraint that may result from the presence in that country of the largest possible number of foreign observers. To this end, please urge appropriate authorities in the interest of most elementary humanity to take immediate steps to increase to the largest possible extent the numbers of Turkish diplomatic and consular personnel in Hungary and to distribute them as widely as possible throughout the country.

It is hoped, of course, that all such diplomatic and consular representatives will use all means available to them to persuade individuals and officials to desist from further barbarisms.

Please inform Department forthwith of extent to which Turkish government is cooperating in this matter.

THIS IS WRE ANKARA CABLE NO. 43.

HULL

FROM: Secretary of State, Washington
TO: American Embassy, Ankara
DATED: May 25, 1944
NUMBER: 470

SECRET

From War Refugee Board to Ambassador Steinhardt, Ankara, Turkey.

Reference our 379 of April 28 concerning use of the BARDALAND for evacuation of refugees.

Word has been received from Ambassador Winant that the British have no objection to use of BARDALAND for refugee evacuation. On May 12 we cabled Minister Johnson in Stockholm requesting him to ask the Swedish Government whether in view of the British action it would be willing to make the BARDALAND available to the War Refugee Board. We suggested that if the Swedish Government were so willing as a preliminary step the Swedish Government should sound out the German Government's willingness to grant the BARDALAND safe conduct for such an evacuation operation.

On May 15 Minister Johnson replied that the Swedish Foreign Office appeared distinctly cooperative and that if all details were worked out it would be willing to charter the BARDALAND for refugee evacuation. According to Minister Johnson the BARDALAND is being withdrawn from Greek Relief primarily because it is badly in need of overhauling. However Minister Johnson feels that the vessel must be sufficiently seaworthy for refugee evacuation operations in view of the fact that after May 18 it was scheduled to depart for Lisbon and across the Atlantic to pick up cargo. The Swedish Foreign Office has wired the master of the BARDALAND inquiring whether he considers the vessel sufficiently seaworthy for refugee evacuation operations.

After advising that the BARDALAND is a cargo vessel of 4575 deadweight tons with virtually no accommodations for passengers Minister Johnson asked to know the number of trips anticipated, the number of refugees involved, between what ports the ship would operate, and the organization which would assume responsibility for the refugees until they reach their final destination. Minister Johnson suggested that the German Government would be more likely to act favorably on a safe conduct request and a request for diversion if the BARDALAND were chartered to some neutral agency such as Intercross rather than the War Refugee Board. Finally Minister Johnson advised that on May 18 the BARDALAND would be released from its charter to the Swedish Red Cross costing between 3000 and 4000 kroner a day and inquired whether the War Refugee Board

would be

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would be willing to assume the charter liability as of that date even if the charter negotiations ultimately proved unsuccessful.

We are cabling Minister Johnson as follows:

"It would be the War Refugee Board's intention if the Swedish Government agreed to charter the BARDALAND for refugee evacuation to have the ship proceed to Istanbul to be fitted with the necessary passenger accommodations. From Istanbul, the BARDALAND would proceed to Constanza where there are a large but unknown number of refugees available for evacuation. We feel satisfied that if the BARDALAND puts in at Constanza refugees will be available for as many trips as the ship can make. Meanwhile it would be helpful to know the number of passengers the BARDALAND can carry after being fitted with passenger accommodations. After embarkation of refugees at Constanza the War Refugee Board would desire to have the BARDALAND proceed to Istanbul where the War Refugee Board would accept responsibility for arranging for the passengers' care until such time as they could proceed by rail to Palestine.

If, in your opinion, the German Government is more likely to consider favorably a safe conduct request by the Swedish Red Cross or by Intercross for a ship chartered to either of these organizations rather than to the War Refugee Board, the Board would agree to reimburse the Swedish Red Cross or Intercross for all expenses incurred as a result of assuming the charter obligation. It would seem to the Board that valuable time could be saved if the BARDALAND were chartered to the Swedish Red Cross rather than Intercross as there would be no need to await authorizations from Geneva. In order that there be no delay until the Swedish Red Cross or Intercross agrees to accept the charter of the BARDALAND for refugee evacuation, please request the Swedish Government to make an immediate request to the German Government for permission to divert the BARDALAND and also for the necessary safe conduct.

It is assumed that you will conduct the necessary negotiations with the Swedish Red Cross or Intercross. Please advise us how we can aid on this end. It is assumed further that the BARDALAND charter negotiations will be conducted in Sweden. If so, the Board would expect you to act as its representative in the charter negotiations between the Swedish Government and the Swedish Red Cross or Intercross. It is presumed that no charter contract would be entered into between the Swedish Government and the Swedish Red Cross or Intercross without your prior agreement to all details.

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The War Refugee Board would agree to assume responsibility for the reasonable charter costs of the BARDALAND from the time that the BARDALAND puts into Istanbul for refitting with passenger accommodations. However, before such an obligation is assumed, the Board would desire some indication that the German Government would be willing to grant a safe conduct.

Please thank the Swedish Government for its sympathetic and cooperative attitude in this humanitarian undertaking."

We hope that our suggestion that the BARDALAND put in at Istanbul to be fitted with the necessary passenger accommodations is a satisfactory arrangement insofar as the Turkish Government is concerned. Of course, the information in Minister Johnson's cable concerning the BARDALAND'S equipment merely confirms what you had earlier advised us in your No. 397 of March 8. If the above arrangement is not satisfactory to the Turkish Government we would much appreciate an alternative suggestion from you.

You will note we are suggesting that Istanbul rather than Haifa be made the final destination of the proposed voyage of the BARDALAND. This was done on the urgent recommendation of a representative of the War Shipping Administration who suggested that the obtaining of the safe conduct from Constanza to Haifa would be extremely difficult and would be certain to entail much delay. He did not anticipate as great difficulties in obtaining safe conduct for a voyage whose ultimate destination would be Istanbul. This representative stated also that the alterations necessary to prepare the BARDALAND for the short run between Constanza and Istanbul would be relatively simple and quickly installed particularly in comparison to the alterations necessary to prepare the BARDALAND for the run between Constanza and Haifa which would be a major undertaking. For the latter run not only would greater attention have to be given to the minimum comfort of the passengers, but also fairly extensive feeding and sleeping facilities would have to be installed. In this representative's opinion many more and perhaps even twice as many passengers could be carried on the shorter Istanbul run. He stated that even more could be carried on the Constanza-Istanbul run if weather conditions in the Black Sea area permit passengers to be carried on the open deck.

Reference our 324 April 13 concerning the time when the TARI charter should be signed in view of German delay in taking action on TARI safe conduct.

Please advise

- 4 -

Please advise the date as of which the War Refugee Board became liable for penalty payments under the TARI charter agreement.

Reference your 788 of May 2 concerning arrival of SS MILKA. Please advise present status of shipping out of Constanza. Specifically what are the dates of the most recent sailings of the MILKA, MARITZA, AND BELLACITTA and what are the plans for their future sailings?

This is War Refugee Board cable to Ankara No. 44.

HULL

COPY

253
JSC

PARAPHRASE OF TELEGRAM SENT

FROM: American Embassy, Ankara
TO: Secretary of State, Washington
DATED: May 25, 1944
NUMBER: 950

SECRET

Following is Ankara No. 63 from the Ambassador for the War Refugee Board.

Reference is made herewith to Department's cable dated May 23, No. 458.

I am informed by the Turk authorities that their information regarding treatment of Jews in Hungary is limited because of the fact that since former Minister Kallay took refuge in the Turk Legation in Budapest, the German Gestapo has guarded the building and contacts and movements of the Turk Minister and his staff have been severely restricted.

It is indicated from such information as the Turk authorities have been able to furnish me, supplemented by information from other authoritative sources, that at the time of the German occupation there were about 750,000 Jews in Hungary including about 25,000 Jewish refugees mostly from Slovakia and some from Poland. Approximately 200,000 of this total are to be in various concentration camps in Hungary. It is said that large deportations to Poland have begun from these concentration camps. Up to May 15 it is believed that no Jews have been removed from Budapest or its environs. However, a report has been received since that date to the effect that the transfer of Jews from Budapest to concentration camps in Hungary is imminent.

- 2 -

Two days ago an individual by the name of Joel Brand, documented as the representative of the Jewish Community of Budapest, arrived in Istanbul and submitted to Barlas of the Jewish Agency a proposal which it is said originated with the Commissioner for Jewish Affairs, Eichman, to the effect that the exchange for two million cases of soap, two hundred tons of cocoa, eight hundred tons of coffee, two hundred tons of tea, and ten thousand trucks Eichman would agree to stop the deportation and extermination of Jews in all areas which the Germans occupy and including Rumania, and he would further agree to permit the exit of Jewish limited numbers to Palestine and in unlimited numbers to Spain.

STEINHARDT

DCR:VAG:HL 5/29/44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF
COMMUNICATIONS
AND RECORDS

255

JP-246

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

CONFIDENTIAL

For security Chungking
this is the
Dated May 25, 1944

Rec'd 6:26 p.m.

Secretary of State

Washington

909, May 25, noon.

TO SECRETARY TREASURY FROM ADLER

WEEKLY ECONOMIC

One. Prices Chungking wholesale general:

24700, 28900, or monthly increases of 17%. Chung-
king retail general: February 22700, March 26400,
April 28100, or increase of 9%, 16% and 7%
respectively. March - April retail general: Kunming
58400 and 68800, Chengtu 39800 and 43300. Average
retail general for 14 leading cities: February 30700,
March 34800, April 39000. All above retail indices
compiled by Farmers Bank on basis actual market prices
and thus significantly higher - in case of Chengtu by
almost 100% and of Hanking by over 50% - than same
Bank's indices based on official prices. These market
indices only recently made available. (Even Farmer's
Bank index for Chungking considerably lower than

University

DEPARTMENT OF STATE
MAY 27 1944
AND RECORDS

-2- #909, May 25, noon, from Chungking

University of Nankai and Chungking Municipality retail indices). Index of market price of rice in 10 leading cities: February 23100, March 27800, April 32500. In year ending April 1944 average retail for 14 cities quadrupled while that for Chungking increased more than $3\frac{1}{2}$ times.

Two note issue: February 86576000000 (all figures CN dollars unless otherwise stated), March 95914000000, or monthly increases of 6% and 11%. In last month there has been marked shortage of bank notes in Chungking and banks following lead of Central Bank have in effect been rationing currency to private and government customers. In Kweilin too there has been marked scarcity of currency, Central Bank's cash holdings there having fallen recently to 3,000,000. This scarcity, immediate cause of which was construction of air bases in East China, was threatening to delay their completion, and it was consequently remedied for time being by our Army's Financial Advisor arranging for flying of several hundred million dollars in notes from Kunming to Kweilin by our Army planes.

Current

-3- #909, May 25, noon, from Chungking

Current shortage of bank notes in China partly due to loss of three plane loads enroute to China and of 1,000,000,000 in Bombay dock fire. But fundamental reason is fact that inflation is entering stage where currency shortage becomes chronic. In words of Vice Minister Koo, China is like an opium addict temporarily deprived of access to opium.

GAUSS

REP
RR

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF
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CONFIDENTIAL

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

BE-164

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

Chungking

Dated May 25, 1944

Rec'd 6:33 p.m.

Secretary of State

Washington

DEPARTMENT OF STATE

MAY 29 1944

DIVISION OF
COMMUNICATIONS & RECORDS

909, May 25, 11 a.m. (SECTION TWO)

Judging from scanty reports of first sessions of current
KMT CEC meeting, Gissimo is oblivious of gravity of
economic and price situation.

Three. Re your 682 of May 19. Chungking black
market rate about 180 last two months with current
rate 170 to 175. Latest rates for Kunming 190, Chengtu
215 and Kweilin 155. Rupee in Kunming 76. Japs
recently made possession of United States currency in
occupied areas a capital offence, which together with
current scarcity of bank notes has for time being
adversely affected demand for United States dollars.

Four. Price of gold: Chungking 18500 and Kunming
\$25,000 to \$26,000 per oz. Market quiet and inactive.
According to reliable source Government has realized
only one billion CN from sales of gold. Local interest
rate on conservative loans 10% per month.

Five. While Chinese Government is continuing to
advance

-2- #909, May 25, 11 a.m. (SECTION TWO) from Chungking
advance FAPI to cover our army's current requirements
progress has been made in financial negotiations regarding
quoting rate at which we are to foot the bill.

GAUSS

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DEPARTMENT
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RA-162

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

Chungking via NR

Dated May 25, 1944

Rec'd 5:47 p.m.

Secretary of State

Washington

909, May 25, noon, (SECTION THREE)

Understand that Gissmo continues to maintain unrealistic attitude which is main stumbling-block to any reasonable settlement.

1944 spring crops better than last years. Estimates for summer harvest also favorable. This is the one redeeming feature in a bleak picture.

Seven. Agreement finally consummated between British and Chinese on sterling fifty million loan announced early in 1942 provides for use of sterling ten million for internal u(*) Sterling backed up by FAPI bond issue at a rate of conversion and on terms to be fixed jointly by British and Chinese, sterling ten million for purchase of bank notes from England and sterling 20 million for purchase of commodities within sterling area. Remaining sterling ten million to be held in reserve to be used for

further

-2- 909, May 25, noon from Chungking via NR

further internal bond issue should first sterling
ten million issue be successful. . . Loan to be avail-
able only during the war. . .

(END OF MESSAGE)

GAUSS

EDA:EMB

(*) Apparent omission.

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Information received up to 10 a.m., 25th May, 1944.

1. NAVAL

23rd/24th. In actions off DUNKIRK and HAVRE, MTB's probably torpedoed a minesweeper, possibly torpedoed a tanker and damaged escorts.

MEDITERRANEAN. 23rd. At ANZIO a U.S. Cruiser shelled ARDEA and VALLELATA.

2. MILITARY

ITALY. To 12 noon 24th. Enemy still hold PIEDMONTE. U.K. and Canadian forces broke through German defences between AQUINO and PONTECORVO and advanced a distance of 4 or 5 miles to MELFA RIVER. On high ground south of LIRI VALLEY French troops made substantial progress and are about 1,500 yards south of SAN GIOVANNI. In mountains west of PICO, French troops are closing in on PASTENA. U.S. troops have advanced to area 1 1/2 miles east of PRIVERNO and also captured SONNINO and TERRACINA, with reconnaissance elements 3 miles west of TERRACINA. In bridgehead patrols have entered CISTERNA and armoured forces have moved 3 miles northwards of CISTERNA-VELLETRI road.

3. AIR OPERATIONS

WESTERN FRONT. 24th. 4,673 offensive and escort sorties flown. Targets included BERLIN 967 tons, NAUEN (18 miles N.W. BERLIN) 67 tons, 4 airfields in FRANCE 1,101 tons, bridges 56 tons. At BERLIN cloud prevented precise assessment; elsewhere very good results. 52 locomotives destroyed. Enemy casualties reported 67, 31, 17, for loss of 32 bombers and 23 fighters missing. Escorted medium and fighter bombers attacked targets in northern FRANCE and BELGIUM including 12 airfields 376 tons, 5 coastal defences 420 tons, 6 railway centres 52 tons, 3 military objectives 95 tons and 5 radar installations 6 tons. Enemy casualties 2, 0, 0 for loss of 10 missing and 4 damaged.

24th/25th. Aircraft despatched :

AACHEN	431 (27 missing)
EINDHOVEN Radio Works	63
ANTWERP Assembly Plants	51
Coastal Batteries	226
BERLIN	15
Sea mining	25
Leaflets	27
Bomber Support and Intruders	94 (2 missing)

14 enemy aircraft operated off south coast and 2 over EAST ANGLIA where a few bombs were dropped near NEWMARKET.

ITALY. 23rd. 2,200 offensive sorties flown. Enemy casualties 10, 1, 8 for loss of 6 aircraft. Targets included 365 tons on troop concentrations AVEZZANO, GROTTAPERRATA and MARINO, and 350 tons on communications near ROME. Fighter bombers attacked enemy gun positions and bivouacs in battle areas. 24th. Fortresses dropped 185 tons on AVISIO.

AUSTRIA. 24th. Fortresses and Liberators dropped 553 tons on ATZERSDORF, MUNCHENDORF and other targets near VIENNA, 320 tons on airfield near VIENNA NEUSTADT. 6 enemy fighters shot down, 23 bombers and 2 fighters missing.

YUGOSLAVIA. 24th. Liberators dropped 80 tons on ZAGREB and 40 tons on railway centre TRAJKIN.