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June 8, 1944
9:25 a.m.

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Admiral
Chalker: Good morning, Mr. Secretary.

HMJr: How are you, Admiral?

C: I'm well, thank you, sir.

HMJr: Admiral, if I can go back a couple of years and act as though you were still taking care of me, I would like to do so.

C: Yes, sir.

HMJr: If that's all right because Admiral Waesche is away. Otherwise, I would ask him. You know I'm starting out tomorrow for Texarkana and Los Angeles.

C: Yes, sir.

HMJr: And I think they've sent for Sinton.

C: Yes, sir, we -- we asked him to come on here -- gave him orders.

HMJr: Now, you're familiar with that?

C: Yes, sir, I'm familiar with that.

HMJr: Well, now, Admiral, I know they're always worried about pushing me through but on this flight I've got to go through.

C: Yes, sir.

HMJr: And on the flights which I took to Europe with the Army, I mean, they do go through and in some cases they fly twelve and fourteen hours continuously and then they, of course, put the pilots to bed after that and give them time off. Now, coming back from Los Angeles, I may want to fly right through from Los Angeles to Washington.

C: Yes, sir.

HMJr: And if the two pilots can do it and then, with the understanding that when they come here, they'll be given time off and sent to bed, you see?

C: Yes, sir.

HMJr: So, would you mind having a talk with Sinton before he takes off?

C: I'd be very glad to do that. I'll -- I'll get hold of him and have a talk with him along that line and if they need additional pilots to help out, why, we can, of course, give them to them. Although, I see no reason why....

HMJr: Well, if they need....

C:he shouldn't be able to do it.

HMJr: Well, if they need a -- an extra man -- I mean, let them put one on the plane.

C: Yes, sir.

HMJr: And coming back, for instance, with this Major Meyers, who flies -- the head of the -- what's the name of the -- General George -- he's General George's pilot.

C: Yes, sir.

HMJr: His pilot and co-pilot -- the only extra man that I don't carry that they had on was a navigator, which, of course, they don't need.

C: No.

HMJr: But they would fly -- well, they flew me from Brazil to Washington in one day with only one stop at San Juan.

C: Yes. Well, there's no reason why they shouldn't fly through. They have -- after all, they have an automatic pilot which....

HMJr: But I wanted to know whether you thought it was all right. I mean, on a flight like that.

C: Yes, sir, I think -- there's, of course, I'd kind of hate to see you push the weather if the weather is bad.

HMJr: Well, it isn't that -- I'm not worried about so much -- I don't want to be put in the position to say, "Sinton, I'd like...." -- weather all right -- "....to fly from Los Angeles to Washington, D.C.", if -- unless you thought physically they could take it. You see?

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C: Oh, well, I -- I think there's no question on that. There's no reason why they shouldn't be able to take it from a physical standpoint.

HMJr: Well, that's it. I don't want to, you know, have them say, "We can't take it," and so forth.

C: Oh, no. They certainly ought to be able to do that. No, there's no reason at all.

HMJr: Well....

C: Because, I know, I made a flight here some time back and we were twenty-two hours from Bermuda to Ireland....

HMJr: Pardon?

C:in the air.

HMJr: Twenty-two hours what?

C: In the air from Bermuda to Ireland.

HMJr: Yes.

C: And the pilots there took it all right.

HMJr: Well, you can -- you've seen them do that and I don't think our -- don't misunderstand -- I don't think our men are used to doing that sort of thing.

C: No. I don't -- I don't think they have -- not as much as the others, but there's no reason why they shouldn't.

HMJr: Well....

C: And I'll be very glad to talk with Sinton and tell him of it and we will give them all the additional help that may be indicated.

HMJr: All right. Because I'd like Coast Guard to continue to fly me because I like the organization.

C: That's -- well, they certainly like to fly you.

HMJr: But you -- if you've gone that way, you understand those men on these overseas flights are used to doing it.

C: Yes, sir. That's right.

HMJr: And I don't think that our boys have. I don't think they've been called upon to do it.

C: No, they -- they have not. They haven't had occasion for as long a flight but

HMJr: Well, then, if you think that's all right, if you'll so-to-speak brief him for me before I start out, I'd appreciate it.

C: Yes, sir. Well, I'll do that. I'll get hold of Sinton and have a talk with him on that.

HMJr: Thank you very much.

C: Not at all.

HMJr: And I appreciate that letter that you sent to the doctor in New York. That was a very fine letter.

C: Oh, thank you very much. I -- we -- I thought Tollaksen looked very well.

HMJr: Oh, I thought -- I don't know how you felt but I got a great kick out of seeing Tollaksen.

C: Well, I did, too. I -- his whole mental outlook was so different.

HMJr: You felt that way, too?

C: Yes, sir.

HMJr: Fine. Thank you.

C: Not at all, sir.

HMJr: Good bye.

C: Bye.

June 8, 1944

I spoke to Grace Tully at ten minutes of six yesterday afternoon and she said that as far as Fred Vinson and Henry Grady were concerned, it was okay. The President didn't want to clear the members of Congress without my first telling him, so I told him it was Senator Wagner, Congressman Spence and Congressman Wolcott. She said she would try to clear those three and when I got the fourth to let her know.

Miss Tully called at three minutes of six to say that the President cleared Wagner, Spence and Wolcott.

June 8, 1944
9:30 a.m.

PROPOSED MEETING OF AMERICAN DELEGATION

Present: Mr. D. W. Bell
Mr. O'Connell
Mr. Luxford
Mr. C. S. Bell
Mr. Bernstein
Mr. Smith
Mr. White
Mrs. Klotz

H.M.JR: Mr. Dan Bell is here as an observer. He is not to take on any of these responsibilities, but he will be Acting Secretary and he may be asked at any time what is going on, especially at Cabinet tomorrow; so I want you to know what happens here, I don't want you to take on any of these responsibilities, but I do want you to know what I am doing and I will be glad to have you volunteer any suggestions.

Here is a memorandum from the President. Will you talk with me next week about sending Burke up as Collector of Port in Boston? I am being a bad boy and doing nothing. I am going to stall.

MR. D.W. BELL: Will I be asked about that tomorrow?

H.M.JR: I imagine when the President hears I am leaving town he will ask you to come over tomorrow. It's a terrific appointment.

MRS. KLOTZ: Yes, that is what he does.

H.M.JR: The fellow is a crook. I showed the President the memorandum--well, I wouldn't say he is a crook. All he did was act as State Chairman, he is in the contracting business, and take political contracts from our friend Curley.

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MR. D.W. BELL: Another Kleberg, huh?

H.M.JR: No, this fellow does it in a big way.

Now last night, after I got home, I had two conversations with Miss Tully; the first one said that the President would not clear the Senators and Congressmen without seeing them, hearing them. I was able to give her three names, and she went back, although it was after six o'clock, and saw the President and cleared all three names which I gave him, plus Vinson and Grady. So, I got five names cleared last night. I have not yet talked to Vinson. I did send Grady a telegram in which I said I would talk to him this afternoon.

This meeting that we were talking about for three o'clock, get organized, see? I think we ought to have it. I was thinking we better have it at four o'clock. Now the only thing is, we want these Senators and Congressmen to come down. I think the later we have it, the better chance we have of getting them. Are you ready, Harry, at four o'clock to have an agenda and to tell these fellows what we expect of them--the way you said yes, and so forth, when Acheson raised the question?

MR. WHITE: Yes, we are always ready for them. We will tell them what committees we expect them to work on. We give them some material to study and we will tell them approximately what we have in mind. We talked over the advisability of showing them a copy of the letter of appointment to yourselves and to them. We decided against that, but what we did do, is the lawyer drew up a brief statement which is a digest of that, so that they will know the instructions which they are operating under, which we think is desirable for them to know before. They will have that, and we will also just give them a start and tell them that we will have another meeting. You will tell them, Monday or Tuesday, and we are always available to discuss it with any of them.

H.M.JR: Don't you think four o'clock would be better?

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MR. WHITE: Yes, the later, the better. Four or five, but it is only important that you start them off.

H.M.JR: It is going to be difficult, but I told Barkley I was going to do this, because we just can't wait.

MR. LUXFORD: Mr. Secretary, underscoring what Harry said, they have got to understand that this is an instructed delegation, that they are not free to express their views. That is what this little memorandum would do, tell them, here are the obligations of a delegate.

H.M.JR: Now listen fellows, do you expect Harry White to tell Senator Wagner he can't express his views?

MR. LUXFORD: Excuse me. It is an instructed delegation. They must follow the American Government's line in their discussions with other delegates.

MR. WHITE: That is a nice way to put it. Merely that they cooperate together. It is merely necessary to show them a digest of the letter of instructions. We will read that to get out any point of friction. We can't tell them they can't express themselves, obviously, but they will appreciate--

H.M.JR: Who is going to get the President to sign this letter to me? He has never signed this one yet to me, appointing me.

MR. WHITE: Kelchner should do that.

H.M.JR: It ought to be done, because the President is very likely to go away again Friday night.

MR. WHITE: We can get it ready within a half hour.

H.M.JR: Why don't you get it and let me give it to Miss Tully to sign it?

MR. WHITE: We will get it ready at once.

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H.M.JR: It ought to be initialed by the Acting Secretary of State.

MR. WHITE: We will take care of that, too.

H.M.JR: It would be better if it would go from the Acting Secretary of State.

MR. WHITE: They have an exact copy. We will make sure it is an exact copy and we can get them to--

H.M.JR: That is the only other thing he has to sign?

MR. WHITE: That's all. The other delegates' have to be signed, I think.

MR. LUXFORD: They are signed by State, Harry.

H.M.JR: But I was thinking, if you are going to begin to show them this letter of instructions and Wagner doesn't like it, he calls up the President and the President may change it.

MR. WHITE: That's why we don't want to show it to them, but we will be careful to remove anything that will create any annoyance in their mind.

H.M.JR: But let me ease them into this thing. You know--

MR. WHITE: That's why the first meeting with them will be no more than giving them material, telling them what you have in mind, and indicating that we are available and suggesting that Vinson-treat him as a senior member. I think it would be helpful.

H.M.JR: I am trying to get Vinson. I thought you, Vinson, and I would have lunch together today, do you see, and have this talk with him? I won't have another chance, and ask Vinson to call.

MR. WHITE: Vinson should be, I think it would be helpful if Vinson were your alternate while you are away, calling

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them together and that sort of thing.

- H.M.JR: Otherwise, Dean will be. Dean isn't going to like it, but he can't very well object to Vinson.

MR. WHITE: Dean called me back last evening or late yesterday afternoon to say that Secretary Hull is considering sending Stettinius abroad for an important task. In their opinion--

(Secretary holds telephone conversation with Mr. Spence, as follows:)

June 8, 1944
9:40 a.m.

HMJr: Hello.

Operator: Congressman Spence of Kentucky.

HMJr: Right.

Operator: Go ahead.

HMJr: Hello.

Brent
Spence: Hello, Mr. Secretary.

HMJr: How are you?

S: I'm pretty well. How are you?

HMJr: Fine. Mr. Spence, I have been authorized by the President to invite you to be a delegate to this Monetary Convention.

S: Yes.

HMJr: And I hope that you will accept.

S: I will be very glad to.

HMJr: Well, that will be fine.

S: I'll be very glad to, Mr. Secretary. I don't know that I can add anything to it by reason of my knowledge and experience, but I will be delighted to attend.

HMJr: Well, I'm sure you can. And Mr. Spence, on account of my leaving town tonight to go out to the West Coast to start this War Bond Drive....

S: Yes.

HMJr:I'm going to call a meeting at four o'clock to get these -- the delegates together and get them familiar with what has been going on.

S: Where is that going to be held?

HMJr: At the Treasury -- my office.

S: All right. This afternoon?

HMJr: Yes.

S: Well, now, you know the O.P.A. bill is up today.

HMJr: Oh.

S: And I'm chairman of that committee, but I -- it's a general debate and I think I can leave at four o'clock.

HMJr: Well, now, of course, we'll be asking others. Maybe -- did you want it later?

S: No, I -- I -- no, I don't want you to change it. How long will that take, do you suppose? About an hour or so?

HMJr: No, half an hour.

S: Oh, yes, I'll come down. What's the number of your room.

HMJr: Well, you just ask for my office. I don't think I have a number. Just ask for

S: All right. Yes, all right. Thank you very much.

HMJr: Four -- and look -- hello?

S: Yes.

HMJr: On this first meeting, no publicity, because they're having a little trouble in the Senate finding a Republican.

S: All right. Thank you very much.

HMJr: All right.

S: Thank you very much. I'll be down.

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MR. WHITE: I suppose he would ask the President what is his address?

Henry Grady is being requested, or will be requested to take on this important assignment abroad. In Stettinius' opinion--

H.M.JR: Grady? But you said they were going to send Stettinius.

MR. WHITE: It's a slip of the tongue.

MR. BERNSTEIN: I thought everyone assumed he meant Grady.

H.M.JR: What are you there for, Bernstein? You're there to pick up slips, see that his slip doesn't show.

MR. WHITE: And now it is revealed in all its nakedness.

Grady is being considered for this important foreign job. He didn't say what it was. I didn't ask him. He said in the opinion of Stettinius that the foreign task is more important, will probably be more important than any contributions that he could make to this; though it will be up to Henry Grady to choose between the two, they feel that it is more important for Grady to take the foreign job, and they suggested Johnston to take his place, who will return from Russia before the Conference, and they can telegraph to make sure.

H.M.JR: Listen, I am not going to have Mr. Johnston.

MR. WHITE: It's all right with me.

H.M.JR: Let him read the article in North American Newspaper Association--you get it out (Smith)--about two or three weeks ago by Eric Johnston on Roosevelt. Very few people have read it. I want you to get it. I will not have the man on my Delegation. I am a Roosevelt man. I am here for Mr. Roosevelt and I won't have the fellow on,

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anybody who wrote that kind of stuff. About two or three weeks ago in the New York Times, NANA, Inc.

MR. WHITE: Grady can choose between the two.

H.M.JR: Eric Johnson is a s.o.b. I apologize ladies, but you know what that means. His speech in Moscow, the Russians either had to push him in the jaw or laugh, so they laughed at him. Going out there and making that kind of speech in Moscow--

MR. WHITE: If Grady doesn't accept, you don't need to replace him with anybody.

H.M.JR: Incidentally, Mrs. Morgenthau tells me that his wife is one of the greatest admirers and active pro-Roosevelts.

MR. WHITE: Oh, yes, yes. She's an old-time Democrat.

MR. D.W. BELL: She made a big speech at the Convention last time.

H.M.JR: I know how these things are. I know my Congressmen. I know my Acheson and I want a couple of Roosevelt people on this thing. I might just as well be open about it in this crowd here.

MR. WHITE: You have already sent him a telegram. You are going to talk to him.

H.M.JR: Listen, I have cleared it with the President of the United States. The President says it is okay. I am not going to call up the President and say that--

MR. WHITE: No, but you might mention when you say to Grady that there is--

H.M.JR: So that's that. I don't know about it. I am just going to call him up and say, "I just asked the President

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last night as of six o'clock and he told me as of six o'clock he would like to have you."

MR. WHITE: I don't think we can get Miss--what's-her-name to get down here by four, Miss Newcomer.

H.M.JR: I wouldn't do that. It's impossible to get her down here.

MR. WHITE: Well, I will talk to her and give her the chance.

H.M.JR: I am so sick and tired, I mean, by God, as long as I stay here on an important thing, I am going to have people who believe in Mr. Roosevelt around me. I am not going to have anybody on any important job that doesn't. I remember the time I looked Wayne Taylor right in the eye and said, "If anybody in this room doesn't believe in Mr. Roosevelt, I hope he will be man enough to say so". The next day Wayne Taylor resigned.

MR. D.W. BELL: We will have some resignations tomorrow!

H.M.JR: I am not saying it to this crowd, I know, but he is such a good, good friend of the President of Montgomery Ward, Mr. Avery. Incidentally, while I am making these speeches, I was tickled to death to see Avery say before Congress that he brought this thing on himself, because he wanted to show the country. Did you see that thing? He said he forced the issue. Anyway, you now know what I think of Mr. Eric Johnston.

MR. WHITE: Well, we'll forget him.

H.M.JR: What else?

MR. WHITE: Do you want to bother calling up Eccles? We can take that on, Eccles and Acheson I will call, and Miss Newcomer at four o'clock, and when you talk to Vinson, he doesn't know anything about this.

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H.M.JR: I am having you and him for lunch.

MR. WHITE: Then I will break a lunch date and Mr. Bell, we are giving luncheon to these people down stairs. Could you officiate? It would be very nice if you could.

MR. D.W. BELL: Yes, I will officiate.

MR. WHITE: These are the group of bankers.

H.M.JR: If everybody is through, I would love to go on to my war bond statistics with Bell and Smith.

MR. WHITE: Can we have about ten minutes before that four o'clock meeting so I can give you the material?

H.M.JR: Yes, I will put you down at quarter of four.

June 8, 1944
9:34 a.m.

HMJr: Hello.

Elmer
Davis: Hello.

HMJr: Good morning, Elmer.

D: Hello. Say, I'm sorry I was hung up in a long conference yesterday and didn't get out until you had gone.

HMJr: That's all right. I hope that you had your way. In regard to your letter about your people....

D: Yes.

HMJr:taking part in this Monetary Conference, we will be delighted to have them take part just the way you did in connection with UNRRA.

D: Fine. That would be excellent.

HMJr: And the letter -- the reason there's a delay, I sent the letter over to have Dean Acheson prepare the answer so it would have spats on it for you.

D: Well, I'm delighted, Henry. Thank you.

HMJr: And we need your help to get a good break with the public.

D: Now, if -- how many -- could we put two of our people -- have two of our people put on the delegation?

HMJr: Well, it isn't -- they're not going to be on the delegation according to Dean. I don't think your people were delegates to that.

D: To the UNRRA we were, yes.

HMJr: You were?

D: Yes. Well, I mean, Dean was the delegate.

HMJr: Yes.

D: There was an American Delegation of some fifteen or twenty and our people were on that, one man representing us and Nelson Rockefeller both.

HMJr: As a delegate?

D: I think that was it. If we get what we had at the UNRRA Conference, that will be thoroughly satisfactory.

HMJr: Well, we took it up with Dean and he said that they're working it out that you'd be on exactly the same basis as you were at UNRRA.

D: Well, that's all right.

HMJr: Whatever that was.

D: Yeah, that's fine.

HMJr: My impression was that they were not delegates but they had some other status.

D: Well, it was on the delegation. That was the technical term.

HMJr: Yes.

D: Experts or whatever

HMJr: That's it. That's right. But they'll be exactly the same as UNRRA.

D: And if it's agreeable we'd like to have two men, Arthur Sweetser, who deals with the State Department, and Brooks Darlington, who deals with the Treasury.

HMJr: I'm sure that that will be all right.

D: Fine. Thank you very much.

HMJr: Now, while I have you on the wire -- when -- the next time you get your people together and talk with your own people, see?

D: Yeah.

HMJr: Just give them a little talk about the Fifth War Loan.

D: Yeah.

HMJr: And just have a little look at it yourself. Will you? To make sure that everything is clicking all right. I think it is.

D: Yeah. Of the news, yeah.

HMJr: Well, cooperation between -- I mean, we have to lean so heavily on you for so many things and I'm leaving town tonight to be gone for a week on War Bonds.

D: Yeah.

HMJr: And I'd just like to be sure that -- that everything is all right between O.W.I. and the Treasury.

D: Fine.

HMJr: I think it is, but if you would take a little interest in it yourself, because I'm going to be away the first week.

D: I will do that.

HMJr: And we are very happy over here because Steve Early has told us that the President is going on the opening night -- on the twelfth....

D: Fine.

HMJr:himself.

D: First rate.

HMJr: And -- but just do a little checking up. I think if they know that you're interested, it would help a lot.

D: Right. First rate. Thank you.

HMJr: Thank you.

June 8, 1944
10:00 a.m.

ARMY DATA FOR WAR BOND SPEECHES

Present: Mr. D. W. Bell
Mr. Fred Smith
Mr. Haas
Mrs. Klotz

H.M.JR: Where do we stand? Somebody speak.

MR. SMITH: I have the six billion and the seven billion, the thirteen billion for two expeditions and then the Federal expenditures and taxes and deficit and cut-back stuff. I have everything except the stuff that we are going to get from Carter, as I understand it.

H.M.JR: May I see that?

(Refers to memorandum of June 9 from Mr. Haas to Mr. Smith, attached)

MR. SMITH: Clay, I mean.

H.M.JR: I like this break-down, George, of showing sixty-four cents for munitions, twenty-one cents for ships, and so on. That is very good.

MR. HAAS: I thought you might have an occasion to use this.

H.M.JR: I take it you have seen this?

MR. BELL: No, I haven't.

H.M.JR: Would you mind giving Mr. Bell a copy?

(Mr. Haas hands copy to Mr. Bell)

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MR. BELL: Your definition for munitions is pretty broad.

MR. HAAS: That includes everything.

MR. BELL: Is that right?

MR. HAAS: That is what the War Production Board says.

H.M.JR: "Index of Munitions Production". Can we use that publicly?

MR. HAAS: I checked. Everything on that sheet can be used. We got clearance from War Production. It shows just the thing that General Marshall told us yesterday.

(Secretary holds a telephone conversation with Senator Wagner, as follows:)

June 8, 1944
10:06 a.m.

Operator: Go ahead.

HMJr: Hello.

Senator Wagner: Hello.

HMJr: Henry talking.

W: Yes, Henry.

HMJr: How are you?

W: Tired.

HMJr: Tired? Well

W: Tired on a lot of non-essentials, too.

HMJr: That's right.

W: Yeah.

HMJr: Bob, the President has authorized me to invite you to be a delegate to this Monetary Convention.

W: Yeah.

HMJr: And I hope that you will accept.

W: Of course, I'm willing to do anything. I don't know how much use I'll be, Henry, except that I certainly will go along and all that.

HMJr: Well, you'd be very useful. You always are useful.

W: Well, I used to be, Henry, but I don't know what's happened to me. I've gotten terribly old lately. I mean....

HMJr: Oh.

W:this Banking and Currency, O.P.A., these damned non-essentials -- up there fighting like hell while my son, like your son is in it.

HMJr: Yeah.

W: Mine is over there in the invasion now. I hope he's all right.

HMJr: Yeah.

W: And then we worry about whether this fellow is unjustly given a fine of thirty dollars for something or other that he probably did. You know, I mean, those little things -- worked a whole day on it yesterday.

HMJr: My God! I know.

W: Well, who's going? Do you

HMJr: Well, now, here's the point. I'll tell you, Alben has been working on this -- who the Republican should be....

W: Yes. Yeah.

HMJr:and I don't know whether he told you -- Tobey wants to go and, of course, that's out.

W: Yeah. Yes, he's the only one that -- Tobey is the only one that talked to me about two weeks ago and I said, "Charlie, I know nothing about it. I will not talk to the Secretary because I'm not going to put myself in the position of asking for a thing where I may not be wanted, so I'm not going to say anything about myself so how can I say anything for you?"

HMJr: Well....

W: So that's what he asked me to and I led him on. I said, "I don't know a thing about it."

HMJr: Well....

W: I told the truth.

HMJr: Right. Well, Alben will have to work that out.

W: He hasn't got anyone yet?

HMJr: No.

W: He talked to me last evening about it.

HMJr: Yeah.

W: He said Danaher didn't want it.

HMJr: That's the point. Now, he's thinking of going to another Committee.

W: Yeah.

HMJr: But after all, the President asked me to speak to Alben and let him work it out because, after all, what the President wants to do is to get the good will of Congress.

W: Yes. Yes.

HMJr: But I don't -- Alben called me late last night and he's stuck. Maybe you can help him.

W: Yes.

HMJr: Now, from the House it's Spence and Wolcott.

W: Who?

HMJr: Wolcott.

W: Is that

HMJr: He's the minority member -- senior minority member of the Banking and Currency.

W: Oh, yes. He's from Michigan, is he?

HMJr: Yeah. He's a very able fellow.

W: Yes, he's a very able fellow. He might be a little obstreperous some time but that isn't important....

HMJr: Well, he

W:as long as he's got ability.

HMJr: Well, he's got ability.

W: Yeah.

HMJr: And there's Dean Acheson and Marriner Eccles and Mr. Edward Brown, President of the First National in Chicago....

W: Yeah.

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HMJr:who is also President of the Advisory Committee of the Federal Reserve Board, I think, for the country.

W: Yeah. Oh, yes.

HMJr: And Fred Vinson.

W: Oh, yes.

HMJr: And Harry White.

W: Well, of course, old Harry.

HMJr: And we hope Henry Grady. Do you know him?

W: You know the -- oh, of the State Department, formerly?

HMJr: He used to be -- he was.

W: Yes.

HMJr: And he is now Chairman of the Federal Reserve of San Francisco.

W: Yeah, I know.

HMJr: We wanted a West Coast fellow.

W: Yeah. A very able fellow.

HMJr: Yeah. ~

W: Well, Henry, while you're on the phone.

HMJr: Yeah.

W: How the hell do I know when I'm going to get there, where I'm going to get a room and what I'm going to do and all that?

HMJr: Well, we're going

W: I may want to have some fellow with me.

HMJr: Well, now, we're calling a meeting at four o'clock this afternoon, because I'm leaving tonight for the West Coast on War Bonds.

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W: Yeah.

HMJr: And the meeting will have to be off-the-record because....

W: Well, I

HMJr: Unless....

W: I probably can't be there. I've got O.P.A.

HMJr: You have?

W: Yes. Gee, whilly-wha!

HMJr: Well, could

W: Well....

HMJr: What time could you do it?

W: Well, don't -- don't put the meeting off because we've got -- we're trying to finish today and I don't think we can.

HMJr: Could your secretary -- you always have these bright young men secretaries. Who have you got now?

W: Yeah. Delman is my secretary now.

HMJr: Why not let him come if you can't slip out?

W: Yes. All right.

HMJr: What?

W: Yes, that will be all right. Four o'clock, where?

HMJr: At my office.

W: At your office?

HMJr: But it has to be off-the-record unless Alben comes through in the meantime, you see, with a Republican.

W: Yeah. Yeah.

HMJr: They've got it all worked out and a man by the name of Dr. Kelchner of the State Department is looking after the rooms and all that sort of stuff.

W: Yeah.

HMJr: But you -- if you can't come, you send your

W: I probably will have to. I don't think I can....

HMJr: All right.

W:quit there....

HMJr: And then....

W: as early as four o'clock.

HMJr: After that Harry and you could get together any time at your convenience.

W: Yeah.

HMJr: Right.

W: I don't know how much -- I need a rest. (Laughs)

HMJr: Well....

W: I'll take a rest up there.

HMJr: Okay.

W: (Laughs) Well, you know, when Alben talked to me officially the other day, the only thing I had in mind was whether I could be of use.

HMJr: Yeah.

W: Don't you know?

HMJr: Well, I know you could be of use.

W: Well -- well, all right, Henry.

HMJr: I'm delighted.

W: I'll say nothing about it, of course.

HMJr: If you don't mind, until the President announces it. He's just waiting, now, for this one man.

W: Yes. Well, I won't say a word.

HMJr: Right.

W: All right, Henry.

HMJr: Thank you.

W: Good bye.

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MRS. KLOTZ: He's getting old.

H.M.JR: So are we all, speaking for myself.

MRS. KLOTZ: Thank you!

H.M.JR: Okay, that's all right. Now what else do you have?

MR. HAAS: The only other statistics that I have, Gamble told me yesterday that he talked to you and was going to try to get the President to use that eighty-one.

H.M.JR: That's all right. Anything on the war bond, how many bonds outstanding. He wants to write something for the President. He thinks the President will say something nice about war bonds. It comes much better from the President than from me. Is that all you have got?

MR. HAAS: That's all.

MR. SMITH: You haven't heard from the General yet?

MR. BELL: He said this afternoon.

H.M.JR: No, we haven't heard from either Gene Duffield or Lt. Colonel Kintner.

MR. SMITH: I would like to make a suggestion, and that is that we use all of this material in one, very concentrated, speech and do it in Hollywood and then have time to--

H.M.JR: I disagree with you.

MR. SMITH: Then we would have time to pipe it into plants and do a job on it.

H.M.JR: I disagree. I'll tell you why. I think that I can do this stuff in not to exceed ten minutes. I think it should be the opening of the Drive so that I can pitch

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the thing for all the forty-eight State Chairmen. They should get their pitch from me. After all, I am the orchestra leader, I should give them the pitch with a tuning fork.

MR. SMITH: The downbeat they call that.

H.M.JR: In a man's chorus they have a tuning fork.

MR. BELL: This is only a ten-minute speech in Texarkana.

H.M.JR: No, it's an hour, but I don't care whether it comes at the opening; if they are afraid you will lose your audience, then in the middle. If you want to take a leaf out of the Firestone Hour, they have theirs in the middle, Mr. Ford's Hour have theirs in the middle, General Motors prefer Mr. Kettering in the middle.

MR. BELL: I meant your part.

H.M.JR: That's what I am arguing with him about now. I feel I would like to do this thing for ten minutes, not to exceed ten minutes, maybe only five, but this thing I got from General Marshall yesterday--to give these people the pitch all over the country. They will need it much worse, I think, on Monday night than they need it today, but it is beginning already to come. It is interesting how the thing is turning in the papers, all the headlines, and so on, and that is that the war is still ahead. I would like to use the term that Marshall used that this is a "flaming war". I want to do it here, not in Hollywood. After all, I am going to make this thing not for Texarkana, but for the whole country and I want to pitch it correctly and shew them this thing, and the sooner I do it, the better. These copywriters wanted to pick it up right away, for them and everybody else. I am quite sure I am right, Fred. I don't say I want to do it right at the beginning, I am willing to do it in the middle.

MR. SMITH: It wasn't a question of its not being fitted for that speech, I think it is.

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H.M.JR: I don't want to use it in--I want an outside limit of ten minutes of straight hard facts, the object I have being first to let the people know that the fighting is still ahead, expenditure is still ahead; q.e.d., we have got to sell more war bonds than we have any idea of. I don't think it is necessary I have to say that. Doing what some very clever moving picture person once told me-- I don't know who it was--maybe it was you.

MR. SMITH: Some other moving picture people.

H.M.JR: To get the thing over to our audience never think it out to the last thing. The way to get your audience is to suggest the thought and then let them work it out and then you have got your audience. But if you try to spell it out to the last thing, the audience doesn't react.

MRS. KLOTZ: Psychological and very clever.

MR. SMITH: It is the last step that makes preaching. If you stop before you get there, that's all.

H.M.JR: I don't think I even need to put in a plug for war bonds. "Here are the basic facts. We are going to step up expenditures. It cost seven billion dollars to go from Naples to Rome. You can use your own imagination what it will cost to go from the Cherbourg Peninsula to Berlin.

"But let me tell you what the Army is prepared to think it will cost. This idea we can sit back and talk about conversion or look for a job which is going to be post war, post war conversion--" I don't have to say they have to buy war bonds, but all the stuff up to that point. I told myself, I will begin to think once the invasion started and I have begun to think ever since the invasion started. I have got to think clear in my head. I know what I want to say and I don't want more than ten minutes and I want a straight talk. I don't want any music.

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MR. SMITH: That is what it should be. That would be the way to do this.

H.M.JR: I hope, after thinking it over, that you will be with me.

MR. SMITH: I am with you, I am not against you at all.

H.M.JR: That is what I would like to do and as I say, where you put me, I will let you fellows decide.

MR. SMITH: We will put it right where it fits into the routine of the show best, which will unquestionably be in the middle, because the President will be at the end and you will introduce the show at the beginning.

MR. BELL: Is the President in on this same program?

MR. SMITH: Yes.

MR. HAAS: Are you speaking from here?

H.M.JR: No, I am going down to Texarkana.

MR. BELL: I think that is all right. I don't think I would stress too much the expenditures are going to increase. They may throw it back at you in the Sixth War Loan, but I would keep it on a high level.

H.M.JR: Why not?

MR. BELL: I am not sure they are. I think they will stay up at the place they are now, but I don't think they will increase much. I may be wrong, but I don't think they will.

H.M.JR: Well, just as one item alone, they have increased by a billion dollars.

MR. BELL: But that is spread out over a long time.

H.M.JR: Well, Dan--

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MR. HAAS: According to their programs, they are going to increase.

H.M.JR: I am going to say, as General Marshall told me on Wednesday morning, his program calls for increase, and so on and so forth. Then if he is wrong, it is General Marshall who is wrong. I tell you, Dan, if the one break should happen and the only thing that can keep the expenditures from increasing would be a collapse of Germany. Now if Germany collapses, anything that I said today will be forgotten.

MR. BELL: There isn't any doubt about that.

H.M.JR: That's just the one chance in ten, that between now and the Sixth War Loan, Germany will collapse. Between now and then I will put it one in five that Germany can collapse between now and the Sixth War Loan. Anything that I have said--but the role I am playing sitting here and on the air is--I should be a pessimist. That is my job.

MR. SMITH: I agree with that.

H.M.JR: Back up what General Marshall told me and the information he gave me, which are hard facts.

MR. BELL: I wonder if you couldn't say it another way, that the expenditures are not going to decrease and they are more likely to increase, if anything, rather than coming out and saying in a direct statement that they will increase.

H.M.JR: No, I disagree with you. I am going to say, as General Marshall says, "This picture now, from now on for the rest of the year--the expenditures for the war have to increase because the war is just beginning as far as the Army is concerned, not as far as the Navy, but we are just beginning to fight now on land, on foot--and we are just beginning to fight now, for the first time, on foot, really fight!"

MR. SMITH: We might get around it by saying they are on the increase, which is the facts of today, they are very

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definitely on the increase and the war is still ahead of us, by which you assume--

MR. BELL: I think the statement "The war is just beginning" is good. We have just started to fight as far as America is concerned.

H.M.JR: Okay. When this stuff comes in, from Kintner and Duffield,--if we don't get it by two o'clock, let's call them both up, because you know when it is coming in. You might put out a general alarm around the Treasury. Who will get the stuff from Clay?

MR. BELL: He said he would deliver it to me. As soon as it comes, I will handle it.

H.M.JR: Then right after mail time, around two-thirty or so, we will get together again.

MR. SMITH: Stewart and Lyon will be here today. Would you like to see them for a few minutes?

H.M.JR: No. Well, let's see how it goes. Are they going to be here after press, around eleven?

MR. SMITH: Yes, they were supposed to take the nine o'clock plane.

H.M.JR: If, after press, they are available, I will try to do it.

MR. SMITH: The only idea they have is taking the President's Prayer and sort of illustrating it.

H.M.JR: No, I am quite insistent I want to do it in the opening Drive. I don't want to wait until Hollywood. I feel that is my role. That is what I should do. "I have this message; I have talked with the head of our armed forces." I am going to let the people know at the beginning of the Drive what the goal is and why. I don't want to wait for Los Angeles.

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MR. SMITH: I don't disagree with it. I wasn't trying to keep it out of the first one. I thought I saw a good second broadcast.

H.M.JR: I feel very strongly on this. Let's do one good one and let's get it off in the right way. After all, I am going to be opposite the President. Anyway, this is my job as I see it. I couldn't think until these people started to fight and I had seen General Marshall. If I peter out after the first one, it isn't going to bother me.

MR. SMITH: It's good.

June 8, 1944

Mr. Fred Smith

Mr. Eans

I am setting forth below the latest information that we have on a number of items that were included in Booklet #1 on War Finance.

1. Federal expenditures.

In 1940, when our defense program began, defense expenditures amounted to only \$3 billions and nonwar expenditures by the Federal Government amounted to \$7 billions, making total expenditures of \$10 billions. For the calendar year 1944 it looks as though Federal expenditures will amount to \$99 billions, or about ten times the 1940 rate. All of this increase is for war. Total nonwar expenditures, it might be noted, will take only 5 cents of each dollar spent this year by the Federal Government. Munitions output, on the other hand, will take 64 cents of each dollar being spent. Of the munitions items, aircraft alone will take 21 cents and ships, 14 cents. Military pay and subsistence will cost 17 cents out of each dollar and other war expenditures 14 cents, making a total of 95 cents for war purposes.

2. Federal taxes.

In the calendar year 1940 Federal taxes brought in about \$6 billions. This year they will total about \$42 billions or seven times the 1940 amount. Most of this increase has been in the individual and corporate income taxes.

3. Federal deficit.

The deficit for this year is estimated at \$57 billions, or fourteen times the 1940 figure. \$57 billions is a lot of money to borrow. It is over twice as much as we borrowed during all of World War I. It is larger than our entire national income was ten years ago. It is bigger than our whole tax bill will be this year, including State and local taxes as well as Federal taxes.

4. Cutbacks.

A number of military production programs have been cut back and others may be cut back in the near future. Military equipment programs

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Mr. Fred Smith - 2

are subject to constant readjustments as time passes and as military operations proceed. As rapidly as these cutbacks have taken place, however, increases have been announced in other programs. From the standpoint of dollars, therefore, the over-all extent of the total program remains about the same. The military and production authorities assure us that with the crucial stage of the European war still ahead of us over-all production needs are likely to increase, or at least hold steady rather than decrease.

Current schedules for aircraft, Navy ships, large trucks and landing craft, for example, call for stepped up programs during the year with the scheduled rate for the fourth quarter of 1944 higher than the average rate for the year as a whole. Small arms and ammunition and merchant ships are scheduled to decline in rate of output during the year. Here is our record of munitions production and selected munitions items in 1942 and 1943, together with schedules for 1944.

Indexes of Munitions Production
1942=100

	1942	1943	1944	1944-Annual Rates for each quarter			
				I	II	III	IV
Total munitions	100	153	219	207	217	226	226
Aircraft	100	220	339	315	328	344	368
Navy ships	100	170	206	187	203	215	231
Merchant ships	100	210	214	216	216	223	199
Trucks over 2-1/2 tons	100	160	280	151	251	353	365
Landing craft	100	135	365	296	386	380	398
Small arms and small arms ammunition	100	210	120	157	117	104	101
Patrol vessels	100	156	59	97	72	47	21

5. Rate of appropriations.

There has been some discussion of the fact that the Army and Navy have not used all the appropriations made to them by the Congress. This does not in any way reduce the cost of the war as has been indicated by the press. The way Congress authorizes spending is by passing an

Mr. Fred Smith - J

appropriation law which represents nothing more than a credit on the books of the Treasury for that particular agency. This means that the legal right of an agency to incur obligations up to the amount of such appropriation is established but no actual money is expended until these obligations are presented to the Treasury. The money must be provided by the Treasury from taxes or borrowing when the need arises to meet these obligations within the terms of the appropriation law.

Total appropriations for war purposes have amounted to well in excess of \$300 billions but the actual expenditures for the war have totaled less than \$200 billions up to the end of May. Occasionally part of an appropriation will be "returned" by the Army and Navy through agreement with the Budget Bureau. Or, the legal right to use an appropriation may expire. These do not reduce the cost of the war. We can be sure that not every dollar appropriated will be spent although new appropriations will continually swell the available spending authorizations as long as the war continues. This means that the deficit is probably not going to be reduced this year even though appropriations are "returned" in part occasionally or cutbacks are announced for certain programs.

A round, over-all estimate of the proportionate share of the expenditures of the Army attributable to the Naples-Rome campaign amounts to \$3,200,000,000, including expenditures at the bases servicing these troops. This figure, however, does not include the cost of having put these troops in the field which in itself would amount to another \$3,500,000,000, nor does it include future costs for the care of the wounded, relief to the local populations or other post-campaign costs.

Dictated by Col. Troper
over the telephone
June 6, 1944 - MG

Message from Commander Frank Courtney, Executive Office of the
Secretary of the Navy, June 6, 1944, 5:45 P.M.

The cost of the war machine involved in the Marshall Islands
operation -

This figure includes the cost of the ships,
planes, oil, ammunition, and all miscellaneous
supplies on board the ships, the training of
the personnel involved in the operation --

Total cost: \$6,000,000,000

June 8, 1944
11:03 a.m.

Congressman
Wolcott:

Hello.

HMJr:

Henry Morgenthau, Jr.

W:

How do you do, Mr. Secretary?

HMJr:

How do you do? Mr. Wolcott, the President has authorized me to invite you to become an American delegate to this Monetary Conference and both he and I hope that you will be -- accept.

W:

The Bretton Woods Conference?

HMJr:

Yes, sir.

W:

That's July, isn't it?

HMJr:

One.

W:

July one.

HMJr:

To twentieth.

W:

Well, I'm very pleased and honored.

HMJr:

Well, that will be fine.

W:

Of course, I reserve the right to criticize you in every way possible, even your moral conduct and your spiritual welfare and everything of that nature.

HMJr:

Well

W:

(Laughs)

HMJr:

(Laughs) I appreciate that. I'll tell you what we're doing, Mr. Wolcott. I am leaving tonight to go West on a War Bond tour and in the Senate, unfortunately, they're having a little difficulty deciding on who the delegates will be....

W:

Uh huh.

HMJr:

....but I was asking the various delegates if they would meet with me at the Treasury at four o'clock so we could have a little private talk and see where we are at.

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W: This afternoon?

HMJr: Yes. Do you think you could come?

W: I believe so. We are having general debate on this O.P.A. all afternoon....

HMJr: Well, it won't....

W:but maybe I can turn that over to somebody else.

HMJr: It won't take more than a half an hour.

W: Well, I don't think this will interfere. There won't be any amendments offered today.

HMJr: And pending the -- the settling in the Senate who they -- who they want, the President can't announce the delegates.

W: No.

HMJr: But maybe they will be able to make up their minds between now and noon.

W: Well, where will -- where will we meet this afternoon?

HMJr: At my office.

W: Your office, at four.

HMJr: It will be off-the-record, as I say, pending this -- the Senate.

W: Oh, yes.

HMJr: Will that be all right?

W: Oh, yes, certainly.

HMJr: Thank you.

W: I'll be very pleased to be there.

HMJr: Thank you so much.

W: Thank you. Good bye.

June 8, 1944
11:08 a.m.

Mr. Kelly,
Secretary to
Fred

Vinson: Yes, Mr. Secretary.

HMJr: Look, Mr. Kelly, I've been having a little bad luck. I've been trying to get Judge Vinson all morning.

K: Yes, I've been trying to get word to him that you have been.

HMJr: I see.

K: I just can't locate him, Mr. Secretary.

HMJr: Well, let me tell you what I have in mind so that -- because I'm so short on time.

K: Yes, sir.

HMJr: I'm leaving town tonight to start out on a War Bond Drive.

K: Uh huh.

HMJr: But the President has authorized me to invite Judge Vinson to be an American delegate to this Monetary Conference.

K: Uh huh.

HMJr: Hello?

K: Yes, sir.

HMJr: I was very anxious to get hold of Judge Vinson to have lunch -- have him have lunch with me and Harry White so that I could bring him up to date on the theory that he will go.

K: Uh huh. Well, now....

HMJr: Well, may I -- just one other thing, please.

K: All right.

HMJr: And then at four o'clock I'm calling an off-the-record meeting of the American delegates so that we can get together....

K: Uh huh.

HMJr:before I leave.

K: Yes, sir.

HMJr: Now, we've got all of them except one Senator, the Republican Senator. They can't make up their minds who they want.

K: I see.

HMJr: But everybody else will be here.

K: Well, what was your thought about time for the lunch?

HMJr: One o'clock.

K: One o'clock, your office?

HMJr: Yes.

K: I think that will be quite all right.

HMJr: Do you think you can deliver him?

K: Yes, sir.

HMJr: That will be very nice.

K: All right, Mr. Secretary, and I'll call Mr. FitzGerald.

HMJr: If you would.

K: All right, sir.

HMJr: And -- hello?

K: Yes, sir.

HMJr: Naturally, what I'm telling you is confidential.

K: Highly, I appreciate that.

- 3 -

HMJr: Thank you.

K: Yes, sir.

June 8, 1944
11:23 a.m.

HMJr: I agree that they should send somebody over to England to assist Taylor.

Charles
S. Bell: I see.

HMJr: I don't know who it should be. I don't know -- they want to send -- whatever -- this lawyer -- whatever his name is.

B: Lesser?

HMJr: What's his first name? No, not Lesser -- Assistant General Counsel. Buzz Aarons.

B: Buzz, yes, sir.

HMJr: Now, I don't know how that would leave Joe but Joe ought to think about it. He and you and I ought to get together some time today.

B: All right, sir.

HMJr: Because they're going to, I understand, send Luxford up to the Conference and they're lending Joe DuBois to Joe O'Connell.

B: Yes, sir.

HMJr: Some time this afternoon I want to see Joe and you and tell that to Fitz. Will you?

B: All right, sir. I will.

HMJr: Right.

B: Okay, sir.

June 8, 1944

MEMORANDUM for the File.

Secretary Morgenthau and I saw the President today at 12:15 p.m. Secretary Stimson had the previous appointment with the President and on the way out asked us whether we were seeing the President about refugee matters. Secretary Morgenthau explained to Secretary Stimson that we were seeing the President about the proposal to bring refugees to this country. Stimson said, "Do you mean the proposal to bring 1,000 people over here". We told him yes. He said, "I thought that had been worked out a long time ago" and Secretary Morgenthau said that we had been waiting to see the President.

The first thing the President said when the refugee matter was brought up was, "How soon can I make an announcement about this matter?" The President asked whether what he had said at his recent press conference was all right. We said that it was and that the press had received his comments very well. He mentioned that although the press may not have particularly noted it, he had somewhat stressed the military phase of the problem in Italy and the fact that 1,800 refugees a week were pouring into Allied territory.

The President was told that he could make an announcement at once; as soon as he signed two documents which were handed to him, one, the cable to Murphy and the other, the memorandum to the various agency heads. Copies are attached. The President read both documents very carefully. He said the memorandum to Murphy was very good, but that he wanted to be sure that the refugees would have such health checks so that they would not bring any contagious diseases to the United States and wanted a provision to this effect added to the cable. He then initialed

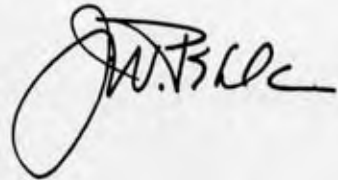
- 2 -

the cable, adding the words, "Add health". He then initialed the memorandum to the agency heads.

The President was told that we had obtained not only one Army camp but two camps within twenty-four hours and he said, "I know. I don't know how you did it so quickly. Fort Ontario is my camp. I know the fort very well. It goes back to before Civil War times and is a very excellent place." He recalled having visited Oswego and Fort Ontario on his campaign on which Secretary Morgenthau had accompanied him. The President said we could have either camp, but that Fort Ontario had the advantage of being near a fairly good-sized town. I mentioned to the President that Miss Laughlin had visited both camps and that both were very suitable and well equipped. No mention was made of any message to Congress and the President said he would make the announcement at tomorrow's press conference and that I should just see that copies of the documents were given to Latta.

I told the President that we had been informally advised that the Army had been considering raising from 8,000 to 25,000 the number of refugees to be held in Italy and increasing from 25,000 to 40,000 the number of refugees to be cared for in the Middle East. The President was very interested in both these developments.

We then mentioned to the President the information concerning the alleged German offer received from a Jewish representative from Hungary who came to Ankara with a Gestapo man in a German military plane. The President was very interested in this development and agreed that we should keep the negotiations open.



MEMORANDUM FOR: Secretary of War
Secretary of Navy
Secretary of Interior
Director of Budget
Executive Director of the War Refugee Board

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

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

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

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



CABLE FROM THE PRESIDENT TO AMBASSADOR ROBERT MURPHY, ALGIERS

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

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

At the same time I feel that it is important that the United States indicate that it is ready to share the burden of caring for refugees during the war. Accordingly, I have decided that approximately 1,000 refugees should be immediately brought from Italy to this country, to be placed in an Emergency Refugee Shelter to be established at Fort Ontario near Oswego, New York, where under appropriate security restrictions they will remain for the duration of the war. These refugees will be brought into this country outside of the regular immigration procedure just as civilian internees from Latin American countries and prisoners of war have been brought here. The Emergency Refugee Shelter will be well equipped to take good care of these people. It is contemplated that at the end of the war they will be returned to their homelands.

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

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

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

Very truly yours,
Franklin D. Roosevelt

W. D. Smith

FDR

June 8, 1944
1:07 p.m.

51

HMJr: Hello.

Senator
Barkley: Hello, Henry.

HMJr: Yes, Alben.

B: I haven't had any luck.

HMJr: Oh.

B: I talked with Vandenberg and he won't do it.

HMJr: Oh.

B: And he -- he's rather pessimistic about getting any -- any well-qualified Republican to do it.

HMJr: Gosh.

B: He frankly says that -- that -- well, he mentioned Taft but Taft is getting ready to make a speech against the whole thing....

HMJr: Yeah.

B:pretty soon. And, of course, he would be impossible.

HMJr: Yeah.

B: And Tobey is back here now and he has been to see Bob Wagner. He wants it.

HMJr: Yeah.

B: But of course, that's -- hell, that's ridiculous.

HMJr: Yes.

B: Now, he suggested that, probably, the way to solve it would be to have the Republicans meet in conference and pick somebody but you can't tell what they'd do there and the President wouldn't be under any obligation to appoint a man unless he was satisfactory so I don't know. I don't know what the solution is.

HMJr: Well, we're having this meeting. I've told everybody it's off-the-record.

- 2 -

B: Well, I asked him about that and he said he didn't think there was any need to wait on the Republican. He regretted the situation. He says this, that to justify -- to justify his own refusal, that he is on this post-war committee and he's on this Hull committee, and that there's a feeling on his side that every good assignment is going to him and therefore he doesn't want to be embarrassed by taking on any more.

HMJr: Yeah.

B: I can understand that psychology.

HMJr: Well, the President

B: So, I don't know, now, what's going to happen. I -- I -- I will confer still further with Wallace White about it but I don't know whether there's going to be anybody, a satisfactory person willing to serve or not.

HMJr: Yeah.

B: And Vandenberg doubts it. He thinks that it will be political embarrassment to any Republican who is qualified to go on the Committee for fear he might be tied up some way or another that would embarrass him with his colleagues. Now, I don't -- I told him -- I said, "Well, how in the hell are we going to have things non-partisan...."

HMJr: Yeah.

B: "...unless we make them non-partisan."

HMJr: That's right.

B: Well, I just thought I'd tell you the dilemma....

HMJr: Well, I'm leaving town tonight. If I don't hear, I'll have to turn -- I'll most likely turn it over to Pa Watson to follow for me.

B: Well, I don't think there's any chance to get anything done today.

HMJr: Yeah. Yeah.

- 3 -

B: Because it's something that has to -- you can't work out in a minute.

HMJr: Yeah.

B: Especially in view of their attitude.

HMJr: Yeah.

B: And of course, Vandenberg was told by -- and Taft knows, also, that Danaher was approached and that he declined.

HMJr: Yeah.

B: So there you are.

HMJr: Well....

B: I'll -- I'll still work on it but I don't what I -- I don't know what's going to happen.

HMJr: Right.

B: Well -- are you leaving tonight?

HMJr: Yeah.

B: Uh huh. Well, how long will you be gone?

HMJr: I'll be gone just a week.

B: Oh, yeah. Well, I hope you sell enough bonds to pay off the debt.

HMJr: Thank you.

B: Good bye.

June 8, 1944
2:20 p.m.

54 ✓

HMJr: the fact that we saw Stimson and didn't take him in, you see, and he'll be bothered. I think some time before the President announces this tomorrow, you'd better go over and see the old man.

John
Pehle: I'll put in a call. It may be hard to see him.

HMJr: That's all right. But you ask to see him.

P: Okay.

HMJr: For your own record.

P: I see. All right.

HMJr: Right.

P: I'll do that. Thank you.

June 8, 1944
2:20 p.m.

54 ✓

HMJr: the fact that we saw Stimson and didn't take him in, you see, and he'll be bothered. I think some time before the President announces this tomorrow, you'd better go over and see the old man.

John
Pehle: I'll put in a call. It may be hard to see him.

HMJr: That's all right. But you ask to see him.

P: Okay.

HMJr: For your own record.

P: I see. All right.

HMJr: Right.

P: I'll do that. Thank you.

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THE HON HENRY MORGENTHAU JR

1944 JUN 8 PM 1 49

SECTY OF THE TREASURY

YESTERDAY YOU ADDRESSED W A WIRE TO HENRY GRADY, FEDERAL
RESERVE BANK SAN FRANCISCO INVITING HIM TO BE A MEMBER OF
THE AMERICAN DELEGATION TO THE MONETARY CONFERENCE. MR GRADY
IS IN WASHINGTON, AND HAVING BEEN ADVISED OF YOUR WIRE, WILL
TELEPHONE YOU THERE

E RUSSELL LUTZ EXECUTIVE VICE PRESIDENT AMERICAN PRESIDENT LINES
LTD.

149P

June 8, 1944
2:53 p.m.

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HMJr: Hello.

Henry
Grady: Hello, Mr. Secretary. How are you?

HMJr: Fine. How are you?

G: Oh, fine.

HMJr: I've been trying to get you the hard way.

G: Yes, I was talking to our people early this morning and they said they had a note -- a telegram and so they wired you. I'm afraid, on account of leaving, I've -- I've got to go back to Italy for a few weeks. And what you suggested, I think, would be out on account of being away.

HMJr: Oh, really?

G: I feel highly honored but I doubt if I'd be back by the first of July. I'm not going to be out there very long.

HMJr: Oh.

G: Perhaps two weeks or so -- about three weeks, but it wouldn't be certain enough to take the chance.

HMJr: I see.

G: I -- I'm deeply honored.

HMJr: Are you committed to this Italian....

G: Yes, pretty definitely. They -- they're going to get somebody in my place but they want me to go out. The President has asked that I go back until a successor is sent over.

HMJr: What -- what's the undertaking?

G: I've been Vice President of the Allied Control Commission.

HMJr: Oh.

- 2 -

G: And was out there four months and then came back in late March and have been working on matters connected with it here since, and so I'm a little overdue getting back to the job.

HMJr: Yes.

G: And I'm booked to leave Saturday.

HMJr: Oh. Well, I guess under those circumstances there's no use trying to urge you.

G: It wouldn't take any urging. I'm just terribly sorry that the two things conflict because I feel highly honored and am tremendously interested.

HMJr: Well, if I could just change the subject a minute.

G: Yes.

HMJr: I think before you go back, it would be worth your while to see Harold Glasser who just got back.

G: I just had a long talk with him.

HMJr: You have?

G: Well, I've talked with him over the phone.

HMJr: Yeah.

G: We weren't able to get together. I've been -- a lot of things have jammed up on me, but I had quite a talk with him over the phone.

HMJr: Because this report that he brings back on the food situation, I think, is just unbelievable.

G: Uh huh.

HMJr: And two hundred grams a day of bread for the people is something terrible.

G: Well, of course, they have other things.

HMJr: I know. But the condition of the people and the lack of ample food, I think, is one of the most shocking stories that I've heard.

- 3 -

G: Yeah. Well, that's one of the first things I am going to look into as soon as I get back. Well, course, we've been -- we're controlled in that regard by other factors like the Army Supply and so on.

HMJr: I know, but the Army has had a big dump of wheat there in Cairo for months.

G: Yeah.

HMJr: And they keep it there and they don't do anything with it.

G: Yes. Well, we had recommended at the time I left, an increase of the ration to four hundred for workers and three hundred for non-workers.

HMJr: Yeah.

G: And part of that could come in the form of (?) . We're getting some soup-stocks and some, of course, some local stuff. We were buying oil in one section and sending it over to the Naples area. And of course, we've started the fishing going again and they've been increasing their vegetable production to a considerable extent. But our objective was -- of course, the workers get a special hot meal a day when they're working for any of the Government Departments; that is, the American, the Navy and the Army and other agencies of our Government, the Air Force and so on. So the workers have been getting more than the ration because they get this extra meal.

HMJr: Well, Glasser is going to finish up this report and I'm going to try my best to get it to the President or Vinson.

G: Yes. Well, it's in line with our thought to get that up and that's one of the first things that I'm going to do. When I left, I understood it was going to be increased up to that point.

HMJr: But as I understand, right now it's two hundred grams.

G: Well, that's the general ration for everybody.

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HMJr: Yeah.

G: A very large percentage of the people are on rations. We found in Naples -- the Naples area -- about eighty-three per cent. That included the agricultural areas which makes a very high percentage and that was one of our difficulties in raising the general ratio, the general ration, because the percentage of people with cards was so large that it difused it, and there was evidently some abuses in the getting of ration cards. They've brought that down now to about sixty, but I think that from London there has been -- Mr. Churchill has been opposed to any increase in the ration. Of course, we are supplying most of it.

HMJr: Yeah.

G: Though their percentage is coming up now, I believe, in the total, but through August until the end of February our contribution was about ninety per cent....

HMJr: Yeah.

G:of the wheat and flour.

HMJr: Well, we're going to get behind Glasser's report and push and see what we can get.

G: Yeah. Well, I'd be very glad to have any support from this side.

HMJr: Good.

G: All right. Thank you very much for the offer of the other. I appreciate it very much indeed.

HMJr: Right.

G: Good bye, Mr. Secretary.

June 8, 1944
3:10 p.m.

HMJr: a letter from Mrs. Roosevelt with what looks like a book from a man by the name of Alvin Hofer, H-o-f-e-r.

George Haas: Yes, sir.

HMJr: It's all about the Geneva Experiment Station.

H: Uh huh.

HMJr: He's making all kinds of accusations. I just read one part of it where he said -- talks about Dr. Heinicke being unknown at Geneva -- nobody heard of him. Well, that's a lie because I know he was there. I know he's been there for years.

H: Uh huh.

HMJr: And everybody knows him.

H: Uh huh.

HMJr: Now, I want you to read this thing and I don't know what in heavens to do with it. Now, just a minute. I think it would be perfectly safe, maybe, to show it to Dr. Auchter, A-u-c-h-t-e-r.

H: A-u-c-h-t-e-r.

HMJr: Auchter. He's Director of Research for the U.S.D.A.

H: Oh, yes. Uh huh.

HMJr: He might know who these people are.

H: Uh huh. Okay.

HMJr: Yeah. And tell him we are showing it to him in confidence.

H: I see.

HMJr: See?

H: Yes, sir.

- 2 -

HMJr: Well, I don't know what to do with the darn thing. I'll send it back to you.

H: All right. I'll take care of it.

HMJr: But if you show it to Auchter, show it to him confidentially.

H: Fine. All right, sir.

HMJr: And you can tell him I read this one part about Heinicke -- that one chapter and I know it's a lie.

H: Uh huh.

HMJr: Now, how much more is, I haven't had time -- there's about a thousand pages here.

H: I see. I'll look it over.

HMJr: Yeah. Tell him to be discreet about it.

H: Yes, I will do that.

HMJr: All right.

June 8, 1944
3:51 p.m.

Operator: Go ahead.

HMJr: Hello.

Benjamin
Cohen: Hello. This is Ben, Henry.

HMJr: Yes, Ben.

C: I happened to be lunching with Justice Murphy today.

HMJr: Yes.

C: And he spoke to me about the talk that Waley had had with him.

HMJr: Waley?

C: Yes.

HMJr: Who is Waley?

C: I meant Pehle.

HMJr: Pehle, yes.

C: I beg your pardon.

HMJr: Right.

C: Had had with him and he expressed a great interest in the work and a feeling that Hayes, particularly over in Spain, probably wasn't doing what he should.

HMJr: Yeah.

C: And he sort of threw out the idea that if there was something definite he could do, he would like the President to ask him to make a trip there and possibly to Rome. Of course, he wanted to emphasize that he wasn't seeking just to make a visit but he is very eager to do things, and I thought it might not be -- he's a strange person....

HMJr: Yeah.

- 2 -

C:but I thought it might possibly be a situation where one could put two and two together.

HMJr: Yeah.

C: His being an important Catholic, his being the head of this non-sectarian, anti-Semitic organization.

HMJr: Well, I'll pass it along to Pehle right away.

C: I see. That is, you see he's always doing something or has the idea that he likes to do things and he's usually disappointed if they can't be worked out.

HMJr: Yeah.

C: But it just occurred to me that maybe here was a situation where we could put some things together and I thought if Pehle could work out something then maybe you could talk to the President about it.

HMJr: Well, I'll pass it along. Unfortunately, I'm leaving town tonight and I'll be gone for a week.

C: Well....

HMJr: But I'll pass it along to John.

C: All right. If he wants to come over and talk about any phase of it, I'm always

HMJr: I'll suggest he come over and see you.

C: available.

HMJr: Okay.

C: Thanks so much.

HMJr: Thank you.

June 8, 1944
4:00 p.m.

MEETING OF AMERICAN DELEGATION

Present: Mr. White
Mr. Acheson
Mr. Brown
Mr. Spence
Mr. Wolcott
Mr. Delman
Mr. Vinson

H.M.JR: Who else is to come?

MR. WHITE: Mr. Vinson and Senator Wagner.
Mr. Eccles is out in Utah. That is all.

MR. DELMAN: Senator Wagner wanted me to say that
he was tied up on the Floor and just couldn't get over.

H.M.JR: You do the best you can for him.

MR. DELMAN: I will try.

H.M.JR: I think we had better start. The other
delegates are Miss Mabel Newcomer and Mr. Eccles.

In the room here, Senator Barkley has not been
able to get together with the Republican leaders in the
Senate as to who should be the delegate, and I am hoping
to hear this afternoon. But that is our situation.
That is a little bit beyond me.

MR. WHITE: And Mr. Vinson.

H.M.JR: Mr. Vinson offered to see whether he could
help. I think that is where he is now.

- 2 -

As I say, as soon as the Senate Democratic and Republican leaders decide who will be the Republican member, the President will announce his Delegation. And I am very much pleased that you people are willing to give the time and thought, because there is considerable work connected with it. I think it can be very important, once the fighting in Europe and Asia stops. As soon as the fighting stops these various countries will want to do business, and they will all want to know what they can get for their products, and what they have to pay, and if we can eliminate the risk of rapidly changing foreign exchange, why I think we will do that much towards making it possible for business to start up once more in the world.

I don't think there are any Party politics in this; I certainly won't introduce any. I know the President hasn't any in mind, and that is why he has asked both leaderships in the Senate and House to give us the ranking Democratic and Republican members.

I think it is bigger than either Party. That will be my approach, and I am sure it will be that of the members of the Delegation.

I think I might say this: the Delegation, as a whole, will be under the management of the State Department. They run the hotels and accommodations. And what is more important, from our standpoint, they pay for it! (Laughter) They allow us each a dollar a day pocket-money, so we can't go very far wrong, and besides that, provide us with hotel accommodations, which is very important; that is, the American Delegation.

I think Mr. Charles Bell, who is my Administrative Assistant, will look after the delegates for the American Delegation. So if you people have any requests as to transportation or anything else, why he will be on hand to take good care of you. He is a very able person; a Civil Servant.

- 3 -

I think that is the brief outline, and I think if Mr. Acheson will be willing to sort of tell you gentlemen the policy as to how this Delegation is to operate, it would be helpful.

MR. ACHESON: I am glad to, Mr. Secretary. This is one of the occasions where you become an expert by having done the thing once.

I have now been to two International Conferences, so I have a little familiarity with them. In the first place, about what kind of a Conference this is - I think that, perhaps, may be important. There are some International Conferences which are called to formulate agreements which the Executive Branch--which has negotiated these agreements--is then required to submit to their Legislative Branches and defend all the way through. That was particularly important in countries like England, where if you are in that sort of a conference and your proposition does not go through, the House of Commons will be thrown out of office. This is not that kind of a conference.

The President's invitation makes it clear that the end product of this conference ought to be a proposal, a scheme, or a draft, for an International Fund and, if possible, a Bank, which is then put up to the governments for their consideration, and they may all decide to go ahead and submit it to their legislatures and fight for it, or they may feel that they require further consultation. So it is a conference which is to produce a draft which we hope the governments will accept, but which they do not have to. They are not bound to fight for it in their legislatures without further consultation.

Now, as to the composition of the delegation and what a delegation is and how it works, the delegates will be the representatives of the United States Government at this International Conference. The Chairman of the Delegation is the spokesman for the Delegation, and the other delegates consult with and advise him

- 4 -

and take part in various meetings, committees, and so forth and so on.

The Chairman of the Delegation receives from the President an instruction as to what position the United States Delegation ought to take. Each one of the other delegates receives a certificate of appointment giving him a copy of the chairman's instructions, which is the course which the delegation shall try to follow.

In this particular case I mention that will refer to the expert statement which you have all had and seen and which was drawn up at meetings with the various committees and will say the purpose of the American Delegation is to try to work out a draft on the principles stated by these experts.

Now, you may not be able in all cases to do it. There may be differences with other governments and the Chairman is directed after consultation with his associates on the delegation to make deviations such as are necessary to work out some sort of an agreement with the other countries.

Then the delegation, when it gets to the Conference, is faced with the whole organization and agenda of the Conference. That will mean that there will be, maybe, twelve committees. The subject matter will be broken down into various convenient sizes, and these committees will be meeting, about half of them every day.

In other words, a committee will probably meet every other day. They will thrash out and discuss the matter, and they will appoint some of their members to go off and draft what they have done so far and bring it in the next day, and various members of the American Delegation will be told to attend different committees, since one person can't possibly attend all of them.

Usually the delegation meets every day, or every other day, to see how they are making out, what differences

- 5 -

they are meeting, and to talk over their common problems and keep together, so that in the heat of discussion in battle, one fellow doesn't go off one way and another fellow another way.

This particular conference will have two main divisions. One will be the Fund and one will be the Bank. Those will be called Commissions. They will have subcommittees divided as I suggested a moment ago and it is very important that the delegation shall meet and, through the Chairman and the Secretary, keep all together, and keep on the track.

One of the most important things, of course, is to have the United States crowd stick together as against all the other delegations and be a unit. There will be many discussions and various views expressed within the family, but what is most important to be achieved is to be together when we get into arguments with foreigners.

I think that is all.

H.M.JR: It is all right as far as I am concerned. Maybe they would like to ask some questions.

MR. ACHESON: Have I omitted anything you think I ought to touch on?

H.M.JR: Not to my knowledge. I think you stated it very well.

MR. WHITE: I have a list of those committees here which we can pass around. (Distributes attached list)

MR. WOLCOTT: As I understand it, none of the countries are going to--

(Mr. Vinson enters the conference)

H.M.JR: Fred, do you know everybody here?

MR. VINSON: I think so.

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H.M.JR: I told the gentlemen that you were up as an ambassador. You look as though you came home with the bacon.

MR. VINSON: Well, you never can tell.

H.M.JR: They tell me Kentucky bacon is a little bit better than any other.

MR. VINSON: Well, we won't have any debate on that question.

MR. WOLCOTT: I was going to ask, Mr. Acheson - none of the countries are authorizing their delegations to make any definite commitments on behalf of the countries? I mean, with respect to final action, the final action must be taken by the governments - the delegation is not authorized to take final action?

MR. ACHESON: That is correct, Mr. Wolcott. Not only is the delegation not authorized to take final action, but the invitation particularly reserves the right of the government represented by any of the delegations to look the product of the Conference over before it decides whether it thinks it is a good product or a bad one.

MR. WHITE: That list we have just passed out was our tentative list of committees and subcommittees, with the subject matter that each will deal with. There will be a number of resolutions that may be brought up at the Conference by delegates of various countries, and may necessitate some additional Commissions.

But this cannot be definitive because the Conference itself will have to, in its initial proceedings, approve that. And then we will work out, I presume, at some time, what delegations and particular committees. We haven't covered them all.

MR. WOLCOTT: How large will our delegation be?

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H.M.JR: There is one, two, another Senator - three, four, five, six, seven, eight, nine, and Miss Newcomer, and Mr. Eccles - eleven. I hadn't counted before. Eleven, that is a good number.

MR. WOLCOTT: I have had a terrible time convincing that House up there that circuit judges are reputable people.

MR. VINSON: What was up?

MR. WOLCOTT: They weren't so sure that these circuit judges were of the caliber that we should entrust the affairs of OPA with.

MR. SPENCE: A good many Members make speeches about bills they haven't read.

MR. VINSON: Let me testify to the present Emergency Court of Appeals; that is really a fine group - Judge Morris, Judge Magruder, and Judge Laws. Of course, the time was when you might not have said so much of the Emergency Court of Appeals.

MR. WOLCOTT: I intended that as a compliment. That was what I was intending to lead up to. There wasn't any question about it.

MR. SPENCE: It was a hundred percent.

MR. WHITE: We have some reading material to distribute that they would probably like to see between now and whenever the next meeting is called.

MR. SPENCE: Is it the material that the Secretary described before?

MR. WHITE: This is additional material. (Indicates informational data on the Bank and Fund)

I don't know whether this is business before this committee or not, but I have a petition that was handed me.

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H.M.JR: I don't like the way you look at me, Mr. White.

Judge, do I have to accept the summons?

MR. VINSON: Well, reserve your action and possibly you can get advice of counsel.

H.M.JR: All right.

MR. WHITE: This is a service of "whereas's."

H.M.JR: This is the first meeting we have had that there aren't at least three lawyers here to advise us.

MR. WHITE: I think there are five!

I won't read the "whereas's" but the gist of this is a very serious complaint and plea from the press and I don't know what can be done about it. It is signed by a number of them and they said they would get fifty more.

H.M.JR: Go ahead, why not read it?

(Mr. White read a list of complaints from the press)

H.M.JR: Who is this addressed to?

MR. WHITE: Secretary of the Treasury - Secretary Morgenthau.

H.M.JR: He is out West.

MR. ACHESON: I will have the thing looked into and see whether they have got rooms and if not, whether we can put pressure on the Crawford House to take them in. Then cannot be taken in the Hotel Washington - Mount Washington.

MR. WHITE: They say that some of the brokers - some of the financial men in New York - already have rooms in

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these other hotels, and so forth and so on, and they have been given, generally, the run-around. They are very, very stirred up, the whole gang of them.

MR. ACHESON: We will see what they can do. Of course, if people have got these rooms - I mean, not in connection with the Conference, but if somebody is just staying up there, we will have to do the best we can to get the hotel to put them out. But that is a pretty hard job. We will do the best we can.

H.M.JR: It would be too bad if we got off to a start with a hostile press, because certainly the Food Conference down at Hot Springs suffered terribly from that.

MR. ACHESON: That is right, therefore we must do everything we possibly can.

H.M.JR: Can Mr. White give this to you?

MR. ACHESON: That is right. I know the trouble. I don't need to have the paper.

H.M.JR: I would like to tell them, if it is all right with you, that I have handed the petition to you and you will look into it. I can't just disregard it. I have to do something with it.

MR. ACHESON: You use your good offices.

MR. WHITE: We have now handed you the document.
(Hands list of complaints to Mr. Acheson)

MR. SPENCE: Where is this location?

MR. WHITE: Bretton Woods.

MR. SPENCE: It is in the White Mountains?

MR. WHITE: Yes, right near Mount Washington.

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H.M.JR: I know you gentlemen want to get back up on the Hill.. Is there anything else you would like to bring up at this minute?

MR. WHITE: I wonder whether we should arrange to have another meeting, or can we leave it tentatively and the Judge can call it the latter part of the week?

H.M.JR: I won't be here, but that is all right.

MR. WHITE: We can get in touch with them some time convenient in order to discuss further matters after they have had some opportunity to think about it and read this material over.

MR. WOLCOTT: I assume we will be available at least until the OPA legislation is out of the way.

MR. VINSON: How is that, Judge?

MR. WOLCOTT: I assume we will be available for any conferences until the OPA legislation is out of the way.

MR. VINSON: What I am worried about is whether or not you boys really can live through that battle.

MR. WOLCOTT: We lived through one yesterday. We had a preliminary scrimmage yesterday.

H.M.JR: Judge Vinson, during this week if I am absent, if it is necessary to call a meeting, will you call one for me, please?

MR. VINSON: Yes, sir.

MR. WHITE: Well, now, why don't we send you the material and you won't be burdened with taking it home. We will send it to your office by messenger.

MR. WOLCOTT: Would you make up a folio, it would be helpful, of what Mr. Spence just said, and include in

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that the releases which you have already given us?

MR. WHITE: We will see you get a batch of them, and also we are getting some questions and answers available from the technicians. Most of them are there. There will be some others. We will send a complete set of that and some articles and other things. We will make more available as time goes on.

H.M.JR: Anything else? Are you in a hurry?

MR. VINSON: No.

H.M.JR: Would you and Mr. Acheson stay a minute?

MR. VINSON: All right.

30. Article 1 - Purpose

31. Article 2 - Membership

32. Article 3 - Functions

All delegates

Committee (a) - Purpose and Policies of the Fund

(To consider questions relating to the Fund, obligations of member countries, transitional arrangements for the period during which the Fund and member countries adopt the agreed policies, relationship of the Fund with the public and with non-member countries, and relations of member countries with non-member countries.)

Committee (b) - Quotas and Subscriptions

(To consider the quota of member countries, the basis for future revision of quotas, and payment of subscriptions in gold and local currency.)

Committee (c) - Operations of the Fund

(To consider the operations of the Fund including sale of exchange, acquisition of gold by the Fund, borrowing by the Fund, charges levied by the Fund, determination of parities and changes in parities, guarantee of the value of the assets of the Fund, regulation of capital transactions, apportionment of scarce currencies, and provision for reserves and distribution of profits.)

Committee (d) - Organization and Management

(To consider the establishment of governing boards, basis for voting, selection of officers, appointment of committees, location of offices and depositories, provision for by-laws and regulations, publication of reports by the Fund, information to be reported to the Fund by member countries, and suspension from membership, liquidation of reciprocal obligations on termination of membership, and general liquidation of the Fund.)

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Committee (e) - Form and Status of the Fund

(To consider the nature of the agreement establishing the Fund, the legal position of the Fund in member countries, immunities of the Fund and its assets, amendment of the Fund agreement and the relationship of the Fund to other international organizations.)

Commission II - Bank for Reconstruction and Development

All Delegates

Committee (a) - Purposes and Policies of the Bank

(To consider purposes and policies of the Bank, relationship of the Bank with the public and with non-member countries, and relationship of member countries with non-member countries.)

Committee (b) - Capital and Subscriptions

(To consider the capital of the Bank, subscription of member countries, proportion of subscriptions to be paid in, payment in gold and local currencies, further calls for payment on subscriptions and the reservation of part of the unpaid capital as a surety fund.)

Committee (c) - Operations of the Bank

(To consider the conditions under which the Bank may guarantee, participate in or make loans, the manner in which it will aid and encourage equity investment, provisions for safeguarding funds lent by the Bank, guarantee of the value of the local currency assets of the Bank, provision for repayment of principal and interest, borrowing by the Bank, the limitation on direct and contingent liabilities of the Bank, the charges the Bank may levy, provision for reserves and distribution of profits, security and foreign exchange transactions the Bank may undertake, and other operations of the Bank.)

Regraded Unclassified

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Committee (d) - Organization and Management

(To consider the establishment of governing boards, basis for voting, selection of officers, appointment of committees, location of offices and depositories, provision for by-laws and regulations, publication of reports by the Bank, withdrawal or suspension from membership, contingent liability of former members, and general liquidation of the Bank.)

Committee (e) - Form and Status of the Bank

(To consider the nature of the agreement establishing the Bank, the legal position of the Bank in member countries, immunities of the Bank and its assets, amendment of the Bank agreement and the relationship of the Bank to other international organizations.)

4 P.M. Meeting

Mr. Fred Vinson

Senator Wagner

Congressman Spence

Congressman Wolcott

Senator _____

Mr. Edward E. Brown

Mr. Acheson

Mr. White

Note: Mr. Eccles is in Utah. Miss Newcomer couldn't get here in time.

Advisers to the U. S. Delegation

Mr. Leo Pasvolksy, Department of State
 Mr. E. G. Collado, Department of State
 Miss Eleanor Dulles, Department of State
 Mr. E. M. Bernstein, Treasury Department
 Mr. Norman T. Ness, Treasury Department
 Mr. August Maffry, Department of Commerce
 Mr. M. S. Szymczak, Board of Governors of the Federal Reserve System
 Mr. E. A. Goldenweiser, Board of Governors of the Federal Reserve System
 Mr. Walter R. Gardner, Board of Governors of the Federal Reserve System
 Mr. Alvin Hanson, Board of Governors of the Federal Reserve System
 Mr. Frank Coe, Foreign Economic Administration
 Mr. James W. Angell, Foreign Economic Administration
 Mr. Walter C. Louchheim, Jr., Securities and Exchange Commission
 Mr. Warren Pierson, Export-Import Bank
 Mr. Hawthorne Arey, Export-Import Bank
 Mr. Malcolm Bryan, Vice President, Federal Reserve Bank of Atlanta
 Mr. Henry Edmiston, Vice President, Federal Reserve Bank of St. Louis
 Representative of Budget Bureau ?

Legal Advisers to the U. S. Delegation

Chief - Mr. A. F. Luxford, Treasury Department
 Mr. Donald Hiss, State Department
 Mr. Ben Cohen, Stabilization Board
 Mr. Oscar Cox, Foreign Economic Administration
 Mr. J. T. Dreibelbis, Board of Governors of the Federal Reserve System

June 8, 1944
4:50 p.m.

GROUP

Present: Mr. Pehle
Mr. Shaeffer
Mr. Haas
Mr. Sullivan
Mr. O'Connell
Mr. Blough
Mr. Smith
Mr. Gamble
Mr. White
Mr. C.S. Bell
Mrs. Klotz
Mr. D.W. Bell

H.M.JR: Charlie, I will take up a couple of these things. I won't be here again, now, until next Friday, a week from tomorrow.

(Mr. D.W. Bell enters the conference)

H.M.JR: We just had the first informal meeting of the delegates to the Monetary Conference, and at that meeting, Mr. White presented me with a "whereas" from the newspapermen. He asked what we should do with it. Mr. Acheson said he would accept it and see what could be done. So you can tell the newspapermen that I have turned the matter over to Mr. Acheson, and Mr. Acheson will see what can be done.

MR. SULLIVAN: Is this on rooms, Mr. Secretary? I wired the president of the New Hampshire Men's Hotel Association yesterday afternoon and asked him to send me, airmail, a list of all the hotels in the vicinity that would be open in July. That should be in in the morning and I am making it available to Charlie Bell.

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H.M.JR: There is no use of your going on record with me. It doesn't do you any good. I have this "whereas" thing - I gave it to Mr. Acheson. They can camp on the doorstep of Dr. Kelchner.

MR. WHITE: No, the pressman is McDermott.

H.M.JR: There is no use of your going on record with me.

MR. C.S. BELL: That was before your resolution was received.

H.M.JR: I just want you to know. The boys' resolution was handed, within an hour or two, to Mr. Acheson, who said he would see what he can do about it. I can't help it. The appropriation isn't mine. Mr. Steve Early recommended that Mr. McDermott do it, and so forth and so on.

MR. SHAEFFER: Yes, sir.

H.M.JR: Now I am just tying up a few little odds and ends.

I didn't take Mr. O'Connell's very good letter written to Mr. Hull in regard to the Netherlands, and so forth and so on, on the currency, because as we got up to leave the President, I mentioned this thing to him about the fact that we had given Mr. Eisenhower currency from the Netherlands and Belgium and Norway.

He said, "How did you pay for it?"

I said, "It is just a trick; we didn't," and then I explained it to him.

He said, "Wonderful! At last you are getting Scotch! That is very fine."

Then I explained to him - "I want to remind you that this enables you, when the Queen of the Netherlands

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presents you with a bill for the cost of invasion, you have a credit."

The President said, "That is wonderful. I would love to be able to sit down with the Queen of the Netherlands. That is wonderful. I like that."

And I told that little white lie to Mr. Acheson, saying that I had spoken to the President, but the President had said he was too busy - which he did, more or less, say. He said he had a lot of troops to look after, didn't he?

MR. PEHLE: Sure.

H.M.JR: Mr. Pehle says yes - I said he said yes - so Acheson said, "Well, there will be no agreement signed with those countries, period!"

So I said, "Well, no agreement - you people can take it up with the President if you want to."

MR. WHITE: We have the money, so the failure of signing the agreement, I gather, is not anything for us to worry about. The Dutch can worry.

H.M.JR: That is right.

Then the other thing - I am again tying up these odds and ends - I didn't want any misunderstanding. I had to hit Acheson twice today in front of everybody.

This Delegation which came in - I said to Judge Vinson, "Now, Judge, while I am gone, will you please call any meeting that has to be called?"

I think that Mr. Acheson thought I had asked him to do that - I don't know. I thought I would do it right out, openly, Harry, so there is no misunderstanding.

MR. WHITE: That is all right.

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H.M.JR: So your only problem is to get a Republican Senator, and Vinson was kind enough to go up and sit on the Hill for two hours waiting for Barkley - nobody could find Barkley. His office wouldn't tell Vinson where he was. He was back over here - and he sat there two hours waiting for the fellow to come.

They can't agree on anybody except Tobey, and Barkley doesn't want Tobey - and Senator White doesn't want Tobey. But Tobey is for Tobey.

MR. SULLIVAN: Always has been!

MR. PEHLE: Neither does the President.

H.M.JR: Yes. Well, they suggested Taft, so I said that as between Taft and Tobey, I would rather have Tobey.

MR. SULLIVAN: No, I think you are wrong.

H.M.JR: I knew you would.

MR. SULLIVAN: No, I mean of the two men--

H.M.JR: Really?

MR. SULLIVAN: Yes, I do. Taft himself told me the last time we were up there, I guess it was the next day, at Burning Tree, he said, "I am for the International Stabilization Fund. I am going to be against the Bank, but I am for the Fund."

Tobey, you know, has not attended one of your meetings up there.

MR. O'CONNELL: Tobey would be innoxious. I would much prefer Tobey to Taft. I wouldn't trust Taft - not in 1944.

MR. WHITE: Taft is preparing a speech, now, against it.

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H.M.JR: I have left it with the committee of White, Fred Vinson, and Dean Acheson, to recommend to the President. The President says he doesn't want Tobey, but Barkley is acting very funny on this thing. I thought I could clean this up before I left, but those three gentlemen will handle it.

MR. SULLIVAN: Tobey is in a primary fight that ends on June 11; that would be a big help to him.

MR. WHITE: You understand that as far as the Dutch and Belgian, and other currencies, the matter is just postponed, or do you regard the President as reiterating his position with respect to the Treasury?

H.M.JR: You give a factual report.

MR. PEHLE: Well, the Secretary explained rather carefully how we had gotten the currency, how it was printed, and that he had gotten it delivered over to Eisenhower, and that we were just giving them a credit for it. And the President agreed as firmly as he could agree with that. He said that would leave us clear to bargain after the war, and he didn't want cash paid for it at this point.

H.M.JR: And he said he would love to sit down with the Queen of the Netherlands.

MR. WHITE: He doesn't know that the State Department is opposed to that?

H.M.JR: Oh, yes.

MR. PEHLE: Yes, because he said, "Who is in disagreement?"

The Secretary said, "Mr. Acheson is the only one that is unhappy about it."

H.M.JR: I said that Ambassador Winant has never heard about it.

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MR. WHITE: I think there are more people unhappy than Acheson.

H.M.JR: Listen, I have got to give you a picture of this thing. We were told to take ten minutes; I get through; he brings in another subject on which we talked, and which was all right - the question of the Hungarian Jews - the President was shocked. It will be helpful - the President was very much interested - if we didn't go over on anything else. And, incidentally, the whole thing on this sanctuary in this country has been cleared. The President initialed it and it has been finished. And Pehle deserves a tremendous amount of credit. I helped, but they deserve tremendous credit, those who worked on it, and so forth. It is a wonderful thing.

Then I stand up, and with Watson shooing me out all the time, I do this thing. The President had to refresh his memory about the thing. Pehle was surprised I knew it, and he kept spluttering in my ear about these currencies every minute. He almost fell over when I gave the correct explanation, and he kept whispering, but I kept on ahead of him, for once. But you have got to get the picture of the President ringing bells, and the General going this way (indicates shooing motion).

MR. WHITE: Under the circumstances, both sides were unfairly presented, and the President agreed we should continue to hold the position which we have - well, that is all right! (Laughter)

H.M.JR: After all, I went over there and I presented it in a way that the President could sympathetically understand.. I didn't go very hard on the other side, did I, John?

MR. O'CONNELL: You said Dean Acheson was unhappy.

H.M.JR: (To Pehle) You are dictating the refugee part?

MR. PEHLE: That is right; I dictated that. I have it right here, Mr. Secretary.

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H.M.JR: Fine. I just tried to bring up to date what I was doing. Let me look around the room.

MR. WHITE: I would like to re-join that group, if I may.

H.M.JR: One second. I am going to get up first - one minute.

MR. WHITE: I wasn't suggesting that the others get out.

H.M.JR: One minute, one minute. The longer you stay out, maybe - well, anyway - anything else? Does anybody have anything against White that they want to say while he is here? Don't all answer at once!

MR. WHITE: Just hold it, boys, I am leaving.

Is the President's letter about China--

H.M.JR: Signed, sealed, and gone.

MR. WHITE: Oh, gone? We wanted Dan to go over it again.

MRS. KLOTZ: I don't know whether it has gone, but it is signed. Do you want me to stop it?

MR. WHITE: Yes.

H.M.JR: Mrs. Klotz, do it on the phone. If it hasn't gone, I am going to be furious. (Laughter)

MR. BELL: So am I! I haven't got time to go over it.

H.M.JR: General Marshall says everything is his place goes ten minutes after he signs it.

MRS. KLOTZ: That is what he says!

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H.M.JR: Do you want Dan to read it again? Supposing Dan doesn't like it?

MR. BELL: Dan hasn't read it yet.

MR. WHITE: We can change the first page. The second page has the signature. (Laughter)

MR. BELL: Haven't you noticed how they stretch the letter to get it over on the second page?

H.M.JR: You had better go to your meeting!

MRS. KLOTZ: (Over phone) It has gone?

(To the Secretary) No, it hasn't.

H.M.JR: I am furious.

MR. WHITE: Good luck. You will be calling in, I hope. This is one of the very few times, I hope.

H.M.JR: You have Buz Aarons, you know.

MR. WHITE: He is going, isn't he?

H.M.JR: He has gone. Do you want to stop him?

MR. O'CONNELL: Get on the phone and stop him.

H.M.JR: Thanks to Joe.

MR. WHITE: I will listen on the radio.

H.M.JR: You had better!

(Mr. White leaves the conference)

H.M.JR: (To Mr. O'Connell) Tell Luxford that I have been awfully busy and just couldn't handle this. I knew it wasn't important. (Hands Mr. O'Connell personal note.)

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Everybody else happy? Do you have your post-war taxes all sewed up?

MR. BLOUGH: Dan and I have a point. Somebody ought to call George and Doughton before they get their Joint Committee organized. I understand they are organizing a Joint Committee, and we ought to have authority - Mr. Bell ought to have authority to call them up and tell them what we are doing.

H.M.JR: He has. And please keep Mr. Sullivan posted, and let him participate.

MR. D.W. BELL: We thought it was better to go at them first, before they announce it publicly up there that they have established this Committee. Let them know that we have also been thinking about it and ask for their cooperation, rather than going after the thing is announced, and have them think we wouldn't get on the bandwagon.

H.M.JR: Because, as Mr. Bell said to me the other day, we have never kept the Bureau sufficiently posted in advance of tax plans, and I think it is a point well taken on that. I think we should do so. Mr. Sullivan is here and available. Right, John?

MR. SULLIVAN: Right.

H.M.JR: Anybody else?

Well, we will be back here either late Thursday night or Friday morning. I hope you all listen. The President is joining us Monday night on the radio.

MR. GAMBLE: Confidentially, it has already leaked out and we are embarrassed as hell about it.

H.M.JR: Really?

MR. GAMBLE: Yes, it leaked through Steele, innocently, I think. I think he was just prospecting. He was arranging the lines.

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H.M.JR: I haven't told it.

MR. GAMBLE: The Blue Network had called from New York and asked for confirmation of it.

MR. D.W. BELL: It isn't very late, is it?

MR. GAMBLE: He said a fellow by the name of Steele had called.

H.M.JR: O.K.

Letter to the Generalissimo was signed
by the President on June 10th, and sent
to the State Dept. for transmission by
pouch. The President made no changes
● this letter.

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JUN 8 1944

My dear Mr. President:

I have received your memorandum of June 1, 1944 enclosing the Aide-Memoire brought to you by General Shang Chen from the Chinese Ambassador. This same Aide-Memoire was handed to me by Ambassador Wei on May 19, 1944 and it suggests an arrangement whereby we can sell gold and currency in China to meet our financial problems there. This proposal is being seriously considered by War, State and ourselves and may prove to be of some assistance, although it cannot be a solution to our financial problems in China.

I should like to take this opportunity to congratulate you, as Commander-in-Chief of our Armed Forces, upon having faced and passed an important military crisis. General Somervell informs me that the U. S. Army installations in China are now practically completed. Thus, the problem which you faced in January has been overcome and your major objective has been achieved.

The difficulties of financing our military program in China began, you recall, at the Cairo Conference, where the Chinese leader requested a \$1 billion loan. You accepted my recommendation that this loan be denied, and the Generalissimo in January threatened that the Government of China would not make any further material contribution to the war effort, including construction of military works, unless we agreed to grant the loan, or alternatively, to purchase Chinese currency at the official rate of exchange for our military expenditures. We refused to accede to the Generalissimo and continued negotiations. However, during these negotiations, construction activities on behalf of our Army were going forward and have now been substantially completed, and we are now in the favorable bargaining position. Dr. Kung in a letter of April 19, 1944 informed me that the Chinese Government is "resolutely determined that nothing should be allowed to interfere with the present and contemplated operations of the U. S. Army in the China Theatre", and that the Chinese Government renounces "any request for a new loan (i.e. the \$1 billion loan requested by the Generalissimo at the Cairo Conference)". Thus a most difficult

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situation has been bridged and our military installations in China stand ready for use.

The Secretary of War, in his letter dated May 26, 1944, has submitted to you an excellent account of the negotiations to date regarding the U. S. dollar costs of our military expenditures in China.

As you know, we have been informed that Dr. Kung will come to the United States soon as head of the Chinese delegation to the United Nations Monetary and Financial Conference. This will give us the opportunity to continue the financial negotiations with him in the United States.

That the position we have taken in these negotiations is justified is shown by the declining value of the Chinese yuan. The official exchange rate for Chinese yuan has been 5 cents since 1941; before China entered the war it was 30 cents. The unofficial or black market rate for yuan was only 2 cents by the end of 1942 and by the end of 1943 only 1 cent. At the present time the yuan is worth about one-half of a cent.

The rise in value of the U. S. dollar in terms of Chinese yuan is shown by some typical foreign exchange quotations in Kunning and Chungking since the latter part of 1942:

		<u>Chungking</u>	<u>Kunning</u>
1942	August	36 yuan for \$1	44 yuan for \$1
	December	45 yuan for \$1	48 yuan for \$1
1943	August	80 yuan for \$1	88 yuan for \$1
	December	85 yuan for \$1	95 yuan for \$1
1944	February	175 yuan for \$1	300 yuan for \$1
	March	250 yuan for \$1	220 yuan for \$1
	April	200 yuan for \$1	205 yuan for \$1
	May	175 yuan for \$1	190 yuan for \$1

Gold has always sold at a much higher value in terms of Chinese yuan. Thus, at the end of 1943 a U. S. dollar note sold for about 90 yuan while \$1 worth of gold sold for about 300 yuan. In May, 1944, when the U. S. dollar sold for about 175 yuan in Chungking, \$1 worth of gold sold for approximately 450 yuan.

You may feel assured that despite the financial problems which arose to disturb the cordial relations of this Government with the Chinese Government, the course of the present financial negotiations is satisfactory and moving in the proper direction.

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I suggest that you may wish to address a letter to Generalissimo Chiang Kai-shek which will pay tribute to the Chinese people, and acknowledge the appreciation which is felt for their making possible the completion of the military projects. A draft of such a letter is attached for your consideration.

Yours sincerely,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

The President,

The White House.

HDW/HG/AL/efs
6/8/44

Regraded Unclassified

Dear Generalissimo Chiang:

I have been informed that the United States military installations in China have now been practically completed, notwithstanding the monetary and financial difficulties China has to contend with. I wish to express my own deep appreciation to you and to express the thanks of the American people for this splendid achievement.

This manifestation of our common effort gives to the world additional evidence of the good faith and the high principles which motivate the United Nations in their determination to destroy the forces of aggression. You and the Chinese people have fought valiantly the common enemy for seven long years, and I know that you are heartened, as we are, with the realization that the day draws ever closer when our objective of final victory will be won.

China's achievements in the face of tremendous obstacles inspires faith and hope in free men of all countries.

Sincerely yours,

Generalissimo Chiang Kai-shek,
Headquarters of the Generalissimo,
Chungking, China.

June 8, 1944

FROM: Secretary Morgenthau
TO: Dr. White

That's a very good letter you wrote to the President
on China.

June 3 96

THE WHITE HOUSE
WASHINGTON

June 1, 1944.

MEMORANDUM FOR

THE SECRETARY OF THE TREASURY:

This memorandum is from the Chinese Ambassador and was brought to me by General Shang Chen direct from Chungking. I think you might have a talk with the Chinese Ambassador in regard to the Chinese exchange situation. I do not think he feels it is much better.

F.D.R.

*Mrs. Klotz: Bring this
to my attention*
pm

AIDE MEMOIRE

To meet the requirements of the United States Army in China the Chinese Government has advanced in toto the sum of eighteen billion yuan.

The United States Government has signified its intention of paying for its military expenditure in China which is greatly appreciated by the Chinese Government. As a basis of settlement of the funds advanced by the Chinese Government, United States Army representatives in China have made proposals at different times since February for the conversion rate to be fixed variously at; U.S. \$1 to 100 yuan, 200 yuan, 120 yuan, and 150 yuan. The Chinese Government, however, is unable to consider these proposals to alter the exchange rate of 20 yuan to one U.S. dollar, because the lowering of the exchange rate under the present circumstances would further undermine confidence in Chinese currency, as well as stimulate the rise in commodity prices.

The Chinese Government, therefore, suggests the following solutions:

(a.) The agreement for Reverse Lend-Lease as proposed by the United States and agreed to by China shall be signed and implemented as soon as possible.

(b.) China undertakes to pay for land needed for the construction of air fields.

(c.) China

- (c.) China undertakes to pay for the food and lodging of the United States Army in China, such payments to be credited under Reverse Lend-Lease.
- (d.) For United States Army expenses other than those covered in (b) and (c) above, the Chinese Government offers the following alternative solutions:-

- 1.) China shall contribute twenty yuan as Reverse Lend-Lease, in addition to twenty yuan exchanged at official rate for every United States dollar credited to China. China is further prepared to raise such Reverse Lend-Lease contribution to forty yuan for each United States dollar placed to her credit.
- 2.) Alternatively, if the above arrangement (d.1.) is considered not satisfactory, the Chinese Government shall be prepared to permit the United States authorities in China to sell in open market United States currency notes, United States Government bonds, gold, and commodities for the purpose of
securing

securing Chinese currency needed to
meet United States Army expenditure.

The Chinese Government also believes that the most effective measure of controlling inflation in China is increased importation of commodities for daily use, especially if such importation is combined with the arrangements under (d. - 1 or 2)

It is to be observed that for every yuan issued, the Chinese Government and banks assume the obligation of its redemption according to law. In comparing China's present foreign exchange accumulation to the amount of yuan issued China's exchange reserve is infinitesimal and far below her minimum requirements, not to mention China's post-war needs for rehabilitation and reconstruction, and her monetary stability which especially needs assistance. Hence any appreciable increase in China's foreign exchange and reserve would greatly mitigate her difficulties and be of vital importance to development of American trade with China.

TO:

100

Secretary Morgenthau

Did you know you were
going to make a speech at this
luncheon? I didn't.

F.S.

(S)

Copy to Mrs M 6/8/44

Fred Smith
Room 290½

June 8, 1944

Dear Nevil:

Mrs. Morgenthau and I will arrive in New York shortly before the Luncheon on June 21. We would be glad to meet you and Mrs. Ford by the elevators outside the Waldorf Ballroom.

Sincerely,

(Signed) H. Morgenthau, Jr

Mr. Nevil Ford
State Chairman
War Finance Committee
1270 Sixth Avenue

FS:mlf



OFFICE OF STATE CHAIRMAN

TREASURY DEPARTMENT

WAR FINANCE COMMITTEE



1270 Sixth Avenue,
New York 20, New York,
June 5, 1944.

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

My dear Mr. Secretary:

We are all delighted that you will be able to be with us on Wednesday, June 21st when Fifth Avenue is dedicated as the AVENUE OF THE ALLIES and that you have consented to make the principal address at the luncheon to be tendered jointly with us by the Fifth Avenue Association. Lord Halifax and the Chinese Ambassador have consented to reply on behalf of the United Nations. There will be no other speeches save Mr. Walter Hoving, President of the Association, who will introduce you and the Ambassadors. We are inviting the Ambassadors of all the United Nations and their wives as honor guests and many have already accepted. I hope very much Mrs. Morgenthau will accompany you.

Immediately following the luncheon at the Waldorf Ballroom, we will all be taken to the Public Library in front of which there will be brief ceremonies to open the Avenue which will be decorated from 22nd Street to 61st Street, each block being devoted to one of the United Nations, with a Bond Booth on each block operated by women representatives of the respective nations. We believe it will be both colorful and effective and the decorations will remain in place until the end of the Loan.

If you would care to have us, Mrs. Ford and I will be delighted to meet you and Mrs. Morgenthau at any place convenient to you and escort you to the luncheon.

Thank you very much for accepting our invitation.

Sincerely yours,

Nevil Ford,
State Chairman.



TREASURY DEPARTMENT
WAR FINANCE COMMITTEE
NEW YORK



1270 SIXTH AVENUE
NEW YORK CITY
CIRCLE 6-8766-4300

June 8, 1944

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

My dear Mr. Secretary:

In talking with Ted Gamble on the telephone today, I gathered that I had unintentionally given you a somewhat mistaken impression of the part we are asking you to take in the proceedings at the United Nations Lunch at the Waldorf on June 21st. I am sorry.

In using the words "principal speaker", I was merely trying to emphasize the importance we all attach to your presence. I want you to enjoy yourself at the lunch and to feel entirely free to say a few words, most informally, in appreciation of what the Fifth Avenue Association is doing to help the War Loan in New York and such further remarks as you may care to make. In the belief that it will be easier for you, I have arranged with Mr. Hoving to have the luncheon precede the opening of the Avenue.

At the conclusion of the lunch there will be cars at the Waldorf which will take the more distinguished guests down Fifth Avenue that they may see the decorations, stopping at the Library where a simple ceremony of cutting the ribbon will take place. Mr. Hoving will present you with a large pair of scissors with which you will be asked to snip the ribbon and there will be no necessity for any remarks. The whole procedure should not take over a few minutes.

I have made no other plans for your day here, feeling that we have imposed too much on your good nature when you visited us during past War Loans. The day's proceedings should be over by, at the latest, three o'clock, when I should be glad to escort you and Mrs. Morgenthau to your home or wherever you may wish to go.

Honorable Henry Morgenthau, Jr.

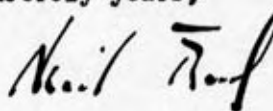
-2-

The Weapons of War Exhibition of the Army will still be going on in Central Park. If you care to, I should be glad to take you there that you may see it, again entirely informally and incognito, if you prefer. From the preparations the Army is making, the Exhibition should be well worth seeing and I think you might enjoy it.

However, please feel entirely free to make any plans you desire and know that my only wish is to make your visit as enjoyable as possible for you and Mrs. Morgenthau.

Again, my very real thanks to you for giving us of your time. It is a real help to us.

Sincerely yours,

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

Nevil Ford,
State Chairman.

June 8, 1944

Dear Mr. Campbell:

I want to commend you on your excellent June 12 issue of the Arkansas Minute Man. You and your staff have done a very thorough job.

I am looking forward to the Texarkana meeting, and I hope to see you there.

Sincerely,

(Signed) H. Morgenthau, Jr.

Mr. W. W. Campbell
State Chairman
Arkansas War Finance Committee
Radio Center Building
Little Rock, Arkansas

MLF

A R K A N S A S

MINUTE MAN

5th WAR LOAN - June 12 - July 8

\$56,000,000 GOAL



A TICKET HOME FOR YOUR FIGHTING MAN

Volume Two

June, 1944

Number Twelve

BACK THE ATTACK! - BUY MORE THAN BEFORE!

ARKANSAS Minute Man

Published by

THE ARKANSAS WAR FINANCE
COMMITTEE

Radio Center Building
Little Rock, Arkansas

ROY G. PASCHAL
Honorary State Chairman

W. W. CAMPBELL
State Chairman

W. ROBERT CROW
Vice Chairman

C. K. WILKERSON
Executive Manager

MOODY MOORE
Industrial Division Director

TED MORLEY
Community Division Director

HARRY MARSH
Agricultural Division Director

This News Letter is published through
courtesy of the Coca-Cola Bottling Com-
panies of Arkansas, to whom the War Fi-
nance Committee expresses deep apprecia-
tion.



MESSAGE FROM * * *

W. W. Campbell

STATE CHAIRMAN, ARKANSAS WAR FINANCE COMMITTEE

My message last month was right out of the bottom of my heart to our County War Finance Chairmen and Staff Workers. I am no less sincere and earnest in my message for June. I feel the weight of the 5th War Loan Campaign, and I know each of you are sharing this responsibility and feeling with me. We have a big task and the full impact of the responsibility of its success rests on the entire citizenship of the State.

Secretary of the Treasury on May 24, congratulated the citizens of Texarkana, border city in Arkansas and Texas, on their plans for a "Civilian D-Day" to usher in the Fifth War Loan Drive on June 12. I want to quote him in part for it is a message everyone of us should receive:

"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 forces in the history of the world. The enemy they will face is stubborn, well-equipped and desperate. Therefore, the engagement will be bloody and expensive—we must expect that, and should be ready for it."

"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.

"The source of spirit in our Army lies right here at home—lies in our support and in our interest. Our support will be reflected in the 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 way possible."

Therefore, all eyes of America are now being focused upon the Great Southwest at Texarkana, U. S. A. This city is a "Typical American Community." The people have co-operated in such a manner that it is a model community. Their plans for the Fifth War Loan are all laid; their quotas have been accepted and distributed to each community; their organization has been strengthened; their solicitation work will have been completed between June 1 and June 12. Their plan is to present to the Secretary of the Treasury their quota in full on the night of the formal opening. It is a stimulant to all of us. They have a model County War Finance Committee.

In like manner, Arkansas as a State can be the model State of the Nation in the Fifth War Loan. All it takes is for seventy-four other counties to plan their canvass, vitalize their organization, and go out and get their quota. This, I am confident you will do. In such performance, this will make Arkansas the model State of the Nation.

In closing, may I suggest these final steps will contribute materially to your success. Let each County Chairman follow through with each of them:

- (1) Hold your county-wide meeting of your workers. Plan thoroughly for this meeting.
- (2) Set up your local community committees and assign a definite quota to each, and insist on a personal canvass of everyone who can buy a bond.
- (3) Keep your people informed concerning the progress of the campaign. Publish daily sale reports.
- (4) Make your daily reports to your District Chairmen and to the State Office.

Go out with a trained staff of workers equipped to succeed, and the men of our armed forces, the people of the State and Nation shall rejoice with you in your successful termination of the Fifth War Loan. Remember that the eyes of the Nation are looking this way for an example and for a spirit of co-operation in this hour of crisis. Success and victory is the watch-word in the coming drive. We must not and shall not fail in our efforts!

GIVE YOUR LIFT TO THE 5TH

Henry Morgenthau Jr. Will Keynote Battle Cry From Civilian Home Front

Secretary of Treasury Morgenthau's visit to Texarkana to participate in Civilian D-Day June 12th will be most far reaching history laden event for one of the nation's great war time leaders. Every war loan war bond worker, war worker, and people generally from coast-to-coast have seen this tall serious-faced man emerge from his plane to bring messages of hope and sometimes warning to the home front on the progress of the war.

When he touches the soil of Arkansas at Texarkana Airport late Sunday afternoon, June 11th, he will be on a mission as closely linked to the fate of the invasion as the fighting materials and the troops committed to the operation by the Allied High Command. From this Southwest city he will fire the spark which must turn the home front into a great offensive machine. Secretary Morgenthau's travels have always carried with them significance but his Texarkana participation on Civilian D-Day will help to make all Americans ready for the slaughter of invasion. Major net works and overseas short wave facilities will carry a dramatic program from the stage of the Paramount Theater in Texarkana in which the master show talent of the nation headed by Orson Welles will play the greatest roles of their careers narrating the import of Civilian D-Day to Americans at home and Americans on the fighting fronts and to our enemies.

Arkansans of all walks of life including Governor Homer M. Adkins will participate in Texarkana's Civilian D-Day. Secretary Morgenthau will visit with Arkansas War workers at Lone Star and Red River Ordnance Depot. He will also review a colorful parade along State Line Avenue, address a rally from the steps of the Post Office which straddles Arkansas and Texas. War Finance Committees of the two-state community have prepared for the greatest crowd in the history of the Southwest.

Many Americans have traveled the nation to plead for everything from their pet theories to a term in the White House, but the United States in its present day crisis is witnessing the unprecedented visits of a wartime leader to the homes and work benches to ask for the loan of their money by Americans to insure their continued freedom.

No one around the Treasury Department has ever stopped to figure out the volume of War Bonds Secretary of the Treasury Henry Morgenthau Jr. personally has accounted for. Yet anyone observing his travels and his face-to-face method of campaigning from one end of the country to another will admit he is truly the number one war bond salesman, in fact, as well as by virtue of his position.

Movie stars have gone on the radio in 24-hour marathon perform-



ances and have come up with sales totals of astronomical figures. There have been individual War Bond workers with no previous sales experience who have knocked on enough doors to come within striking distance of their more famed fellow citizens.

But for premiere performance—the ability to generate confidence in War Savings—Secretary Morgenthau is tops among the 5,000,000 volunteers recruited by the War Finance Division's Chairman, Ted R. Gamble, youthful Oregonian.

How does the secretary do it? On his visit to Cedar Rapids, Iowa, on Easter Sunday in 1943, he provided the key to his thinking about the financing of the most costly and deadliest war in the world's history.

Said he: "I am very anxious that the American people be given credit for their truly excellent participation to date, and that we attack this new campaign with the idea that the people will not let us down if we deal with them honestly and frankly—if we tell them why we need money, how much we need, and where we must get it."

A re-reading of his comments on the rapidly changing war picture shows him to be in the forefront of our analysts.

At the time the nation was whooping it up over the fall of Mussolini and the invasion of the Italian mainland by Allied troops—a dangerous mood in view of the actual situation—he left his office at the Treasury Department, walked over to a "Back the Attack" military show, then being given at the foot of towering Washington Monument, and told the country:

"Well, you've seen the newspapers today. We are holding around Naples, but we are just barely holding, with tremendous loss of life. In a hard week of fighting we have managed to gain only a small foothold in Italy. Today, the situation is critical. In any event, we still have to drive North about 500 miles, with the Germans fighting every inch of the way. At the very least, it will take months. And months from now, this winter or next spring, when and if we conquer the whole of Italy, we still will be nowhere near Germany. We will still have a long way to go."

"Let us stop this foolish, childish over-optimism and over-confidence. It is criminal. It is criminal because every time we decide the war is won, we sign a death warrant for another thousand, or two thousand or five thousand American soldiers and sailors."

Ted R. Gamble, National Director, Sends Greetings

Ted R. Gamble, National Director of the War Finance Division sends his greetings to the Arkansas War Bond volunteers on the eve of the greatest of all war loans ever held in America stressing the fact that the Fifth War Loan may be the most fateful in the war. He asked Arkansas war bond workers to keep in mind that they are as much a part of the invasion as the troops and equipment now massed for the attack on Hitler.

"The Fifth War Loan," he said, "not only must produce the money to pay for the invasion demands but must also serve to prepare the nation for the terrible sacrifices which countless homes may face."

National Director Gamble's burdens in the Fifth War Loan are the greatest he, himself, has shouldered. The Fifth War Loan will be the third of the five held so far which he has directed. He is the perfect Minute Man of the more than five million he heads. He actually began this service for the nation in the War Financing Program as an Oregon door knocker. At the very outset of the emergency more than three years ago, it was in June 1941 when he first became associated with the Portland, Oregon Defense Savings Program. His work as the organizing genius of the Portland Rose Tournament and his activities as a theater executive provide a background for his rapid rise as a War Bond Administrator.

It was from the deck of the battleship, Oregon, later to figure in the Pearl Harbor Tragedy, that he took office as the Oregon War Savings State Leader. His handling of his home state's war financing program brought him to the attention of Secretary of the Treasury, Henry Morgenthau.

In Washington, National Director Gamble was the driving force back of the organization of the amazing Payroll Savings plan in America. From small beginnings the payroll savings army today numbers more than twenty-seven million American workers allotting \$75,000,000.00 a month out of their salaries. With the organization of the War Finance Division just prior to the Third War Loan, Mr. Gamble was intrusted with the National Leadership. He set out from Washington on a flying tour which took him into everyone of the 48 states guiding and counseling the setting up of individual state organizations under the new plan of organization.

How successfully his administration has been perhaps is best told in this fact: At the time Mr. Gamble assumed the responsibility of the National Director individual participation in the War Loans was at the approximate 12% mark. This percentage has risen to more than 31% of the Fourth War Loan. Thus millions of more Americans have bought more bonds than at any time before under his inspiration and administrative methods.

He is thirty-eight years old. He accepts no pay. The \$1.00 a year he receives is the token payment for his practical patriotism.

Arkansas War Bond volunteers look forward to continued service under his leadership.



TED R. GAMBLE
National Director
War Finance Committee

Now About Robert W. Coyne . . .

Native of Bangor, Maine; born February 26, 1904; son of Mary F. and P. H. Coyne; graduate, Bangor High School, Georgetown University Law School; member of the Maine and Massachusetts Bars; in charge of Department of Justice offices in Chicago and Boston; in charge of Bureau of Internal Revenue field offices in Chicago and New England. Organized the New England Field Division of the Alcohol Tax Unit, Bureau of Internal Revenue, maintaining offices in each New England State from 1933-1941.

In the summer of 1941 became a special field representative of the Defense Savings Staff, and on December 8, 1941, the day after Pearl Harbor, was called to Washington to assume position of Associate Field Director of the Staff; appointed Field Director on July 1, 1942; with the formation of the War Finance Division in June of 1943, was appointed Assistant National Director in charge of Field operations, with the operating title of Field Director.

Through his outstanding leadership Mr. Coyne has earned the respect and admiration of War Finance Committees throughout the nation. Arkansas workers with the War Bond program are especially grateful for his counsel. And Pulaski county leaders are appreciative of his co-operation in coming to Little Rock to participate in the opening ceremonies for the 5th War Loan in Pulaski county on June 12.



ROBERT W. COYNE
Field Director
War Finance Committee

MANY ATTRACTIONS AT TEXARKANA

Galaxy of Film Stars Coming to Texarkana Brings Back Memories of Texarkana When It Was a Major Stop on Road Show Routes

Civilian D-Day in Texarkana June 12th will make this Arkansas-Texas Community the theatre capitol of the Nation for the day. More moving picture personalities than have ever assembled at any time in any Southwest City will be at Secretary of the Treasury Morgenthau's command to tell the story of the home front leaders for Invasion Day.

Number One personality from Hollywood will be Orson Welles whose great skill in dramatic narrative will be put to use in shaping the one hour war broadcast from the Texarkana Paramount Theatre.

Walter Huston, noted character actor; Joseph Cotten, Agnes Moorehead, Jimmy Durante, Joe E. Brown, Keenan Wynn, and Ed Gardner (the Archy of Duffy's Tavern) will be among the celebrities already announced. Lud Gluskin and his 45 piece orchestra will be in Texarkana to provide the musical background.

Not since it was a tank town in the "gay nineties" has Texarkana seen the quantity and quality of dramatic talent that will make itself evident here June 12 for the opening of the Fifth War Loan.

In the days of old, Texarkana was a regular stop on the routes of major shows. Its Grand Opera House and its Cosmopolitan Hotel, now the McCartney, were institutions of show business.

The array of talent coming for Civilian D-Day, however, even eclipse those glamorous days when Madame Modjeska starred in dramatic stage plays and Al G. Fields' minstrels thrilled the populace.

Texarkana has its film star history, too: it being the home-town of Maudell Turner, Corinne Griffith and Macklyn Arbuckle.

Welles, whose unusual radio show "Men from Mars," stood the nation on its ears back in 1938, will produce the Treasury show which will be broadcast from Texarkana to all corners of the world.

The tall producer, whose Mercury Theater made radio history, made his debut in Hollywood in 1939 as producer, writer and director for R. K. O. Radio pictures, and the following year, wrote, produced, acted and directed the picture, "Citizen Kane," which drew fire from many who claimed it depicted the life of William Randolph Hearst, newspaper publisher. His latest picture is "Jane Eyre" in which he played the role of Rochester.

Welles was born in Kenosha, Wisconsin, on May 16, 1915. He has a daughter, Christopher, by a former marriage. He was an actor with the Gale Theater, Dublin in 1931-32, toured with Katherine Cornell in 1933 and

after four years of directing Shakespearean plays, he founded the Mercury Theater in 1937.

A magician in his own right, the actor-producer can pull rabbits out of top hats, and once sawed his wife, Actress Rita Hayworth, in half at a benefit show.

Mighty Parade—Feature of Fifth War Loan Opening

The largest and most colorful and certainly the most solemn parade ever staged in Texarkana will pass through the streets on June 12 signaling the opening of the Fifth War Loan and exhibiting those things for which war loans are necessary—military personnel and materiel.

Marching servicemen and women and grim weapons of war, more effective than words, bring from the spectators a response to the nation's appeal for financial assistance from people on the homefront.

Elements of both the Army and the Navy will be included in the parade. Army, Navy and high school bands will put rhythm into the feet of marching men and women. One of the most colorful displays of flags ever to be presented in the Southwest will be carried by the Army. These flags represent the forty-eight states and the twenty-six allied nations, showing the combined unity of the forty-eight state flags and flags of twenty-six allied nations will be brought to Texarkana by the Missouri Pacific Booster's Club, Arkansas Division, under the direction of Mr. V. G. Ivy. These flags will also serve as the background for the nation-wide broadcast from the stage of the Paramount Theatre Monday night June 12. As the parade proceeds up State Line Avenue towards the mass meeting on the steps of the Federal Building newsreels and newspaper cameramen will catch the color and spirit that lies behind each item displayed in this great march.

Colorful Rally

A gigantic outdoor bond rally will be held on steps

of the Federal Building in Texarkana immediately following one of the most colorful parades in the history of the Southwest. This mass meeting will enable residents of the area to see and hear Secretary Morgenthau, Governors of the five Southwest states and the Hollywood stars. The time of the program will be approximately 4:15 P. M., depending entirely on the time Secretary Morgenthau and the Hollywood stars complete rehearsals for the evening's formal broadcasts.

Judson Pryor, Chairman of the Program Committee for this event, states that the program on the steps of the Federal Building will be as colorful and as interesting as the one hour broadcast in the evening. The unique portion of this program is the fact that the celebrities on this program will stand in two states to deliver their messages to the people.

Did You Know?

★

THE NO. 5 AND ARKANSAS

FIVE WAR LOANS.

FIVE wars following statehood have claimed quotas of Arkansas Men: Mexican War, 1846; War Between the States, 1861; Spanish American War, 1898; World War I, 1917; World War II, 1941.

FIVE flags have ruled Arkansas since territorial days: Royalist Spain, Royalist France, Napoleonic France, Confederate States of America, United States of America.

Statehood: June 15, 1836.

FIVE Presidents have visited Arkansas: U. S. Grant, Benjamin Harrison, Theodore Roosevelt, William Howard Taft, and Franklin Delano Roosevelt.

FIVE natural sources of fuel and power: natural gas, coal, timber, hydro-electric power dams and oil.

Arkansas was the 25th state to enter the union. The state is divided into 75 counties.

More than 50 varieties of apples have been developed in the state.

In 1541 the first religious ceremony west of the Mississippi River was performed a few miles below Helena, Arkansas, by a Roman Catholic Priest in the band of DeSoto's men.

Arkansas was part of the land included in the Louisiana Purchase bought by America for \$15,000,000.

Arkansas-Texas State War Finance Committee Chairmen



W. W. CAMPBELL

W. W. Campbell, left, of Forrest City, Ark., and Nathan Adams of Dallas, Tex., are State Chairmen respectively of Arkansas and Texas War Finance Committees. These two men are successful leaders in their respective states and are fully capable and qualified for the enormous responsibilities which rest upon their shoulders. These two men stand on the bridge of the Civilian D-Day Ship to guide the establishment of the most important beachhead to-date—Fifth War Loan, which opens nationally at Texarkana, Arkansas and Texas, on June 12. These two men appreciate the acceptance by Mr. Morgenthau to open the national drive at Texarkana and are working untiringly to make this event the greatest in history.



NATHAN ADAMS

KNOW YOUR DISTRICT CHAIRMEN

NOTE: This is the 2nd of a series of articles revealing the views and a brief biography of our sixteen District Chairmen. Watch the next issue!

Stuart Wilson, President of the State National Bank at Texarkana, was born at Columbus, Hempstead County, Arkansas. His education was primarily in the public schools of Little Rock. In his early youth Mr. Wilson was connected with the Little Rock Railway and Electric Company; gained much experience in the mercantile business and cotton oil business. In 1904 Stuart Wilson moved to Hope, Arkansas where he became cashier of the Hope National Bank and thus began a banking career, which for the past forty years has been successful.

In 1911 Mr. Wilson moved to Texarkana, Arkansas where he had accepted the position as cashier of the State National Bank. Under his leadership he has watched this great institution grow to its present standing, with assets totaling over eighteen million dollars. The experience gained in the various fields prior to Mr. Wilson's entrance into the banking society have, according to his statements, been most helpful in analyzing business conditions, being able to cope with the various problems which arise in a banker's day.

Mr. Wilson's life is muchly that of most successful men. He is married, has three daughters and three grandchildren. Through his daughters Mr. Wilson is closely and personally connected with the armed services and

with the real seriousness of World War II.

A long record of civic service is chalked up on the pages of time and causes us to realize the inherent qualities of this man making him the success which he is.

We think it only fair to mention a few of the various responsibilities which Mr. Wilson has assumed during his period of residence in Texarkana for they clearly show the ability and dependability which this stately gentleman possesses. Mr. Wilson has served as past president of the Chamber of Commerce and is at the present time on the board of directors of that organization. He has seen service as past president of the Community Chest, and was president of the Arkansas Bankers Association in 1919. He has twice been a member of the executive council of the American Bankers Association.

In July, 1943 Mr. Wilson's ability was recognized in his appointment as Chairman of District Ten of the Arkansas War Finance Committee. He has served faithfully and capably during the entire time and has loaned his services and advice to the group which was selected to organize the formal opening of the Fifth War Loan Drive by Secretary Henry Morgenthau Jr. at Texarkana on June 12. Mr. Wilson joins the thou-



STUART WILSON
Chairman District No. 10

sands and hundreds of thousands of volunteer workers, urging all to join in the homefront battle and make D-Day a victorious reality.

CO-OPERATIVE COUNTY CHAIRMEN

The situation existing in Texarkana is unique and interesting. Texarkana is a border town consisting of Miller County in Arkansas and Bowie County in Texas. At the city limits of Texarkana all friction ceases. Both counties work cooperatively on any and all enterprises to the best interest of their community, their state and their nation.

Willard Simmons, Chairman of the Miller County War Finance Committee, and James R. Bryant, Chairman of the Bowie County War Finance Committee, operate and serve as one joint organization in the promotion of War Bonds and Stamps. The quota for Miller County is assigned by the Arkansas state office and the quota for Bowie County is assigned by the Texas state office. On receipt of the quotas the above-mentioned County Chairmen meet, combine their quotas, plan for a gigantic cooperative sales promotion, total the sales and divide it at the end of the drive; both counties always go over the top.

That you might know these two men better and appreciate their spirit of cooperation we present below Willard Simmons, Chairman of the Miller County War Finance Committee and James R. Bryant, Chairman of the Bowie County War Finance Committee.



Willard Simmons, 38-Year-Old Chairman of the Miller County War Finance Committee



WILLARD B. SIMMONS

WILLARD—Louisiana-born, moved to Texarkana in 1927, at which time he opened the Simmons Drug Company of Texarkana and has operated this establishment successfully these past years. Willard's education consisted of public schools and junior college, and he graduated from the School of Pharmacy at Fort Worth, Texas. Willard has given unselfishly of his time and efforts to the betterment of his community and his state through his activities in the First Baptist Church in Texarkana, and has also served as past president of the Junior Chamber of Commerce and the Lions Club. He is now serving on the Board of Directors of the Texarkana Library and Senior Chamber of Commerce and is president of the Tuberculosis Association for both Miller and Bowie Counties.

Mr. Simmons was appointed County Chairman of the Texarkana War Finance Committee at the birth of the war financing program and served as chairman of both counties for over two years. At the beginning of the Fourth War Loan Drive it was necessary to divide the two counties insofar as leadership was concerned because of the enormous growth of the program and since that time Willard has served faithfully as Chairman of the Miller County War Finance Committee.



James R. Bryant, 45-Year-Old Native Texarkanian, Chairman of Bowie County War Finance Committee

JIM, as he is known to his friends, attended the University of Arkansas, graduated from the Graduate School of Banking at Rutgers University. Immediately following his graduation he served twenty years as trust officer with the State National Bank and at the present time is Secretary-Manager of Federal Savings and Loan Association at Texarkana. Jim has devoted a major portion of his life to civic activities for the betterment of his state and county. He has a long record in official capacities of various civic enterprises, such as President of the United Charities, member of the Board of Directors of Boy Scouts and Texarkana Library, also member of Board of Directors of the Rotary Club and Texarkana Community Chest. Jim is an outstanding and worthwhile member of the First Congregational Church of Texarkana. He is married and has one daughter who is in the University of Texas.

Jim Bryant was appointed Chairman of the Bowie County War Finance Committee at the beginning of the Fourth War Loan Drive and has served faithfully and successfully in that capacity. His untiring efforts, unquestionable patriotism and complete cooperation have made him a valuable member of the committee set up to guide the activities in preparation for the National opening of the Fifth War Loan Drive at Texarkana by Secretary Henry Morgenthau Jr.



JAMES R. BRYANT

STEPPING OUT FOR A UNITED HOME FRONT



This is a picture of nine residents of Texarkana, Arkansas-Texas, better known as "Texarkana, U. S. A."—but it is a picture of a lot more than that. It typifies the United front, chins up, flexed muscle, flexed mind, do-or-die spirit with which the whole American home front will march into the \$16,000,000,000 Fifth War Loan drive starting June 12.

Texarkana, in the role of typical American community, and with Secretary of the Treasury Morgenthau as a guest, is to be the scene of Civilian D-Day, launching the loan drive. The Texarkanians you see here letting our fighters know that the home folks are back of them to the limit, come what may, are (left to right) Sam Holleman, railroad man; J. H. Bailey, butcher; Mrs. David

McGaha, homemaker; Curt Wetz, war plant worker; Charles Barber, youth; L. G. Smith, cattleman; Miss Margaret Thacker, woman war plant worker; H. C. McCurry, business man; W. J. Springer, farmer. They are marching down Texarkana's State Line Avenue. It's the boast of the people of Texarkana that the State Line doesn't divide but unites them.

REAL CIVIC BOOSTERS FOR TEXARKANA

KCMC, energetic radio station of the Texarkana Gazette and Daily News, will be the origination point in Texarkana for the coast-to-coast broadcast which will open the Fifth War Loan Drive on June 12. The program over which Secretary of the Treasury Henry Morgenthau Jr. will preside will be beamed to Americans at home and overseas, as well as to Allied Nations and with special emphasis to Axis Nations which care to listen to the American homefront D-Day victory cry: "Back the attack—Buy more than before." Whether it is a question of broadcasting an appeal for lost dog or standing by for coverage for D-Day, KCMC is a real hometown institu-

tion earning honors and citations for outstanding community service and participation in every worthwhile project. Frank Meyers, Manager of Radio Station KCMC has double responsibility in planning Civilian D-Day. The station which he runs will not only be the origination point for the world-wide broadcast but must during the days before the event play an important role in the pledge of the Texarkana Bowie-Miller County quota of \$4,675,000.

THE TEXARKANA GAZETTE AND DAILY NEWS is cooperating to the fullest extent in all requests and requirements in staging such a gigantic event. Its entire personnel and plant facilities are devoted to the various needs in the production of publicity material to be distributed

over the nation. A special Civilian D-Day edition rolled off the press of the Texarkana Gazette Sunday morning. Twenty-seven thousand and five hundred copies have found their way into the homes of twenty thousand people and over seven thousand daily papers throughout the nation, and from this special edition material will be reproduced to stimulate the people of the nation and to prepare them for the invasion loan which opens June 12.

We of the Arkansas State War Finance Committee take this opportunity to express to these two great organizations our sincere appreciation for their loyalty and cooperation in helping to make the opening of the Fifth War Loan the history-making epoch which it will be.

TEXARKANA, U. S. A., SETS PACE FOR NATION

Texarkana, Arkansas and Texas, becomes a history headline in the great Fifth War Loan because it is the first area to achieve its quota. Miller-Bowie Counties which cover two states, Arkansas and Texas, went after their \$4,675,000.00 quota two weeks before June 12th Civilian D-Day. What happened in these two

counties was not a local story. Its influence spread throughout Arkansas and Texas, throughout the Southwest, and throughout the Nation.

Tiny Simms, a community of less than 100 residents, three days after the organization meeting announced their total quota \$18,135.00. Texas

and Arkansas shared in this triumph of backing the attack to the limit.

Is all America ready D-Day on the bond front and on the production lines? This Arkansas-Texas Community is the first indication that America's backbone has stiffened to face the show down with the enemy.

Texarkana's Purple Heart Children



Here is one of the most dramatic scenes in this war time city, a group of children whose mothers are at work either loading bombs and shells with TNT at Lone Star Ordnance Plant or handling the giant supplies at Red River Military Installation, while their fathers are on the fighting fronts. Everyone of the fighting fathers of this group shown at the nursery at East Hooks has been wounded in action. At the head of the table sits two-year-old Dale Pollard whose father died with the Fifth Army in Italy. Left to right are, Orville Starnes, three years old; Johnny Hubbard Galt, three years; Kenneth Casan, five years; Betty Smith, six years; Dale Pollard, Frankie Feazel, three years; Bobby Ragsdell, three years; Tommy Ragsdell, four years; Carol Casan, three years, and Kenneth Wayne Hill.

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Secretary Morgenthau's Message

To Texarkana on Eve of Civilian D-Day

Has Historical Significance

The message sent to Texarkana by Secretary Morgenthau during the past week not only gives the theme of the Fifth War Loan in a few well chosen words but also constitutes a document which will be valuable historically to Texarkana.

The text of the message follows: "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 ever 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 quantity of its equipment. And the source of spirit in our army lies right 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."

BACK THE ATTACK—



BUY MORE THAN BEFORE

Co-operation Gets the Job Done!



Reading clockwise around the table, the committeemen are Robert Maxwell, hotels and theater arrangements; Frank Loda, parade and decorations; A. Judson Pryor, mass meeting; M. E. Melton, invitations and other phases of project; James Bryant and Willard B. Simmons, Bowie and Miller war finance chairmen and top directors of entire June 12 plans; Major William Leavenworth, parade marshal; Josh R. Morris, finance; Stuart Wilson, entertainment of Morgenthau and other distinguished guests; Sergeant J. O. Newberry, executive director of the entire program, and J. Q. Mahaffey, publicity.

They Have a Tough Assignment

Although Texarkana is generally responsible for the successful opening of the national Fifth War Loan on June 12th, the men above are particularly responsible for the various phases of it. Unless their jobs are done efficiently the entire project may suffer. But, their's is a spirit of cooperation and untiring efforts . . . The spirit that sent Texarkana men surging into recruiting offices immediately after Pearl Harbor is the spirit that has pervaded Texarkana people since the city's origin in 1873. Texarkana was established during the reconstruction period following the Civil War and therefore has owed allegiance to only one flag—the flag of the United States of America. Texarkana's first experience in war was in 1898 when for a period of eighty-nine days the United States was at war with Spain following the sinking of the Maine.

The enthusiasm of Texarkana ran high. The chief difficulty was that more men volunteered for service than could be used for the fighting army. Nineteen years later, after another ship carrying United States citizens had been sunk, the nation entered World War One. Every national effort met with enthusiastic response on the part of Texarkana. Every liberty loan was met; everyone sang "Over There" and worked for the end of the war. Texarkana men leaving for service marched in the streets, and flags and bunting were conspicuously displayed. There was much enthusiasm but the casualty list touched the scene with seriousness and the determination to win never faltered. It was an important war. It was a war to end all wars.

December 7, 1941, Texarkana and the rest of the nation gasped in surprise and doubled its fist and said "We will show those dirty little

Japs" and once again Texarkana works with a determination to win. Casualties? Yes. But the city bows its head a moment and redoubles its efforts. Texarkana is again at war. With this spirit that prevails and with the determination that exists with the members of that committee the national opening of the Fifth War Loan Drive emanating from Texarkana will not fail. Their accomplishments, their efforts toward world peace, their participation in the homefront battle since 1873 has always been a technicolor picture of cooperation, teamwork and unity—a united group working together. There are quite a few of the committeemen who are not pictured above but who are doing their share of the preparation for this coming event. We regret that space does not permit a list of these other members but our hats are off to this entire group of patriotic red-blooded fellow American citizens.

"We are fighting for liberty, the most expensive luxury known to man. . . . The men who will win this war are the fighting men. . . . Those are the men we serve. They will triumph in the end. It is our sacred duty and our high privilege to serve them. No matter what we give, no matter how we labor, we cannot approach their sacrifice. Their valor is a blazing torch to light our way."

LIEUTENANT GEN. BREHON SOMERVELL,
Commanding General, Army Service Forces.

Morgenthau Top Bond Salesman

In Fact as Well as in Position

He Sees and Talks
With Workmen at
Benches and Homes

From the very inception of the nation's great people's war financing movement, first to launch the gigantic defense program months before Pearl Harbor and then pay for the weapons of war after the Japanese struck their sneak punch, Secretary Morgenthau has pursued a policy of seeing people. The desire to keep in constant touch with the very sources of the money which is going into the fight is back of his numerous appearances on the streets, in the war plants, going from bench to bench discussing with the worker his problems and his duty to buy bonds. Immediately following a factory visit Mr. Morgenthau made this statement: "Where war spirit and war production are high, the sale of War Bonds is also high." Mr. Morgenthau as a committee of one seeks to raise the morale of the American laborer. This was his justification for making a searching afternoon-long inspection of the Wright Plant in which he talked with men and women working in every department. During his tour of the plant the Secretary told assembled workers. "We are trying to finance this war through the workers instead of through the banks. So this is your war and you must help finance it."

"So far as War Bonds are concerned, no group in the country has a better record than labor," he said. "Twenty-seven million workers are buying bonds through payroll deduction plans. Ninety percent of all union members are buying bonds."

Mr. Morgenthau declared that two backward nations, Germany and Japan, violently challenge today those democratic truths which Jefferson said were self-evident—that all men are created equal and they are endowed by their creator with unalienable rights. He said: "We must spend thousands of lives and billions of dollars to cleanse them of fire but never were lives more nobly spent; never were dollars that saved lives better used. I know that the job ahead of us is hard, but let me say flatly here and now that I am confident we will reach our goal of

sixteen billion and, if the war ahead makes it necessary, we will have a Sixth or a Seventh War Loan Drive. I am also confident that the American people will meet their responsibilities grimly and with determination."

There is a purpose and a reason behind every visit of the Secretary.

He has some point to make, some example to hold up, some timely information to give to Americans about the progress of the war and its financing. We, too, as bond salesmen might follow his example because it is bench-to-bench, door-to-door and person-to-person that sells the bonds.



DEMOCRACY IN ACTION—A typical meeting between Secretary of the Treasury Morgenthau and an American war worker. The earnestness reflected in this photo tells its own story of the unity of all Americans on the war. Texarkanians undoubtedly will witness many similar scenes on *Civilian D-Day*, when the number one war bond salesman calls upon local residents at work.

GIVE YOUR LIFT TO THE 5TH

The Job To Be Done

★ ★ ★

THE FIFTH WAR LOAN is an opportunity for thousands of patriotic men and women in the banking field to contribute mightily to the success of the war.

LET'S LISTEN to Lieutenant General Omar Bradley speaking recently in plain soldier's language to American officers in England preparing for the invasion of Europe. There in front of him, with serious faces, were a lot of fellows we know—Harry, Bill, Charlie and the others from across the desk and across the street and even closer home.

"THE SUCCESS of the whole war depends on this operation and I have no fear of the outcome

"PUT YOUR MEN in the right frame of mind

"EXERT YOUR LEADERSHIP and lead them forward

"FIGHT IT OUT!

"SOME OF YOU, of course won't come back

"WE HAVE the best soldiers, the best equipment and more of it"

RIGHT! And the best equipment costs money, the raising of which gives banks their big chance to share in the attack. The Banks of Arkansas have demonstrated time and time again their willingness to do their job. They will do it again in the Fifth War Loan Drive. Everything vital to the success of this campaign, they will be engaged in doing. This was the spirit expressed in the recent State Bankers Association meeting. You may depend on your local banker to issue at least 85 percent of all bonds issued during the campaign; he will head up local solicitation work of the larger bond prospect lists; he will sell literally hundreds of smaller bond buyers; he will counsel with all individuals seeking information on "Which issue shall I buy?"

The Bankers in Arkansas will tell you that this is the most important drive we have had to date; that each one of us should even make a sacrifice in our individual efforts to do our part. The banker will tell you that Arkansas can not afford to fail in raising its \$56,000,000 quota and that Arkansas will not fail to do the job.



MISS LONE STAR—Tina Spradling, 22, of Okolona, Ark., shows off her war dress. Here is a home-front uniform of which all America can be proud. She wears it with the grace of a Miss America, and the purpose of a war worker who wants to see her brother, Paul, a fighting Navy man, home quickly. If there is any picture which typifies Texarkana at war, it is this one.

LIMITATION OF SERIES E BOND HOLDINGS

The Treasury Department has given the following example regarding the purchase of U. S. War Savings Bonds, Series E, which can be held without being excessive.

"Mr. Jones, a purchaser of savings bonds, has five children and has not purchased savings bonds of Series E during the calendar year of 1944 for himself or children; neither has he or any of his children been made co-owner on bonds purchased by any

other person during the calendar year 1944. Mr. Jones may, if he desires, purchase \$25,000 or more (maturity value) of Series E bonds during 1944, having the bonds registered in his name with the name of a different child as co-owner on each lot of \$5,000 (maturity value).

"Mr. Jones could apportion each \$5,000 to the child named as co-owner thereon. In addition to the \$25,000 apportioned to his children, Mr. Jones could buy \$10,000 (maturity value) having the bonds registered in his

name with his wife shown as co-owner, apportioning \$5,000 to his wife. "In other words, no excess exists if in any given group of co-ownership the holdings are such that the entire amount held can be allocated to the various co-owners without apportioning an aggregate amount in excess of \$5,000 (maturity value) to any one person, including any amount chargeable to him individually."

It is immaterial when purchasing bonds which co-owner's name appears first in the inscription.

DRIVE IT HOME!



"That's the way I like to see them," said Gen. MacArthur when he saw the rows of dead Japs in the Admiralty Islands. In this war—the costliest, cruelest war of all time—our boys must fight with savage fury. Kill or be killed! And on how well each plays his part depends the lives of many of his buddies.

Here on the home front, too, just cheering the attack on isn't enough.



That's why there's a Fifth War Bond drive on now, a drive in which you're needed to support the men on the fighting fronts who are facing the most treacherous forces Americans have ever met in combat. We on the home front can't let them down—and we won't. So resolve now to at least double your bond buying in the 5th War Loan drive. This is the time to do better than your best.

***Back the Attack!* - BUY MORE THAN BEFORE**

5th WAR LOAN

Quotas by Counties

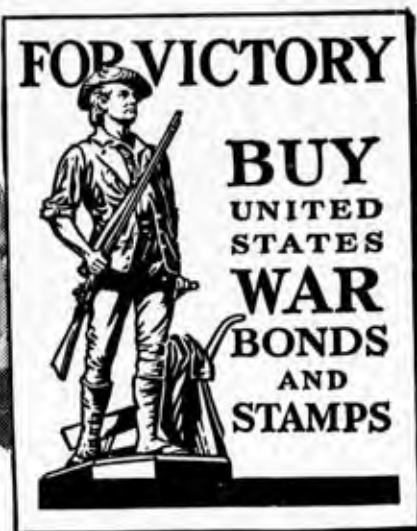
Showing the Proportionate
Part of Quota in E Bonds



County	Total Quota	Part In E Bonds	County	Total Quota	Part In E Bonds
Arkansas	\$ 950,000	\$ 343,000	Lincoln	\$ 100,000	\$ 52,000
Ashley	550,000	256,000	Little River	100,000	79,000
Baxter	150,000	125,000	Logan	300,000	181,000
Benton	702,000	420,000	Lonoke	500,000	243,000
Boone	350,000	208,000	Madison	140,000	73,000
Bradley	350,000	140,000	Marion	40,000	40,000
Calhoun	65,000	44,000	Miller	1,755,000	675,000
Carroll	325,000	163,000	N-Mississippi	1,000,000	415,000
Chicot	450,000	175,000	S-Mississippi	700,000	335,000
Clark	525,000	241,000	Monroe	375,000	118,000
Clay	450,000	189,000	Montgomery	50,000	38,000
Cleburne	150,000	113,000	Nevada	300,000	118,000
Cleveland	75,000	48,000	Newton	30,000	27,000
Columbia	850,000	276,000	Ouachita	850,000	357,000
Conway	350,000	156,000	Perry	50,000	51,000
Craighead	1,150,000	475,000	Phillips	850,000	366,000
Crawford	450,000	211,000	Pike	140,000	80,000
Crittenden	650,000	176,000	Poinsett	650,000	282,000
Cross	425,000	199,000	Polk	250,000	144,000
Dallas	425,000	121,000	Pope	450,000	206,000
Desha	425,000	229,000	Prairie	85,000	65,000
Drew	500,000	161,000	Pulaski	14,750,000	3,994,000
Faulkner	350,000	201,000	Randolph	176,000	120,000
Franklin	125,000	102,000	St. Francis	825,000	271,000
Fulton	65,000	60,000	Saline	450,000	425,000
Garland	1,250,000	611,000	Scott	120,000	81,000
Grant	100,000	60,000	Searcy	50,000	47,000
Greene	750,000	224,000	Sebastian	5,500,000	1,287,000
Hempstead	650,000	226,000	Sevier	200,000	117,000
Hot Spring	380,000	206,000	Sharp	95,000	59,000
Howard	200,000	99,000	Stone	40,000	39,000
Independence	380,000	195,000	Union	2,275,000	866,000
Izard	125,000	79,000	Van Buren	47,000	45,000
Jackson	625,000	256,000	Washington	1,350,000	581,000
Jefferson	3,900,000	1,254,000	Woodruff	250,000	126,000
Johnson	200,000	142,000	White	600,000	306,000
Lafayette	275,000	116,000	Yell	225,000	117,000
Lawrence	365,000	171,000			
Lee	275,000	123,000	TOTALS	\$56,000,000	\$21,000,000

★

*"I'm saying this
for Uncle Sam!"*



"I speak for the pleasant, happy things in life . . . all the things we necessarily now have less of. You know . . . tires, radios, gas, fuel, food, fun, leisure and all the like: In its own way, your bottle of ice-cold Coca-Cola is almost a casual symbol of such pleasant things.

"Everybody eagerly accepts wartime restrictions. We'll have the good things, again, someday. But now it's work harder and fight, too. We've got a tough war to win. And no matter what anybody is doing to help (this doesn't go for fighting men) nobody is doing his full share if he's not buying U. S. War Bonds and War Stamps regularly. Are you buying them? Are you buying your share in Victory and in the good American way of life?"

★ ★ ★
BOTTLED UNDER AUTHORITY OF THE COCA-COLA COMPANY

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LITTLE ROCK

PINE BLUFF
JONESBORO

CAMDEN
BLYTHEVILLE

FORT SMITH

6/8

107

Told Mr. Sullivan that the Secretary
said he is going to be so busy in Los
Angeles, he will not be able to see them.

nmc

June 8, 1944

FOR ACTION

MEMORANDUM FOR SECRETARY MORGENTHAU

From: Assistant Secretary Sullivan

You will recall that yesterday we discussed the possibility of your seeing William G. Mathes of Los Angeles. He is a graduate of the University of Texas and was a classmate of mine at the Harvard Law School. He has practiced in Los Angeles ever since 1924 and is a partner of James Sheppard whom you once considered for the Commissionship of Internal Revenue. Incidentally, I understand that Sheppard is a friend of Anna Boettiger.

Mathes has served as President of the Los Angeles Bar Association. I am told that he and Sheppard are among the leading Roosevelt Democrats of Southern California. Of course, it will be easy to check this with your War Finance people in Los Angeles.

If you think well of the suggestion, I would like to drop him a line telling him that you might wish to see him while you are in Los Angeles and asking him to get in touch with you. I attach a proposed draft of my letter to Mr. Mathes.

Attachment

JIS:VLS

June 8, 1944

Dear Bill:

As you undoubtedly know, Secretary Morgenthau plans to be in Los Angeles on June 14. I would like very much to have you and Jim meet him.

Of course, he is going to be terribly busy most of the time he is there, but I think if you call his hotel, he will be able to make an appointment to see you for a few minutes.

With kindest personal regards,

Sincerely,

William C. Mathes, Esq.,
458 South Spring Street,
Los Angeles, California.

JLS:vls

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE

June 8, 1944

TO Secretary Morgenthau

FROM Mr. Shaeffer *C.P.D.*

Pursuant to your instructions, so far as I am able to ascertain Representative Celler's resolution urging the adoption of your Intergovernmental Fiscal Relation program was entirely spontaneous on his part without any urging from the Treasury.

In this connection, it is recalled that Representative Celler has taken steps along similar lines in the past.

Dan Bell.

June 8, 1944

Secretary Morgenthau.

I read your proposed letter to Hull which you were kind enough to draft for me and as you most likely have guessed, I have decided not to send it. I would, however, like you to call up Ed Stettinius and say that inasmuch as I am going away tonight, I have asked you to work out the procedure with him so that in the future there won't be this kind of conflict. I talked with Ed Stettinius last night when I saw him at the White House and I can assure you that you will find him in a very receptive mood.

THE UNDER SECRETARY OF STATE
WASHINGTON

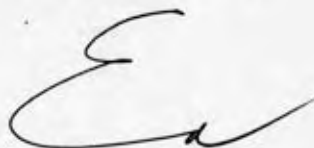
June 8, 1944

Dear Mr. Morgenthau,

I have just heard from the Army saying they are able to make special arrangements providing sleeping facilities in a C-54 from Karachi for Dr. Kung.

I reported this to the Chinese Ambassador by telephone this morning and it is my impression that Dr. Kung will now reach Washington some time shortly after June 20.

Sincerely yours,



The Honorable
Henry Morgenthau, Jr.
Secretary of the Treasury

June 9, 1944

My dear Mr. Stettinius:

In the absence from the city of Secretary Morgenthau, I am acknowledging receipt of your letters of June 7 and June 8, giving him information about the forthcoming visit to Washington of Dr. Kung.

I shall see that your communications are brought to Mr. Morgenthau's attention as soon as he returns to his office.

Yours sincerely,

(Signed) H. S. Klotz

H. S. Klotz
Private Secretary

Honorable Edward R. Stettinius, Jr.,
Under Secretary of State,
State Department,
Washington, D. C.

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE

TO Secretary Morgenthau

June 8, 1944

FROM Mr. Shaeffer *C.P.S.*

I have just learned that plans have been formulated to put up the three press associations at the main hotel in Bretton Woods, while allowing the rest of the newspaper corps to make their own arrangements and otherwise shift for themselves.

You realize, however, that this arrangement places almost all newspapers at a disadvantage with regard to covering the conference, inasmuch as Crawford House is 3 1/2 miles from Bretton Woods where the main conference will be held.

I should like to go on record as strenuously opposing this discrimination which cannot have any effect other than an adverse one on your very commendable project.

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INTER OFFICE COMMUNICATION

DATE

TO Secretary Morgenthau

June 8, 1944

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JUN 8 1944

My dear Mr. Johnson:

This is in reply to your letter of June 3, 1944, concerning the location of the forthcoming International Monetary Conference and attendant transportation problems.

First, I think it only fair to point out that the primary responsibility for selecting a site and arranging transportation facilities rests on the State Department. The Treasury Department did, however, concur in the recommendation favoring the Mount Washington Hotel at Bretton Woods. While doing so, I think we were fully cognizant of the facts mentioned in your letter, and I am taking this opportunity to mention a few considerations bearing on our decision.

It was the desire of the President and the conference leaders to secure a location that was relatively isolated. I think you will agree that in this way we are contributing to the reduction of "in and out" travel which might otherwise have made for a substantial transportation burden. Admittedly, it will be necessary to use additional sleeping car equipment for limited periods taking delegates into Bretton Woods and bringing them out again, but even in the face of this fact, we feel that the over-all use of this type of equipment will be considerably less than if we had selected some more accessible spot where delegates might come and go at will.

As for the matter of selecting a resort center, it should be remembered that in addition to relative isolation, this conference, by its nature, requires first-class physical facilities. We are inviting

- 2 -

dignitaries from 42 foreign nations and the ultimate success of meetings of this sort is oftentimes closely related to the accommodations and treatment received by the visitors. For this reason I cannot agree with your conclusion that we are making your task of curtailing unnecessary travel more difficult by selecting the Mount Washington Hotel for the conference.

Under the circumstances, I do not feel that I can undertake to undo the plans made by us and the State Department. Furthermore, I can assure you that so far as the Treasury Department is concerned we shall continue, as in the past, to make every effort to avoid burdening the transportation facilities or jeopardizing the effectiveness of your fine work in minimizing travel in these times.

Sincerely yours,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury

Honorable J. M. Johnson,
Director, Office of Defense
Transportation,
Washington, D. C.

JRSHICK:gg;em
5-8-44

Regraded Unclassified

OFFICE OF DEFENSE TRANSPORTATION

WASHINGTON, D. C.



J. M. Johnson

~~XXXXXXXXXXXX~~
Director

June 3, 1944

File: 612-9

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

My dear Mr. Secretary:

In evaluating the many factors that led to the selection of Bretton Woods as the site for the forthcoming International Monetary Conference, it concerns me whether or not your staff properly assessed the transportation situation.

There is no need to elaborate on the shortage of rail passenger-carrying equipment, especially sleeping cars. The need is for utter conservation. However, once Bretton Woods is selected — remote and far away from the normal sources of Pullman sleeping cars — it is obvious to us that a large amount of transportation will be utilized. I would not be as much concerned if it were not for the fact that currently we are failing to provide sleeping cars for troop movements, when, judged by all service regulations, the men should have the benefit of sleeping car accommodations.

Furthermore, the selection of an outstanding resort center for a Government conference with its attendant publicity and public consciousness certainly does not help the Office of Defense Transportation in its necessary campaign to minimize travel and especially travel to resort centers during a period of real need.

Although I do not suggest that you consider a change of site, I do wish to insure that transportation factors be thoroughly considered by members of your staff in reaching such decisions.

Cordially,

A large, stylized handwritten signature of J. M. Johnson in dark ink.
J. M. Johnson
Director

June 8, 1944

My dear Miss Newcomer:

There is enclosed copy of a telegram which Dr. Butler sent to Secretary Morgenthau. We presume you will take care of the necessary arrangements direct with Dr. Butler.

Sincerely yours,

(Signed) H. D. White

H. D. White,
Assistant to the Secretary.

Miss Mabel Newcomer,
Vassar College,
Poughkeepsie, New York.

HDW:ls
6/8/44

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WESTERN UNION

June 7, 1944

Hon. Henry Morgenthau, Jr.

Secretary of the Treasury, Washington, D. C.

WE WILL OF COURSE RELEASE DR. MAHEL NEWCOMER FROM HER
ENGAGEMENT TO TEACH AT THE COLUMBIA SUMMER SESSION IF
SHE MAKES REQUEST IN ORDER THAT SHE MAY ACCEPT THE
IMPORTANT APPOINTMENT WHICH YOU PROPOSE.

NICHOLAS MURRAY BUTLER COLUMBIA UNIVERSITY

1. The U.K. authorities have been glad to have the opportunity of knowing in advance of the plans tentatively proposed by the U.S. authorities for the organization of work at the Monetary Conference.

2. They wish to put forward the following observations on the plans as at present contemplated:

General Committees of the Conference.

There is agreement with the proposal to establish a Credentials Committee. It is assumed that this will have to meet only once. But it is not clear what will be the scope of the second general committee—that on Rules and Regulations—or how this would differ from the third general committee on Organization, Agenda and Procedure. It is assumed that this latter committee would in fact be the steering committee of the Conference and would meet frequently. It is suggested that if the work of the proposed Rules and Regulations Committee would be purely formal, its functions might be carried over by the Credentials Committee.

There is also some uncertainty as to the role intended for the fourth general committee—that for Co-ordination of Drafts. It is assumed that each commission of the Conference would be responsible for co-ordinating the drafts of its own subcommittees; and if this is so, it is not clear what effective contribution would be made by the proposed general committee.

Commissions of the Conference.

(1) It is agreed that it will be appropriate to have separate Commissions of the Conference in respect of the Monetary Fund proposals and the Reconstruction and Development Bank proposals. But it is not clear what field the proposed third Commission—that dealing with "Other Means of International Financial Cooperation"—is intended to cover, and further information on this point would be appreciated.

(11) It is thought that the number of subcommittees proposed may be unnecessarily large. Thus it is possible that the smaller countries represented at the Conference will not have sufficient members to ensure their representation on all subcommittees.

Moreover, it is felt that, in the case of the subcommittees of the Monetary Fund Commission, it would be wrong to have one subcommittee on Purposes and Policies and another on Operations. It is considered that those subjects cannot appropriately be decided and that one single subcommittee should deal with them, which would also deal with the specific question of when the Fund should come into operations.

I It is agreed that it would be appropriate to have separate subcommittees on Quotas, Organization and Questions and Legal Questions. In short, it is recommended that there should be four subcommittees (instead of five) to deal with Policies and Operations, Quotas, Organization Questions and Legal Questions.

As regards the proposed subcommittees of the Reconstruction and Development Bank Commission, it is thought that as discussions in regard to the Bank have not reached the stage of those concerning the Monetary Fund, it would be appropriate to substitute at the outset a single subcommittee for the three tentatively proposed on Purposes and Policies, Capital and Subscriptions, and Operations. It might well be found that at a later stage certain questions relating to Capital and Subscriptions could with advantage be referred to a separate subcommittee.

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Mr.White said Secretary knew about this.

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, London
TO: Secretary of State, Washington
DATED: June 8, 1944
NUMBER: 4583

TOP SECRET

THE FOLLOWING MESSAGE FOR SECRETARY MORGENTHAU AND SECRETARY HULL IS PERSONAL AND TOP SECRET.

Reference is made herewith to the circular telegram from the Department dated May 25, 1944.

This morning there were received from the Foreign Office the two following communications on the United Nations Monetary and Financial Conference. One is from Mr. Eden and the other is from Mr. Gladwyn Jebb who has had direct charge for the Foreign Office in making arrangements for the journey to the United States of the British delegation.

The travel ban on all persons leaving Great Britain was tightened prior to my return to London and to date it has not been relaxed. The regulations were enforced at the request of the military authorities for security reasons. Inasmuch as the Government of Great Britain is simply giving full support to the desires of the Allied Commander in Chief in maintaining the present prohibition

prohibition on travel, it would be very unfortunate to penalize the British delegation in any way for delay in arrival.

The following is the substance of the communication from Mr. Eden:

Our official acceptance of the invitation of the President to a monetary conference is being sent to you separately by me.

I have also been asked by you when our delegation is likely to arrive there. Your authorities in Washington have now been informed by us that it is impossible in the present circumstances for us to give any firm date for the arrival of our delegation but we should hope that our delegation and the delegations of the European allies whose presence is required in advance could reach the site of the conference about the twenty-fourth of June, subject to the difficulties of which you are aware and which might cause an alteration. They cannot possibly arrive there earlier than that date. However, the European allies are not being informed of this date by us.

The following

The following is the substance of the communication from Mr. Jebb:

I wish to acknowledge receipt of note from Your Excellency dated May 26, no. 3673, which conveys the President's invitation to a United Nations Monetary and Financial Conference to be held on July 1 of this year.

2. This invitation is cordially welcomed by His Majesty's Government and it will be glad to be represented at the Conference provided conditions at that time permit. I shall be happy to communicate the names of the delegates of the United Kingdom as soon as it is possible to do so.

3. It was noted by me that it would not be required for the delegates to hold plenipotentiary powers and that there will be referred to the respective governments the proposals formulated at the Conference.

WINANT

6/9/44

Original to Mr. McConnell
Photostats to Mr. D. Bell and Dr. White

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.



DEPARTMENT OF STATE
WASHINGTON

In reply refer to
LA

June 8, 1944

My dear Mr. Secretary:

I am enclosing copies of the Aides-Mémoire exchanged between the British Government and ourselves today.

These bear on the question of the division of the cost of relief in Europe during the military period.

Sincerely yours,

For the Secretary of State:

Dean Acheson
Assistant Secretary

Enclosures:

- 1 Aide-Mémoire from British Government to United States, June 8, 1944.
- 2 Aide-Mémoire from United States to British Government, June 8, 1944.

The Honorable

Henry Morgenthau, Jr.,

Secretary of the Treasury.



A I D E M E M O I R E

Discussions have been proceeding for some time between the United States Government and His Majesty's Government in the United Kingdom, on the provision of relief in Europe during the military period. Both Governments are fully alive to the importance of starting procurement forthwith but His Majesty's Government in the United Kingdom for their part have hitherto found difficulty in agreeing on the basis for procurement in the absence of agreement on the manner in which the ultimate financial burden of such relief should be distributed. In view of the urgency of the matter, however, His Majesty's Government in the United Kingdom in the light of discussions that have been taking place between representatives of the two Governments, are now prepared to proceed on the understanding set out below.

2. His Majesty's Government in the United Kingdom have considered the proposals put forward by the United States members of Combined Civil Affairs Committee and are prepared, subject to the reservation contained in the following paragraph, to agree that initial procurement under Plan A should go forward on the following basis:- That the United States shall bear initial procurement responsibility for purchases in the United States, that the United Kingdom shall bear initial procurement responsibility for purchases in the United Kingdom and the British Commonwealth, excluding Canada, and that procurement responsibility for purchases in countries other than

than the United States and the British Commonwealth should be divided equally between the United States and the United Kingdom.

3. This agreement on the part of His Majesty's Government is, however, subject to the reservation which they understand is accepted by the United States members of the Combined Civil Affairs Committee, that the arrangement outlined above shall in no way prejudice the ultimate financial settlement for the cost of relief during the military period, which is a matter for negotiation between the two Governments.

4. It would be appreciated if the State Department would confirm their acceptance of the proposal made in paragraph 2 above and of the reservation in paragraph 3, so that appropriate instructions may be given to the British members of the Combined Civil Affairs Committee in order that procurement may go forward without delay.

5. It is the view of His Majesty's Government that any such final settlement between the supplying countries must be on an equitable basis and must be based upon a recognition of the relative financial strengths of the countries concerned. In this connection, His Majesty's Government desire to place on record their view that in the light of the difference in financial strength between the United States and the United Kingdom, they would not be able to regard an equal sharing of the burden of relief in the military period between the two countries as an equitable settlement.

6. It

6. It will be noted that in paragraph 2 the position of Canada has been specifically reserved. This will be treated separately and will no doubt be the subject of special negotiations between the three Governments.

BRITISH EMBASSY
WASHINGTON, D.C.
8th June, 1944

AIDE MÉMOIRE

The Department of State has carefully considered the Aide Mémoire presented by the British Embassy on June 8, 1944 concerning the division of the cost of relief in Europe in the military period. The Department is pleased to confirm its acceptance of the proposal made in paragraph II and the reservation made in paragraph III of the Aide Mémoire. The United States Government will accordingly instruct its representatives forthwith to proceed with procurement on the basis specified in paragraph II and assumes that the Government of the United Kingdom will take corresponding action.

The Department of State has noted the general observations made in the Aide Mémoire concerning a final settlement, including the statement that the British Government has not been able to regard

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an equal share of the burden of relief in the military period between the two countries as an equitable settlement. The Department takes the view that the final settlement should be on a fair and equitable basis, in the determination of which no relevant factors should be excluded.

The specific reservation as to the position of Canada which appears in paragraph II and is further referred to in paragraph VI of the British Government's Aide Mémoire is also noted.

Department of State,

Washington, June 8, 1944

June 9, 1944

My dear Mr. Acheson:

In the absence from the city of Secretary Morgenthau, I am acknowledging receipt of your letter of June 8, with which you transmitted copies of the Addes-Memoire on the question of the division of cost of relief in Europe during the military period.

I shall see that your communication is brought to Mr. Morgenthau's attention as soon as he returns to his office.

Yours sincerely,

Signed) H. S. Klotz

H. S. Klotz,
Private Secretary

Honorable Dean Acheson,
Assistant Secretary of State,
State Department,
Washington, D. C.

June 9, 1944

My dear Mr. Acheson:

In the absence from the city of Secretary Morgenthau, I am acknowledging receipt of your letter of June 8, with which you transmitted copies of the Addes-Memoire on the question of the division of cost of relief in Europe during the military period.

I shall see that your communication is brought to Mr. Morgenthau's attention as soon as he returns to his office.

Yours sincerely,

(Signed) H. S. Klotz

H. S. Klotz,
Private Secretary

Honorable Dean Acheson,
Assistant Secretary of State,
State Department,
Washington, D. C.



TREASURY DEPARTMENT

WASHINGTON

June 8, 1944

A large, stylized handwritten signature or set of initials is written in the top right margin, extending from the date.

MEMORANDUM TO THE SECRETARY

In one of our meetings you asked how we checked on the operations of our regional offices in the disposition of surplus properties and what safeguards were placed about transactions from this end.

I am enclosing you a memorandum, indicating the procedure. This procedure is satisfactory if followed out and it is up to us to see that enough checking is done to know that it is being followed out.

A handwritten signature, likely of E. L. Olrich, is written above the typed name.
E. L. Olrich
Assistant to the Secretary





OFFICE OF THE DIRECTOR

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TREASURY DEPARTMENT

PROCUREMENT DIVISION

WASHINGTON 25



May 25, 1944

MEMORANDUM FOR MR. E. L. OLRICH:

Since February 22, all Regional Offices have been required to forward to this office work sheets listing property for which no federal or tax-supported agency need existed prior to offering it for sale. Also, mailing lists of the list of bidders are being forwarded.

Upon receipt in this office, the work sheets are reviewed, and prompt clearance is being given to the Regional Office covering each sale. The review in this office is made for the purpose of (1) determining whether the property should be sold; (2) whether it is properly described; (3) to see that it is properly offered; and, (4) to ascertain that proper coverage will be secured by soliciting the bidders listed.

The above procedure is followed in all cases except on negotiated sales, which are made on the basis of recommendations or allocations from the War Production Board. Such sales are generally made to war industries for war production.

Based on actual physical inspection and knowledge of markets in field offices, an appraised value is established prior to time the property is offered for sale. The abstract of bids which is referred to this office for approval reflects

-2-

the appraised value of each item. This is used as a guide to determine whether or not the high bid should be accepted. Of course, the range and spread of the bids received are of utmost consideration. It is my opinion that the latter is a more definite means of establishing values than the former, in view of "you can get for a thing only what it is worth".

(signed) R. J. Widmann

R. J. Widmann

OFFICE OF WAR MOBILIZATION
SURPLUS WAR PROPERTY ADMINISTRATION

OFFICE OF ADMINISTRATOR

June 8, 1944

811 VERMONT AVENUE NW.
WASHINGTON 25, D. C.

Dear Mr. Secretary:

Thank you for your letter of the seventh, naming Mr. Robert E. McConnell as your representative on the Foreign Disposal Advisory Committee.

I also appreciate your personal interest in our work, and your willingness to discuss with me personally at any time any of our problems which concern the Treasury Department.

I am happy to tell you that the relations between the Treasury Department and my Agency are of the very best and also that, in my opinion, Mr. Olrich is doing a fine job in the disposal of such surpluses as have been declared to the Treasury Department and in getting organized for the much bigger job which lies ahead.

Sincerely yours,



W. L. Clayton
Administrator

The Honorable

Henry Morgenthau, Jr.

Secretary of the Treasury

TREASURY DEPARTMENT

INTER OFFICE COMMUNICATION

DATE June 8, 1944.

TO Secretary Morgenthau
FROM R. E. McConnell

The letter of June 5, 1944, from Director Byrnes, which you referred to me, is a directive to all procurement agencies to clear all proposed contract cutbacks and terminations with the committee set up by Mr. Wilson of W.P.B.

This letter was immediately handed to Mr. Sullivan, who, I understand, has forwarded it to Mr. Mack, who will acknowledge it.

This whole matter was dealt with at the last meeting of the Joint Contract Termination Board, at which time Director Byrnes charged Mr. Wilson with this duty, thereby settling the question of jurisdiction. The delay in establishing such a committee was, of course, spotlighted by the recent cancellations of Navy contracts at the Brewster plant.

If Mr. Mack's acknowledgement is sufficient, I do not believe it requires any action on your part.

R. E. M

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OFFICE OF WAR MOBILIZATION

Washington, D. C.

June 5, 1944

James F. Byrnes
Director

Dear Mr. Secretary:

This is to confirm the directions which I gave at the close of the meeting of the Joint Contract Termination Board on Wednesday, May 31, to consider procedures for clearing contract cutbacks and terminations:

1. Mr. Wilson, the Executive Vice Chairman of the War Production Board, is requested to endeavor, through the procurement agencies, to provide work for the Long Island plants of the Brewster Corporation.

2. Mr. Wilson is also requested to have the Committee of which he is Chairman, adopt uniform policies for the future cancellation of contracts, giving reasonable notice to management and labor of such cancellations.

3. The procurement agencies are directed to take prompt action, clear their proposed contract cutbacks and terminations with the Committee set up by Mr. Wilson and such cutbacks and terminations shall not be made effective until such clearance is obtained.

Sincerely yours,

(Signed) James F. Byrnes

Director.

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

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JUN 8 1944

Dear Mr. Monnet:

Reference is made to the letter of May 27, 1944, and enclosures thereto, from M. Mendes-France concerning the financial measures to be taken after the landings of the Allied troops in France. For your information, the views of the French Committee of National Liberation as expressed therein were made available promptly to the United States War Department with the recommendation that they be forwarded to the Allied Military Command in London for their review and consideration.

Sincerely,

(Signed) H. Morgenthau, Jr.

Secretary of the Treasury.

Mr. Jean Monnet,
French Military Mission,
1763 R Street, Northwest,
Washington 9, D. C.

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*Mr. White has original -
He will handle
with Hays*

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COMMISSIONER FOR FINANCE

May 27 , 1944.

AF/K-3

Dear Mr. Secretary:

On May 23rd., Mr. Harry White, in a conversation with Mr. Monnet and myself, informed us of the main features of the measures which the Commander in Chief considers taking in France in the financial field.

Following the suggestion made by Mr. White, I am enclosing several notes which set forth my opinion concerning the advisability and efficacy of the various measures under consideration.

While forwarding these notes to you, I deemed it useful, from the purely technical point of view, to emphasize strongly the possible consequences of one of the projected measures of which we have been informed, namely that measure which would involve enforcing a bank moratorium and freezing of all deposits in banks and savings banks as the liberation of France progresses.

It is my conviction that this proposal would not only have disastrous consequences for the future financial evolution of France, but would also result in the total disruption of economic life in France, to the great detriment not only of France but of war operations on French territory. I further fear that through the ensuing confusion which would be brought to the life of the French population, this measure might have severe psychological drawbacks and would provoke regrettable friction between local authorities and the Allied Command, at a time when total mutual collaboration should be in effect.

The moratorium decreed in France in 1914 had deep seated and lasting repercussions. Since that time, the French authorities have always been of the opinion that to decree another moratorium would be a major error. This error was not made in 1939 and in 1940. No bank moratorium was decreed at the time of the declaration of war or at the time of the invasion of France.

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

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May I point out that I am in full agreement with you regarding the end which is sought: on the one hand freezing of holdings of enemy persons or persons having dealings with the enemy, on the other hand, to assure supervision of all financial transactions. However, I doubt the soundness of the method under consideration, for it does not take account of French habits and psychology, nor of France's financial structure (monetary circulation amounting to three times the total deposits).

As you are well aware, the French Committee of National Liberation has drawn up a financial program to be applied in France at the time of liberation. A preliminary draft of this program has already been tried out in Corsica, where representatives of the United States Treasury were able to observe its functioning. The French Committee of National Liberation has studied the results of this preliminary experiment and, having taken account of its imperfections and deficiencies, has adopted an overall program, which I believe to be the only method of obtaining in France those ends toward which the financial policy of the Allies in liberated European nations must strive to attain, for this program is the only one taking into account the specific elements of the French situation and prevalent customs.

For my part, I am ready to take full responsibility for this program, provided that its application be carried out by French authorities, but I must state categorically my reservations regarding the projects which Mr. White laid before us, as well as all other projects not drawn up in collaboration with the competent French authorities. I must decline all responsibility as to the consequences which the application of such measures in France would bring about.

I must emphasize that for the time being, there was no formal negotiation in London between the Interallied Command and General Koenig. Even if technical discussions took place in London, they cannot bind the French Committee of National Liberation, as the French experts, owing to circumstances, are not able to get in touch with Algiers.

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Finally, may I request that you be good enough to use your influence in order to insure that all measures of a financial nature to be applied in France be reexamined in collaboration with French experts duly appointed for these purposes, in connection with the other problems relating to French liberation about which discussions are going to take place in London in the near future.

Sincerely yours,

P. Mendes-France

Enclosures: 5 notes.

FIRST NOTE

SUBJECT: Bank moratorium and freezing of accounts in banks,
postal savings and savings banks.

1. The general use of deposits in banks as well as in Savings Banks and Postal Savings is of recent origin. Public authorities have been faced with a considerable amount of difficulty in their endeavor to overcome the population's distrust which, particularly in the rural areas, leads to instinctive hoarding of savings under the form of bank notes and bearer bonds. Successive French governments have shown great care in avoiding any measure which might affect deposited funds or securities more severely than funds and securities which are hoarded by private individuals. The bank moratorium enforced at the beginning of the first World War was followed by disastrous and lasting consequences which it has been most difficult to remedy.

In the postwar French economy, it will be highly desirable to promote the increase of the registered type of holdings as against unregistered holdings in order to obtain higher tax efficiency and better economic supervision, as well as to check the development of inflation. It appears probable that after the war the French Government will, to this end, endeavor to encourage the increase of bank deposits and will do away with bearer bonds.

It would be regrettable if, at the time of liberation, any measure were taken which would jeopardize this policy by fostering a new distrust towards bank deposits. The resulting consequences would be extremely serious for the financial evolution of France during the coming years.

2. Deposits in banks, as well as in savings banks and postal savings, only represent a fraction of French personal property. It is probable that the major portion of this property is made up of bank notes and bearer bonds in the possession of private individuals. Any measure which only affects deposits and which does not at the same time cover bank notes and bearer bonds would therefore only affect a fraction of personal property and therefore would not be effective.

Furthermore, it would seem unjust to penalize those persons who placed their holdings in registered form while sparing those persons who have preferred unregistered holdings. It is to be feared that those persons who have been guilty of collaboration with the enemy will precisely be included among those who have concealed their holdings under an unregistered form.

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It is for this reason that the French Committee of National Liberation, in the measures which it applied in Corsica as well as in the program which it has under consideration for application in France, has always intended to tax, simultaneously and under the same principles, on the one hand deposits in banks and in savings banks or postal savings as well as registered securities and securities deposited in banks, and on the other hand bank notes as well as bearer bonds (particularly treasury bonds) which have not been deposited in banks. Any other solution would have grievous repercussions.

3. Freezing of all bank accounts and all postal savings might well bring about the paralysis of financial life in France. The number of small accounts and small payments is very great. In order to provide the necessary unfreezing permits as quickly as necessary, an administration of a considerable size would be needed, and it would be practically impossible to organize this administration. We could not hope to recruit the necessary personnel in France at a time when the major part of the French male population may be absent. It would in all probability be impossible to find a sufficient number of competent officials among the various branches of the Allies' Armies and one must not forget that in France, in each town, even in those of secondary importance, there are several branch offices of banks and credit organizations, also post offices and savings banks.

Even if the freezing measures under consideration are not enforced, the question as to whether the intricate machinery of the French financial organization will be able to function during the period of liberation is a most important one, in view of the practical difficulties of all types which will certainly be encountered. If a freezing of accounts and a system of permits is added to these difficulties, the resumption of financial life in France, which is tied up with the overall resumption of economic life, will be rendered all the more hazardous.

4. For all the above reasons, the freezing of savings accounts, postal savings accounts, and bank accounts may well be an extremely unpopular measure in the eyes of the French population. French civilian authorities cannot accept the responsibility toward their population for measures taken by the Allied Command against their advice.

Furthermore, it would be apparent to all that unfreezing permits are issued by the Allied Military Authorities; and there would therefore be danger of serious friction and misunderstandings between the civilian population and the Allied Military Authorities. There is no need to dwell on the importance of this aspect of the question.

5. The French Committee of National Liberation agrees fully as regards the usefulness of supervising banking operations in France. In the program drawn up by the Committee, flexible but severe measures have been provided in this respect. These measures, however, are distinguished by the fact that their application should be simultaneous with the application of measures covering bank notes.

It is therefore essential that no premature measures be taken in France regarding deposits in banks, in savings banks and in postal savings until such time as the overall program drawn up by the Committee can be put into effect.

SECOND NOTE

SUBJECT: Payment of the public debt.

1. The temporary suspension of redemption payments on the capital of the public debt and more particularly the redemption of treasury bonds would have regrettable consequences as regards public credit. Those Frenchmen who have subscribed to long or short-term government loans would be penalized as compared to those who have hoarded or who have indulged in any type of speculation.

2. According to the information available to us, the temporary suspension of the payment of the capital of the debt is only a possibility and will not be an obligation for Allied Military Authorities in France. However, there is the danger that local military authorities might avail themselves of this possibility, and even if temporary suspension of the payment of the debt took place in certain parts of France only, the fact would certainly become public knowledge and the consequences for public credit would be regrettable.

3. The consequences might also be serious for the banks whose liquid assets are for the most part invested in treasury bonds and which, despite the moratorium, would have cash needs for meeting those withdrawals which will have been authorized.

THIRD NOTE

SUBJECT: -Provisional closing of Stock Exchange and similar institutions

- Freezing of accounts belonging to enemy or similar persons, suspect persons, collaborationists, and leaders of the Vichy regime.
 - Compulsory deposit in banks of dollar and sterling currency.
 - Maintenance of fiscal and tax collection legislation.
 - Temporary suspension of commercial and financial transactions with other countries, and transactions in foreign exchange.
-

All these measures should certainly receive approval. But it is important, when drawing up the measures to be decreed covering these matters, to refer to existing legislation in France (particularly legislation issued prior to June 1940 covering enemy holdings and supervision of exchange transactions).

There would be a danger of disorganization in the functioning of French administrative services should they be called upon to apply to the same case two different sets of regulations, one French and the other decreed by the Allied Military Authorities, two sets of regulations which would not necessarily be in harmony with each other.

The confusion would be even greater if an Allied Military Administration were to be superimposed on the French Administration, and if two authorizations would have to be obtained for the same transaction, one from the French Administration and the other from the Allied Military Authority.

The proposed solution, therefore, is one which would make use of French legislation and administration on the understanding that:

- (a) French legislation could be completed and amended insofar as would be necessary;
 - (b) The French Administration would naturally be prepared to co-operate with Allied Military Authorities.
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FOURTH NOTE

SUBJECT: The prevailing legislation in the financial and economic fields should be kept in force.

Very rigorous and complete regulations exist actually in France in the economic and financial fields (price control, rationing, strict control over distribution of goods, taxes, etc.,). These regulations are enforced by official or semi-official organizations (so-called "groupements professionnels" which exist both in industry and in agriculture, as well as for the import trade, and the distributing agencies which supervise the distribution of goods, etc.,).

Although these regulations and organizations have been set up by the Vichy regime, it seems advisable not to suppress them at once, as there would be no other machinery to take their place immediately.

Should these regulations and organizations not be maintained upon the liberation of France, the economical life of the country would be greatly disturbed; prices would rise and distribution of industrial as well as agricultural goods would be considerably hampered.

It is therefore essential that nothing should be changed to start with in the actual economic machinery, subject to the repeal by the French authorities of certain discriminatory measures which have been taken against certain categories of persons.

It would be in fact impossible to improvise immediately new regulations and new machinery to take in time the place of those which have been set up by the Vichy regime.

As regards the heads of the economic organizations created by Vichy, one may expect that a certain number of them will be considered unworthy of keeping their post, but the measures which will have to be taken in this field will have to be worked out in such a way that the existing machinery should continue to function./.

FIFTH NOTE

SUBJECT: Measures concerning German currency (Alsace and Lorraine)

Particular attention should be paid to the situation in Alsace and Lorraine. The German Government, from the monetary point of view, has placed these two French provinces (as well as Luxembourg) on the same footing as Germany. The franc has been withdrawn from circulation. After June 1940, the population was compelled to exchange its francs against Reichmarks at a rate of 20 francs to the mark, and all franc holdings were converted into Reichmarks.

The rate to be adopted for the conversion of Reichmarks in circulation in Alsace and in Lorraine into francs will be of great importance, for upon this rate will depend the wage and price levels which will be in effect in these provinces. This level should be established in harmony with the level which will be in effect in other parts of France.

In other words, it would be advisable to consider special measures for the reestablishment of French currency in Alsace and Lorraine, special measures which could well be those to be applied to Luxembourg, and which could be enforced at the same time as the measures to be applied to Luxembourg.

In the determination of these special measures, particular attention should be paid to:

- the position of persons who were compelled to convert their francs into Reichmarks in 1940 at the rate of 20 francs to the mark, and who have since then been in uninterrupted possession of these same holdings; and
- the choice of the exchange rate, because of its repercussions on the wage and price levels.

Furthermore, the exchange of notes in Alsace and Lorraine will only be a particular instance of the large scale operation in the exchange of notes to take place in France. In Alsace and in Lorraine, it should be merely a local application of a national and collective measure.

A technical note will be presented in London by the French representatives concerning this matter.

THE WHITE HOUSE
WASHINGTON

June 8, 1944.

My dear Mr. Hirschmann:

John W. Pehle, the Executive Director of the War Refugee Board, informs me that you are returning to Turkey to continue your work as the Board's representative under the able direction of Ambassador Steinhardt. The great task of mercy which the War Refugee Board is successfully undertaking is of paramount importance and I am confident that Ambassador Steinhardt and you will receive the support of the governments and individuals whose cooperation we are seeking in the interest of humanity.

In this you have our Government's full support and hearty wishes for success. I shall follow the work with great interest.

Sincerely yours,

Mr. Ira Hirschmann,
Special Representative,
War Refugee Board,
Washington, D. C.



ORIGINAL TEXT OF TELEGRAM SENT

FROM: SECRETARY OF STATE, WASHINGTON
TO: American Mission, Algiers
DATED: June 8, 1944
NUMBER: 1823

SECRET

FROM THE PRESIDENT TO AMBASSADOR ROBERT MURPHY, ALGIERS.

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

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

At the same time I feel that it is important that the United States indicate that it is ready to share the burden of caring for refugees during the war. Accordingly, I have decided that approximately 1,000 refugees should be immediately brought from Italy to this country, to be placed in an Emergency Refugee Shelter to be established at Fort Ontario near Oswego, New York, where under appropriate security restrictions they will remain for the duration of the war. These refugees will be brought into this country outside of the regular immigration procedure just as civilian internees from Latin American countries and prisoners of war have been brought here. The Emergency Refugee Shelter will be well equipped to take good care of these people. It is contemplated that at the end of the war they will be returned to their homelands.

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

In choosing the refugees to be brought to the United States, please bear in mind that to the extent possible those refugees should be selected for whom other havens of refuge are not immediately available. I should however like the group to

Regraded Unclassified

- 2 -

include a reasonable proportion of various categories of persecuted peoples who have fled to Italy.

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

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

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

For Kirks attention the foregoing was repeated to Naples.

AIRGRAM TO AMERICAN EMBASSY, HAVANA, CUBA

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

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

Please advise whether Cuba has given her consent to exchange negotiations pursuant to Department's A-738 of May 3.

June 8, 1944
5:15 p.m.

BAKzinlar 6/8/44

AMERICAN EMBASSY,
London, June 8, 1944

No. 16167.

Subject : ^f Plenary Meeting of the International
Committee on refugees

UNRESTRICTED

BY: AIR POUCH

The Honorable
The Secretary of State,
Washington.

Sir:

I have the honor to enclose three (3) copies of a letter (IC/245/60) dated June 6, 1944 just received from the Director of the Intergovernmental Committee on refugees announcing a plenary session of the Committee for Tuesday, August 15, 1944. It will be noted, as stated in the Embassy's despatch no. 16162 of June 7, 1944, reporting the May 26 meeting of the Executive Committee, that it may be necessary to postpone this meeting of the Plenary Committee owing to difficulties of communications and transport.

The Department's attention is called to paragraph two (2) of the enclosed letter requesting the American Government to appoint a delegate and, if it so desires, a substitute delegate for the plenary session, and the request of the Director that the name or names be communicated to him.

Respectfully yours,
For the Ambassador:

Howard Bucknell, Jr.
Minister-Counselor

Enclosure:

1. As stated.
Original
JMA:LZ

INTERGOVERNMENTAL COMMITTEE ON REFUGEES

11D Regent Street,
LONDON, S.W.1.

IC/245/60. Enclosure No. 1...to despatch No. 16167..of....June 8, 1944...
from the Embassy at London, England.

6th June, 1944.

Your Excellency,

I am directed by the Chairman to say that the Executive Committee of the Intergovernmental Committee on Refugees has decided that a meeting of the Plenary Committee should be held in London as soon as convenient. In order to allow adequate notice to Member Governments, the Executive Committee has fixed Tuesday, 15th August, 1944, as the opening day of the Meeting, but I am to explain that this date is contingent on war conditions, and that it may be necessary to postpone it owing to difficulties of communications and transport. Meantime, the arrangements will proceed on the assumption that it will be practicable to hold the Plenary Meeting on this date, and Your Excellency will be informed at once should any change be necessary.

2. The Agenda will be communicated to Your Excellency in due course. An important item of business will be the consideration and adoption by the Plenary Committee of Rules for the Constitution and Procedure of the Intergovernmental Committee, and of Financial Regulations of the Committee. Draft Constitutional Rules and draft Financial Regulations have been framed and have been examined by the Executive Committee which has approved them for the purpose of consideration by the Plenary Committee, which will be at liberty to amend them as it may consider desirable. Copies of the draft Rules and draft Regulations will be submitted to Your Excellency within a few days. Meantime, I attach a copy of draft Article IV of the Constitutional Rules which, subject to amendment by the Plenary Committee, will regulate the appointment of delegates and substitute delegates by Member Governments. On the assumption that the draft Article will be approved, I shall be grateful if Your Excellency will kindly request Your Excellency's Government to appoint a delegate, and, if it so desires, a substitute delegate, and to communicate the name or names to me.

3. I am to say that further information regarding the Meeting will be duly communicated to Your Excellency. Meantime, I would request Your Excellency to be good enough to convey this preliminary notice to Your Excellency's Government with as little delay as possible, and if necessary, by cable.

I have the honour to be,

Your Excellency's obedient Servant

/S/ H. W. Emerson
Director.

RULES FOR THE CONSTITUTION AND PROCEDURE OF THE
INTERGOVERNMENTAL COMMITTEE ON REFUGEES.

: : : : :
 : : : : :

ARTICLE IV.

The Plenary Committee. Composition.

- (1) Each Member may be represented by one delegate at plenary meetings of the Committee.
- (2) Each Member shall inform the Director of the name of its delegate. Each Member is free to change its delegate at any time, on giving notice to the Director.
- (3) Delegates may, if they so desire, appoint substitute delegates to sit on their behalf if they are unable to sit. A substitute delegate may attend all meetings but (except as provided in paragraph 4) shall not speak or vote if his principal delegate is present. The names of substitute delegates shall be communicated to the Director and all subsequent changes thereof.
- (4) A substitute delegate may speak and vote at any meeting where his principal delegate is acting as chairman and is for this reason precluded from voting.

: : : : :
 : : : : :

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Embassy, London
DATED: June 8, 1944
NUMBER: 4539

CONFIDENTIAL

The American Jewish Joint Distribution Committee has received the following message from Dr. Emanuel Scherer, Member of the Polish National Council: "Elected by just created council for rescue Jews in Poland to report budget; consider duty consult you before making definitive proposals. Accordingly my knowledge large scale financial help delivered quickly could contribute very much to save those still alive. This kind help relatively easy. Think budget not less than 2 to 4 millions dollars should be proposed until end year for rescue relief all Jews now Poland not only Polish Jews. Help Jewish underground political activities apart this cable doesn't deal with. For many reasons think not less 60% should give Polish government 40 Jewish resources. Please let me know your opinion to what extent your help possible. Because matter very urgent awaiting answer quickly possible address Polish National Council, Stratton House, London W 1. Matter strictly confidential."

The American Jewish Joint Distribution Committee has asked the advice of the War Refugee Board and the latter would appreciate your views before commenting.

STETTINIUS
(Acting)

ORIGINAL TEXT OF TELEGRAM SENT

FROM : Secretary of State, Washington
TO ; American Legation, Helsinki
DATED : June 8, 1944
NUMBER: 112

CONFIDENTIAL

Please report if central European refugees have received visas and departed for Sweden.

Foregoing has reference to the first paragraph of your cable of May 18, No. 399.

STETTINIUS
(Acting)

AIRGRAM

FROM Tehran (Consulate)
Dated: June 8, 1944
Rec'd June 21, 8 a.m.

CONFIDENTIAL

Secretary of State,

Washington.

A-19, June 8, 1944, 9:00 a.m.

Reference Department's telegram No. 415 of
August 16, 1943 to the Legation.

Please instruct the Consulate whether the
restriction on movements of Polish refugees from
Mexico to the United States still exists and whether
the Consulate is authorized to document such aliens
for entry into the United States. This question has
arisen with respect to a number of Polish refugees in
Iran, and particularly several wives of American soldiers,
desiring to proceed to the United States, who wish
to avail themselves of such transportation as far
as Mexico.

PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Consul, Karachi (India)
DATED: August 16, 1943
NUMBER: 102

CONFIDENTIAL

At the present time consideration is being given to transportation by the Navy of a second group of Polish refugees from Bombay to Mexico during the first ten days of September. A maximum of 750 persons is to be included in this contingent which will consist mainly of orphaned children now said to be in Karachi together with an appropriate proportion of competent adults to act as escorts for the children. For all refugees medical and health requirements will be necessary. In view of your helpfulness in securing the cooperation of the Polish and British officials in previous selection of refugees, we would appreciate it if you would check to ascertain as to compliance with all the provisions of this cable. Some refugees who have not proved to be adaptable to their new surroundings were included among the refugees of the first contingent. It is imperative that the following conditions be understood by all refugees who are to come to Mexico: (1) They will live in an especially arranged colony which provides the basic necessities only; (2) The refugees will not be free to proceed to other parts of the Western Hemisphere or to move from the colony to other parts of Mexico; (3) The refugees will not be able to carry on business enterprises or secure employment in Mexico; (4) The adult refugees will be able to work only on necessary operational and agricultural work within the colony which is incident to the maintenance of the colony; (5) At the conclusion of the War all Polish refugees will be repatriated to Poland.

The children to be chosen for the present contingent should be between four and fifteen years of age. The Polish authorities must provide necessary medical and nursing personnel for the journey and the responsible official to accompany the group. Furthermore for every 25 children it is necessary to have at least one adult. These adults should be persons who can be helpful in providing the children with supervision after the arrival in Mexico of the refugees. A larger proportion of adults may be required by Navy. Further information will be given by us later on this point. It is requested that we be informed as soon as possible whether the above arrangements can be made by the date mentioned above.

The foregoing message was repeated to Tehran and Bombay as the Department's cables numbered 415 and 350 respectively.

HULL

DCR: IDB: HL
6/30/44

AIRGRAM TO AMERICAN EMBASSY, MANAGUA, NICARAGUA

Reference is made to your A-200 of May 9 and your A-226 of May 27. This government appreciates attitude of Nicaraguan authorities concerning exchange. Appreciation is also expressed of Nicaraguan approach to Spain concerning return deportees to Vittel, reported in your A-226, as requested in Department's circular airgram of April 22, 7:30 p.m.

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

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

June 8, 1944
5:15 p.m.

BAKzinjar 6/8/44

PARAPHRASE OF TELNOGRAM RECEIVED

FROM: American Embassy, Asuncion
TO: Secretary of State, Washington
DATED: June 8, 1944
NUMBER: 315

SECRET

From the Ministry of Foreign Relations we have now received a note, no. 483 of June 6, concerning the points raised by the American Government on May 22 in the Department's Secret airgram no. 158. There follows a translation of the note which contains its statements. By airmail we are sending a copy.

RECEIVED

HEP - 464

Asuncion

This telegram must be paraphrased before being

Dated June 8, 1944.

communicated to anyone other than a Government Agency. (RESTRICATED)

Rec'd 4:04 p.m.

Secretary of State,

Washington.

315, June 8, 9 a.m. (SECTION TWO)

One. The Paraguayan Government recognizes the validity of the passports granted by Paraguayan Consular Representatives in favor of Polish and Hebrew citizens and those of other nationalities now in German concentration camps; extending its protection in this manner to the persons holding them.

Two. The Paraguayan Government has taken up through the Spanish Government the manner of obtaining the departure of such persons from European territory occupied by Germany.

Three. The Paraguayan Government authorizes the United States Government to negotiate an exchange of the persons now detained in German concentration camps who hold Paraguayan passports; such persons however may not enter Paraguayan territory but should proceed to the places indicated by the American authorities.

Four. In the request for exchange Paraguay asks that preference may be given to Paraguayan citizens who happen to be in European territory occupied by Germany, who should be repatriated, in order to return to their native soil.

(END OF MESSAGE)

END

CAB

RR

AIRGRAM TO AMERICAN EMBASSY, LIMA, PERU

Reference is made to Department's circular airgrams of March 31, 1:05 p.m., of April 11, 11:00 a.m., of April 22, 7:30 p.m., and of May 11, 7:30 p.m., of Department's airgram A-327 of April 27 to Lima, and your A-357 of April 10 and 610 of March 8.

The attitude of the Peruvian Foreign Office is appreciated, but in view of the absence of a full list of holders of documents issued in Peru's name and the jeopardy in which reference to any particular names would place other holders of Peruvian passports in German-controlled territory, it is thought that the only appropriate procedure is for Peru to approach Germany with reference to all such holders generally and without naming any particular persons.

Regret is expressed at the fact that neither this step nor any of the other measures suggested in the Department's communications referred to above have as yet been made by Peru, and it is hoped that Peruvian authorities will lend their cooperation in this government's efforts to rescue at least some of the helpless victims of Nazi oppression before it is too late.

For your guidance, the substance of the measures suggested in our previous communications is hereby repeated: (a) Peru to approach Germany through the protecting Power with a demand that the lives of all persons holding passports issued in Peru's name or claiming Peruvian citizenship on the basis of consular documents be safeguarded and that they be given all rights, privileges and immunities accorded to civilians of Peruvian nationality; (b) Peru to postpone adverse determination of the validity of such documents until the time when such determinations will no longer expose claimants to death; and (c) Peru to approve of exchange negotiations between United States and Germany on Peru's behalf, for which such holders will be eligible.

June 8, 1944
5:15 p.m.

BAkzin:ar 6/8/44

MJB-588

PLAIN

Lisbon

Dated June 8, 1944

Rec'd 9:27 p.m.

Secretary of State,
Washington.

1760, Eighth

WRB 62 FOR LEAVITT FROM PILPELL JDC Twelve your
May 16.

Arnheim cabled behalf Mossiska Foersamlingen who
estimates \$20,000 maximum required twelve months
for one hundred fifteen for (repeat 115) refugees from
Finland. Asking monthly installments because ex-
penditures will depend employment opportunities this
group. View other obligations Foersamlingen states
inability finance. Please advise.

NORWEB

HTM

FEM-508
Distribution of true
reading only by special
arrangement. (SECRET W)

Dated June 8, 1944

Rec'd 5:50 p.m.

Secretary of State,

Washington.

1768, June 8, 6 p.m.

W WRB 63

Neither funds nor instructions for use have been received by Paul Duarte from Jewish Labor Committee. This refers Department's telegram No. 1133, April 22, and Lisbon's 1343, (WRB 18) of May 4. Duarte has made preliminary studies but impossible proceed without funds or instructions. Please request Jewish Labor Committee's attention to matter and advise status.

NORWEB

REP
RR

SECRET

AIRGRAM

FROM

Managua

Dated June 8, 1944.

Rec'd June 13 2pm

Secretary of State,
Washington.

A-239, June 10, 10:30 a.m.

Department's secret circular airgram May 11, 7:30
p.m.

The Nicaraguan Foreign Office has informed the Embassy that it has received a telegram from the Nicaraguan Charge d'Affaires in Madrid stating that the Spanish Foreign Minister has offered to use his good offices in the interest of having returned to Vittel, France, any bearers of Nicaraguan passports who may have been removed from that place.

STEWART

801.2
HDF/gp

CABLE TO MADRID

From War Refugee Board to Ambassador Hayes, Madrid, Spain

Reference your 1931 of May 31 concerning failure of evacuation ship to sail from Cadiz on June 7.

We too are disturbed by repeated delays in evacuation to North Africa of refugees in Spain. Although under terms of understanding between British and United States Governments concerning transfer of refugees from Spain to Camp Lyautey, sea transportation to North Africa is a British responsibility, the War Refugee Board's representative in Algiers has repeatedly endeavored to hasten the sailing date. Latest information from him is that ship will sail about June 25, the definite sailing date to be fixed about June 15.

June 8, 1944

4:35 p.m.

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

June 8, 1944

5 p.m.

AMLEGATION,

STOCKHOLM.

~~49~~ 1149

Have central European refugees actually arrived
Sweden from Finland? This is WRB cable no. 24 and
refers to Legation's 1379 of April 21.

STETTINIUS
ACTING
(GHW)

WRB:MMV:KG
6/7/44

NOE

S/CR

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Stockholm
DATED: June 8, 1944
NUMBER: 1150

SECRET

Following from War Refugee Board to Johnson for Olsen

1. Reference paragraph 1 of Department's No. 1000, May 24, 1944 (WRB No. 18). Goodyear Akron advises transaction effected with approval of foreign exchange office and is asking for payment here of countervalue. Please confirm.

2. Reference Stockholm's 1820, May 22, 1944 (your WRB No. 20). We expect to have funds available shortly for the Lithuanian and Latvian projects. In the meantime you are authorized to use as you see fit a part of the funds referred to in paragraph 1 above for these projects.

3. The Treasury has licensed Vaad Hahatzala Emergency Committee to remit, notwithstanding General Ruling No. 11, the equivalent of \$10,000 to Rabbi Wolbe and/or Hans Lehman provided that such funds may be utilized by the payees only as authorized by you, as representative of the War Refugee Board. For your guidance, the Vaad Hahatzala desires that the major portion of these funds be used for the Lithuanian program outlined in cable No. 1820 of May 22 from Stockholm (your WRB No. 20). The necessary funds, goods or services may be acquired from persons in enemy territory against payment by any of the three methods which are prescribed under Section (A) of License No. W-2152 issued to the American Relief for Norway, Inc. and set forth in Department's cable No. 619 of April 8, 1944. Periodic reports on operations engaged in under this license should be filed with Treasury through Legation.

THIS IS WRB CABLE TO STOCKHOLM NO. 25.

STETTINIUS

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Legation, Bern
DATED: June 8, 1944
NUMBER: 1968

CONFIDENTIAL

From War Refugee Board to Harrison and McClelland.

Please deliver the following message to Isaac Sternbuch, 3 Teufener Strasse, St. Gallen, from Rabbi Abraham Kalamonowitz of the Vaad Hahatzala Emergency Committee:

"Your May 18 report received. Requested Allied Nations urging protective powers give fullest consideration internees all camps also endeavoring secure exchange. Requesting Turkish Government permit transit with assurances refugees will be taken out immediately and sheltered in temporary camps. Jewish agency granted all certificates demanded. Regarding refugees hiding vicinity Krakau Teresienstadt other places and Jews in work camps in Poland, you are authorized utilize every means give them whatever help necessary to keep them alive. Cannot grant request appropriation for placing children rescued from Holland, France, Belgium in childrens homes as our moneys only for life-rescue. Advise if received sums 85,800 and twice 64,350 Swiss Francs from Polish Legation and if forwarded to Rabbi Szmulswicz, Shanghai. What about your plans evacuation Shanghai. Send also couriers with funds for redemption individuals and communities and general rescue and escape to villages. Ask Griffel whether further 100,000 Swiss Francs will make beginning effective rescue possible eventually send him. Cable details concerning your rescue work French Italian Jews."

THIS IS WRB BERN CABLE NO. 35.

STETTINIUS
(Acting)

HM-4555

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

Born

Dated June 8, 1944

Rec'd. 3:41 p.m.

Secretary of State

Washington

3652, June 8, noon.

FROM McCLELLAND FOR WEB. FOR LEO W. ULMANN
AMERICAN OSE, 34 WEST 40th STREET, NEW YORK FROM
TSCHLENOFF.

Activities France developing notwithstanding numerous arrests among experienced staff. Official organizations dissolves but continue working unofficially and are now maintaining 3700 abandoned children and 2000 more together with families. These numbers are permanently increasing although 450 have lately arrived Switzerland and 50 Spain. Are likewise helping sick and distressed in hospitals. Remain close contact similar organizations Belgium maintaining 2500 children and Holland maintaining 550. Are in contact with old OSE workers Rumania helping 2000 children evacuated from Transnistria several thousands in old Rumania. Hungary over 170,000 children greatest danger we are trying create relief organization there on French lines. Budget France over 70,000 Swiss francs monthly covered by Joint which also contributes money for Belgium and Holland. Urgently necessary obtain sums for moving children and staff saving activities. For France alone this comes to monthly total of 20,000 Swiss francs of which but a part is advanced by Joint. In Switzerland have enlarged children's home up to 100 children giving much attention staff preparation. Are also participating in social assistants' vocational school Zurich opening summer monitors course Geneva and epidemiological courses for interned physicians Zurich. Are paying maintenance fees for 80 refugee physicians sent for practice to Swiss hospitals. Our social assistants received permission visit adolescent camps. We distributing medicines tonics to interned children. Organizing dental technical school and workshop Geneva working for internees. Yearly budget over 200,000 Swiss francs only three-quarters covered by Joint.

Much annoyed misunderstanding with labor committee appropriation. Have never thought using this money for administrative expenses or postwar activities but for supplementary emergencies such as displacing children and rescue purposes. Greetings 98,000

HPL
HMP

HARRISON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: June 8, 1944
NUMBER: 3657

CONFIDENTIAL

Tschlepoff and McClelland send the following for
Jewish Labor Committee, New York and WRB.

In connection with your \$10,000 appropriation, we have
been advised by our New York Committee of the misunderstanding.
These funds have been used for removal of several hundred children
from especially dangerous areas, which is of vital importance.
The use of your grant for any purpose other than rescue activities
has never been considered.

HARRISON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
 TO: Secretary of State, Washington
 DATED: June 8, 1944
 NUMBER: 3659

SECRET

McClelland sends the following for WEB

From Freudenberg Clan for Robinson, Committee Christian Refugees, 138 Center Street, New York.

Your March 22 letter was greatly appreciated. We have reached full agreement with Ferriere for use of gift camp and survey and systematic inquiries are being conducted. I have met Cedergren. Receipt of \$25,000 for France is gratefully acknowledged as it strengthens the hands of friends for action in saving the lives of thousands of refugees of different nationalities threatened with starvation or deportation. Leaving France is most difficult and work is being handicapped by the arrest of several French helpers. Lives are endangered by any publicity of your interests in French work. During the last weeks total arrivals in Switzerland have averaged 60 per day. Considering numerous difficulties, the Swiss attitude is understandable. Have spent 62,800 francs for France since March license. We wish to know if license No. W2180 could be extended to support Hungarian Reformed Church Committee which is helping non-Aryan Protestants. Attempts to assure reliable communications are being made. There are about 30,000 Hebrew Christians in Budapest. Expenditures in Switzerland since January are shown by the following figures: 15,000 francs Zentral Stelle Fur Fluchtlingshilfe for professional training, medical treatment, clothing Committee Intellectuals, 8,100 francs; 5,000 francs Arbeiter Hilfswerk; 50,000 francs construction Ecumenical Refugee Home Walsenhausen; 35,130 francs other Swiss organizations; 5,000 francs subsidy Zurich course postwar relief workers; 29,180 francs individual cases; 11,233 francs administration. Former difficulties unblocking dollars are delaying clothing accounts. We will cable auditors report which is now being prepared.

HARRISON

DCR: IDB: HL
 6/12/44

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
TO: Secretary of State, Washington
DATED: June 8, 1944
NUMBER: 3675

SECRET

McClelland and Field send following for WRB and Cahill.

This is in reference to Department's May 30 telegram
No. 1866.

We received May 30 sums your cable mentioned. We
would like to know what source is and destination of
5137 francs which we received on 17th of May. We intrepert
concluding phrase of your cable to imply that money is
spendable in France only. Should this be correct we
urgently request it be extended to other occupied countries
where there are equally great opportunities and need.

HARRISON

PARAPHRASE OF TELEGRAM SENT

FROM: American Embassy, Ankara
TO: Secretary of State, Washington
DATED: June 8, 1944
NUMBER: 1033

SECRET

You are asked to inform the Union of Orthodox Rabbis of the USA and Canada, Rabbis E. L. Silver, Israel Rosenberg, Vaadhatzala Emergency Committee, Rabbis Abraham Kalmanowitz, Aron Kotler, Magudas Israel World Organization, and Jacob Rosenheim in answer to their cable which I received today that in addition to exerting my own efforts on behalf of the Jewish victims of Nazi persecution, I have been rendering and will continue to render every possible aid to Messrs. Kastner, Klarner and Grifel and that it is assumed that my continuing efforts are known to them.

STEINHARDT

DCR:VAG:HL

6/10/44

CABLE TO AMERICAN EMBASSY, MONTEVIDEO, URUGUAY

Reference is made to your 457 of May 17. Readiness of Uruguayan government to cooperate is appreciated. Please advise Department to what extent action has been taken along the lines indicated in Department's A-194 of May 1 and circular airgrams of May 1, 4:35 p.m. and May 11, 7:30 p.m.

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

June 8, 1944

5:15 p.m.

BAKzintar 6/8/44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF
COMMUNICATIONS
AND RECORDS

178

BE-391

PLAIN

London

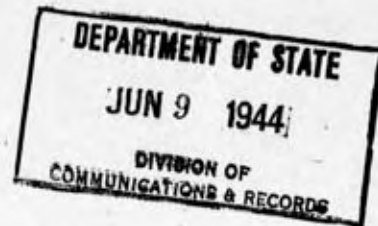
Dated June 8, 1944

Rec'd noon

Secretary of State

Washington

U.S. URGENT
4587, Eighth



FOR STATE AND TREASURY FROM CASADAY

According to the Embassy's news ticker this afternoon the Chancellor of the Exchequer announced today in the House of Commons that the British delegation to the Monetary Conference would be as follows:

Lord Keynes - leader of delegation.

Sir Wilfred Eady (Second Secretary of H.M. Treasury)

Nigel Bruce Ronald (Assistant Under-Secretary of State, Foreign Office).

Lionel Robbins (head of the Economic Section, War Cabinet, Secretariat)

D. H. Robertson (Economic Adviser to H.M. Treasury)

R. Opie (H.M. Embassy, Washington)

Mr. Brand (British Treasury representative in Washington) is to be associated with the delegation and serve as a delegate at meetings as may be convenient.

For your

-2- #4587, Eighth from London

For your information, Mr. Nigel Bruce Ronald, C.M.G. C.V.O., is Superintending Under-Secretary of the Economic and Reconstruction Department of the Foreign Office. The work of this Department covers general politico-economic subjects; supply questions, postwar relief, postwar economic policy and reconstruction questions generally.

WINANT

REP WSB

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF
COMMUNICATIONS
AND RECORDS

FE-446

PLAIN

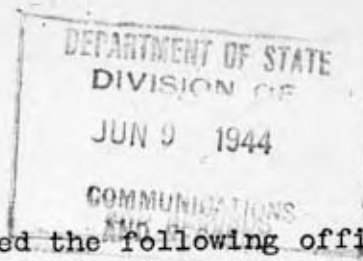
London

Dated June 8, 1944

Rec'd 3:15 p.m.

Secretary of State
Washington

4602, Eighth



This evening I received the following official communication from the Foreign Office. Please have a copy forwarded to Secretary Morgenthau:

"One. In my note of the 5th June I promised to inform Your Excellency as soon as possible of the names of the United Kingdom delegates to the United Nations monetary and financial conference called for the 1st July, 1944.

"Two. I have the honour to inform Your Excellency that the United Kingdom delegation will be composed as follows:

Lord Keynes (Leader)

Sir Wilfrid Eady (one of the second secretaries,
His Majesty's Treasury)

Mr. N. B. Ronald (Assistant Under-Secretary of
State, Foreign Office)

Professor

-2-#4602, June 8, 1944, from London.

Professor Lionel Robbins (head of the economic
section, War Cabinet
Secretariat)

Professor D. H. Robertson (Economic Adviser, His
Majesty's Treasury)

Mr. Redvers Opie (His Majesty's Embassy, Washington)

"Three. The honourable R. H. Brand (Treasury representative in Washington) will be associated with the delegation and attend its meetings as a member as may be convenient; and Mr. G. L. F. Bolton (adviser, Bank of England) will be available to the delegation for technical advice."

WINANT

JT

FROM: American Mission, New Delhi
TO: Secretary of State, Washington
DATED: June 8, 1944
NO.: 416

CONFIDENTIAL

Following is in reply to Department's circular cable dated June 3.

The delegation of the Government of India to the monetary conference will consist of six persons mentioned in Mission's cable of June 1, no. 394, plus three stenographers the Indian Agent General will hire in Washington. No wives or family members will accompany the delegation.

For offices delegation desires two rooms for delegation and one room for staff.

Space on special train will be reserved by Agent General in Washington.

Raisman will travel from England directly. ATC has granted other five members priority and they expect to leave Karachi about June 15. It is not known as yet whether they will go northern route via Lisbon, as wished, or southern route, and this is being discussed by American Consul at Karachi with ATC officials there.

At Mission's request, Consulate at Bombay has sent Department by cable biographic data report from Consulate Madras dated June 23, 1943 for data on Gherty, who is also known in Washington where in 1941-42 he headed Indian Purchasing Mission.

For biographic data on Raisman and Gregory see British WHO'S WHO. Raisman has not been in the United States before. Recently his normal five year term as finance member was extended one year until May 1945, following which he may be appointed governor of a province of British India. He is a forceful speaker although he lisps. By successfully resisting any change in the financial settlement with the British early in 1943 he won favor with Indians. In general he puts interests of India on an equal footing with those of Britain.

Gregory is well known to academic economists in the United States, which he has visited several times. He is competent and clever, but not trusted by many Indians who wonder whether he has any fixed economic principles. Although he still is believed to have a flickering loyalty to the economic liberalism he so ably championed in pre-depression days, undoubtedly his ideas are in a state of flux.

MERRILL

ef:copy
6-15-44

LFG-458

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

Monrovia

Dated June 8, 1944

Rec'd 3:48, p.m.

Secretary of State,

Washington.

127, June 8, 5 p.m.

Request authority to issue appropriate visas
to following delegates from Liberia to United
Nations International Monetary Conference: William
E. Dennis, Secretary of the Treasury, James F. Cooper,
and K. Jeffries Adorker.

DEPARTMENT OF STATE

JUN 10 1944

DIVISION OF
COMMUNICATIONS & RECORDS

WALTON

RB RR

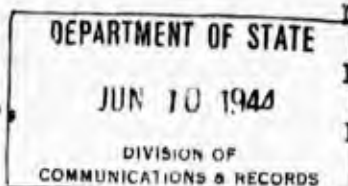
A I R G R A M

From:

Mexico City

Dated:

Rec'd June 10 11am

Secretary of State,
Washington.

A-1952, June 8, 11 a.m., 1944

With reference to the Department's circular airgram of June 3, 6 p.m., requesting certain information concerning space needed by the Mexican delegation to the Monetary Conference opening July 1, I have to inform the Department that I have taken up this matter with the Minister of Finance and the Foreign Office here in order to get the preliminary information requested to the Department as soon as possible. The Minister of Finance will have to consult the President with regard to the composition of the Mexican delegation, and up to now he has not been able to get the information which he needs. However, I hope to get this information today and to get it to the Department without further delay.

In the meantime, it may be said that the Mexican Government will not need more than one room for office space in the Mount Washington Hotel.

As to the exact number of the Mexican delegation and the number of rooms required, I shall have to wait for word from the Minister of Finance, which I expect to get today.

MESJERSMITH

GSM/aw

A handwritten signature, possibly "MESJERSMITH", written in ink.

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

185
DIVISION OF
COMMUNICATIONS
AND RECORDS

MRE-605

PLAIN

London

Dated June 8, 1944

Rec'd 10:40 p.m.

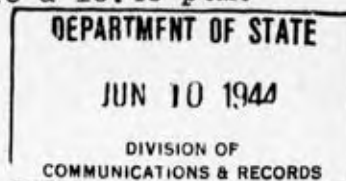
Secretary of State

Washington

10, Eighth

NETER FROM SCHOENFELD

Reference my 9, June 3.



In note of June 7 Netherlands Government states Mr. D. Crena de Iongh now in United States appointed as additional delegate to Monetary Conference. It is considered necessary for him to report to Netherlands Government in London after conclusion of conference and to return to United States thereafter. Netherlands Government has approached British Government with view to obtaining permission for this journey and hopes it may receive support of United States Government.

Note adds that Netherlands Government is considering extension of delegation to include one of higher officials of Embassy in Washington and perhaps other members or experts.

WINANT

HTM

AIRGRAM

FROM Stockholm
 Dated June 8, 1944
 Rec'd June 21, 1 p.m.

Secretary of State,

Washington.

A-539, June 8, 9 a.m. Estonia (Internal Situation)

AFTONBLADET May 31st. In an article entitled "Events Relating to the Mass Arrests in Estonia", the author, Dr. Adolf Schuck,* writes as follows. Little information concerning the internal situation in Estonia is available abroad. It is rumored that the recent Russian air raids disabled the Estonian shale oil industry. General Commissar Litzmann's authority is decidedly on the decrease of late while General Lindemann, commander of the Baltic front, together with the chiefs of the "Sicherheitsdienst" are assuming arbitrary powers. The Estonian puppet government has proved extremely convenient for the Germans since the former announces and carries out all the regulations so unpopular among the population. None of the members of the puppet government ever enjoyed the confidence of the population especially since some are German citizens. More weight is carried by Professor Uluots who urged the Estonians to defend their homeland against a Russian invasion. As a result of the Uluots appeal, 90 per cent of the Estonian men responded to the mobilization call and the stream of fugitives to Finland and Sweden petered out. The Estonians in the Finnish Army wished to return home to defend their homeland, but their request was not granted by the Germans.

The firm resistance of the Estonian battalions at Narva gave the Germans, who were demoralized after their reverses on the Leningrad front, breathing space and an opportunity to rush strong reinforcements to the Ostland. The number of Estonian formations on the Narva front would have been more considerable if it had not been for the German unwillingness to complete the Estonian mobilization. Thus, of the 50,000 men called up only 17,000 were supplied with arms. The German aversion to establishing an Estonian national army was soon realized. After the arrival of strong reinforcements to the Baltic countries, the Germans ceased catering for local support. A unique situation arose: mobilized Estonian farmers were loafing around their barracks while German soldiers were working on Estonian farms. The Germans wanted to

Send the

Dr. Schuck is a Privatdocent, secretary of the Baltic Committee in Stockholm and a contributor to the book, "Har De Ratt Att Leva?" (Have They A Right To Live?).

-2- A- 539, June 8, 9 a.m. from Stockholm

send the Estonian soldiers out of the country. One thousand men stationed at Tallinn refused to obey the order and were threatened with execution. A police battalion was ordered to leave the country, but 2/3 of the men deserted en route to the Latvian frontier.

The German intention of evacuating the Estonian art treasures to Germany met with vigorous protests, even on the part of pro-German Professor Kant of Tartu University. Eight Finnish professors previously at Tartu University published a protest in Helsinki on April 25, 1944 against the proposed evacuation. The German envoy, von Blucher, repeatedly insisted that the Finnish authorities should withdraw the protest, but was unsuccessful.

Ever since the outbreak of war in June 1941, the Finnish radio stations have broadcast programs in the Estonian language. The Estonians were forbidden by the Germans to listen to these broadcasts and in the spring of 1943 Finland was forced to stop them. However, the broadcasts were resumed during the winter of 1944. The Finns are sympathetic to the idea of the restoration of Estonian independence and were shocked by the news of the mass arrests in Estonia during May. Paatz, chief of the "Sicherheitsdienst" is allegedly responsible for the arrests which were motivated by the discovery of an organization which was considered pro-Anglo-Saxon.

JOHNSON

HEC/GD/gd

SECRET

OPTEL No. 186

1. FRANCE

Position at noon 7th indicates establishment of 3 bridgeheads:

- (a) By U.S. West of VIRE Estuary approximately 6 miles along coast and 7 miles greatest depth.
- (b) By U.S. East of VIRE Estuary approximately 10 miles along coast and 5 miles greatest depth.
- (c) By British from coast north of BAYEUX and in touch with (b) to a point 25 miles east and across river ORNE with a constant average depth of 7 miles.

Reported CARENTA held by U.S. airborne troops and British ground troops entering BAYEUX.

OPTEL No. 187

Information received up to 10 a.m., 8th June, 1944.

1. NAVAL

FRANCE. Assault Area. All beaches reported cleared by 6 p.m. 7th and all except one linked up with flanking beaches. The build-up convoys continue to arrive and craft have returned from the assault area to reload.

U.S. Sector. Landing conditions were difficult, the beaches became congested, with bombing and occasional shell fire delaying deliveries, but the whole situation improved greatly in the past 24 hours in the Western Bridgehead.

British Sector. Discharge also slow due to weather and on 6th/7th beaches were bombed but no ships hit. Weather considerably improved afternoon 7th. Minesweepers have swept 3 channels 2 miles wide into the assault area; up to 5 p.m. 7th 95 mines had been swept in the approach route.

Since midnight 6th/7th 23 U-boats have been sighted in Bay of BISCAY and Western Approaches to the Channel: escort groups are now hunting some of them.

Shipping Casualties. In assault area and approaches one of H.M. Headquarters ships was slightly damaged by bomb; one U.S. 8,000 ton troopship mined and sunk, two hospital ships, 2,313 tons and 1,952 tons, both on the way to the assault area and a U.S. Liberty ship were mined. One tank landing ship torpedoed by E-boats and abandoned. All personnel saved. A 5,500 ton U.S. block ship was torpedoed by aircraft but is proceeding to assault area.

2. MILITARY

FRANCE. Heavy fighting along most of the front and area U.S. centre bridgehead somewhat reduced. U.K. troops have captured BAYEUX and are within 3 miles of CAEN. U.K. airborne troops have established themselves on a line 4 miles east of the CANAL DE CAEN. Allied airborne troops have been successfully reinforced.

ITALY. New Zealand advance delayed by demolitions; Indian troops have captured SUBIAGO and are continuing their advance; U.K. troops have cleared TIVOLI and are moving northwards on PALOMBARA. British armour fought all day in area of MONTE ROTONDO against strong enemy rearguards; South African armour passed through CIVITA-CASTELLANO and U.S. troops have passed through CIVITAVECCHIA.

3. AIR OPERATIONS

WESTERN FRONT. 6th/7th. 2,902 tons were dropped on rail and road junctions south of the assault area where there was considerable cloud. Marking was carried out below clouds and accurate and concentrated bombing resulted. Total 571 tons were dropped on railway junctions at CHATEAUDUN (no cloud, good bombing concentration) and ACHERES. Markers hidden by cloud and attack abandoned but some crews had already bombed apparently accurately from beneath clouds.

7th. Heavy bombers dropped 984 tons on towns in the LE MANS, LE HAVRE and LAVAL areas largely with unobserved results. 448 more heavy bombers were sent to attack airfields and railway objectives in FRANCE but no results yet received. About 1,500 bombers and fighter bombers sent to attack objectives in assault area and a further 1,500 fighters and fighter bombers carried out patrols and sweeps. 456 air-tugs towing gliders and escorted by 600 fighters were detailed to drop supplies and troops. From incomplete reports - German casualties 30, 12, 15 and about 75 motor vehicles destroyed. Ours 48 aircraft missing, including 8 air-tugs.

7th/8th. 710 aircraft despatched:

Troop and M.T. concentrations in the	
FORET DE CRISY (1 missing)	(2127)
ACHERES Railway junction	108 (4 missing)
VERSAILLES-MATELOTS Railway Depot	83 (6 missing)
MASSY-PALAISEAU near PARIS railway	
tracks and bridge	74 (13 missing)
JUVISY railway junction	71 (5 missing)
COLOGNE	32 Mosquitoes
Bomber Support and Intruders	95 (2 missing)
Sea mining and Leaflets	35

Enemy casualties - 8, 1, 3. At VERSAILLES, ACHERES and MASSY bombing was concentrated; at the FORET DE CRISY accurate bombing was achieved towards the end of attack. Out of 12 German aircraft which operated over EAST ANGLIA 3 were destroyed.

ITALY. 6th. Light and medium bombers and fighters (16 missing) attacked objectives in East and Central Italy; about 650 motor vehicles, 9 tanks, 9 locomotives and 95 railway wagons were either destroyed or damaged.

7th. 251 Liberators attacked GENOA and LEGHORN areas.

SOUTH FRANCE. 7th. 67 Liberators attacked and hit ANTHEOR Viaduct and 37 Liberators damaged a bridge over the VAR.

INTENDED BY THE ENEMY

REPORTED BY THE ENEMY

REMARKS BY THE ENEMY

June 9, 1944
9:29 a.m.

Operator: Go ahead.

Dan

Bell: Hello.

Robert

Doughton: All right.

Bell: Good morning, Mr. Chairman.

D: Good morning, Mr. Secretary. How are you?

Bell: Fine. Thank you very much for getting that debt bill through.

D: Well....

Bell: We finally got it after....

D: Yes, I'm....

Bell:going around the street.

D: Yes, some took -- we had some trouble about it but we're glad we got it through.

Bell: Yeah, I know. It was much ado about nothing.

D: Much ado about nothing, you're right -- just a lot of political slush thrown into it.

Bell: That's right.

D: Gush or whatever it is.

Bell: Mr. Doughton, the Secretary left last night on a bond tour. He's starting this Fifth War Loan and he wanted me to call you and say to you that the technical boys here in the Treasury have gotten together a lot of data on post-war taxes and they are now getting to the point where they would like to begin to hold some conferences with interested people around the Government and he would like to have your cooperation as much as you can give, and possibly have Mr. Stam -- thought maybe you'd like to have Mr. Stam sit in the conferences. He thought we ought to begin to think about it and, maybe, get some stuff down on paper.

D: Well, I've been giving that matter some consideration. I wanted to talk with Senator George about it and see what he thinks is the best procedure.

Bell: Uh huh.

D: Whether or not we'd try to handle it by the Ways-and-Means Committee, the Joint Committee on Internal -- that is, start it that way -- the Joint Committee on Internal Revenue Taxation or by special sub-committee.

Bell: I see.

D: You can't hardly get a full committee to work now and won't be able to in my opinion during much more -- during the remainder of this Congress.

Bell: Uh huh.

D: There are so few that will work, and I'd kind of had it in my mind but hadn't worked it out that if we could start it on -- the consideration of it on a non-partisan basis, it would be better.

Bell: Yeah.

D: There's so much politics in everything now, you know.

Bell: That's right.

D: Do you all have any idea -- do you want to get any legislation through during the remainder of this Congress or just making a study?

Bell: Well, this is just in the study stage at first. What we do with it we'll have to discuss with you people later on. But certainly not any legislation very soon.

D: I don't think we can legislate during the remainder of this Congress but we can be getting some facts.

Bell: Yeah, I think that's the thing.

D: That's my idea about it.

Bell: You couldn't keep it out of politics between now and election certainly.

D: I don't think so but my idea was to put it where they could not be so bold about making politics out of it.

Bell: Yes.

D: I wanted to discuss it with Senator George maybe today or tomorrow to see what he thinks and then I'd be glad to sit down and talk it over with you....

Bell: All right.

D:or anybody up there about it. And I'd be glad if before you formulated any definite plans to see if we can agree on procedure.

Bell: That will be fine.

D: If we just started out, you all with one idea and we with another and then the Republicans try to throw politics into it, why, I fear that we will have a great ado and a lot of newspaper publicity and all comments and all that, and get nowhere.

Bell: Yeah, well, that's the purpose of this talk. We thought we ought to get together on it and this is just to keep it on the technical level, let the boys gather the facts and get all the information that's possible before we sit down with the Committees.

D: Well, now, if you all could make that study like we did about this last work we did on tax simplification, if it would be possible for your staff and Stam's staff to go to work together.

Bell: Well, that's....

D: You know what fine results we had on that.

Bell: That was -- that was good and that's what we have in mind.

D: Yeah, well that ...

Bell: Going along together.

D: I had thought -- I'll talk to you more about it -- if we can -- If I can appoint a joint -- a sub-committee of about six or eight Demo -- about three or four Democrats and three or four Republicans and let George do the same thing, and let us work together on the study of this matter to save your staff of going over it first with the ones on the Committee of the House and then again with the Senate, that we might be able to do the preliminary work together. I don't know. Mr. Cooper never has favored joint hearings or anything like that or consideration, but I believe we could save a lot of work if we do it.

Bell: Uh huh. Well, I wonder if you could keep it out of politics by having a committee -- a sub-committee.

D: Well, I was wondering if we couldn't do that if we have an equal number of both.

Bell: I don't know. I don't know.

D: Well....

Bell: Well, anyway, there's got to be a lot of facts and information gathered before your committee could do much, I suppose. And -- anyway, you discuss it with George and we'll sit down with you the first of the week if you want to and map out a program.

D: I'll be glad to do it if we can agree on something.

Bell: All right. We want your cooperation and we think that we ought to move on it, at least to make the study.

D: Well, I don't think there's any question about that, but it's my opinion in the place of you all going ahead and working out some program and submitting it to us....

Bell.

D:we ought to work out a program together.

Bell: We agree with that.

D: Yes.

Bell: We agree with that. That's the purpose of this telephone call.

- 5 -

D: All right.

Bell: All right. You let me know.

D: I will. I'll let you know after I talk with Senator George.

Bell: Thank you.

D: We'll try to get a conference pretty soon.

Bell: Thank you.

D: You're welcome.

June 9, 1944
9:38 a.m.

Dan
Bell:

Hello.

Senator
Walter George:

Hello.

Bell:

Good morning, Senator. This is Danny Bell.

G:

Yes, Danny. How are you, sir?

Bell:

Fine. How are you?

G:

Pretty good. Thank you.

Bell:

We finally got a debt bill.

G:

Yes.

Bell:

Thank you very much.

G:

Yes, sir.

Bell:

Senator George, the Secretary had to leave last night on a bond tour opening this Fifth War Loan, and he intended to call you but didn't get a chance; he asked me to do it for him.

G:

Yes, sir.

Bell:

He wanted you to know that we've been thinking down here -- our staff -- about post-war taxes; gathered some data, but not enough yet. He thought it was about time that maybe we began to study it a little more intensively, and he'd like you to know that he wants your cooperation. And

G:

Well

Bell:

.... he thought that maybe you people on the Hill would like to have at least your technicians sit in with us on this st -- preliminary study.

G:

Well, we do, Danny. We have been -- Mr. Doughton and I have talked it over twice, and we -- we have a tentative agreement on -- that is we've reached a tentative decision that we would appoint a special committee -- not merely use the Joint Committee on Internal Revenue Taxation, because Mr. Doughton, for some reason, thought that he could somewhat improve this committee by not

- 2 -

G: (cont'd) doing that.

Bell: I see.

G: And we wanted to set up a special committee here

Bell: Uh - huh.

G: and - ah - to direct the staff to confer with the Treasury and begin work on the program. We realize that it can't be hurried through, and we don't have that in mind, but we do think it is time that we were beginning to give consideration to that problem.

Bell: Well, we agree with that, and we'd like to

G: And we - we were - we are expecting you - your full cooperation, and want you - and wanted to invite you right into the picture, and that's our program, and

Bell: Well, that's fine.

G: we'll do that.

Bell: Well, now, there'll probably have to be -- will there have to be -- well, I'll ask you the question -- will there have to be a lot of preliminary work before you

G: No, I don't think so. I think it'll -- be left with the technicians.

Bell: Well, that's what I mean.

G: I think we will leave it up here to the staff over here, and your staff over there.

Bell: Largely like the simplification.

G: Very largely.

Bell: Uh - huh.

G: Now, then, it might be that later on we, over here of this special committee, not now, but later, we might -- we might call in a few well-recognized tax men and get their views on some matters.

Bell: I see. Well, we -- we didn't suppose that the committee would want to hold many hearings in this political atmosphere.

- 3 -

G: No, we don't want to hold any now.

Bell: But we thought maybe the technicians could go ahead and work.

G: That's all we -- that's all we could do before this election is out of the way.

Bell: I - I should think, but you would like for the technicians to go ahead in the summer?

G: We would.

Bell: We'd like - we'd like to do that, because we think

G: Our -- our people over here feel that they need a little rest, of course, but we wanted them to be -- to get onto the job at - at some reasonably early date

Bell: Yes.

G: and we couldn't -- we wouldn't think of any hearings prior to these -- to the November election.

Bell: I see. Well, when you and Mr. Doughton talk a little more about it, if you'd like to sit down, why, we'd be glad to come up

G: Well, we

Bell: and talk to you about it.

G: we'll be glad to call you or write you and tell you the situation and ask full cooperation and participation, and all we have in mind is the work of the staff, and such advisers, they, themselves, might want to call on.

Bell: Yes. Well, that's -- that's exactly the way we want to approach it.

G: Yes. All right, sir.

Bell: And I'll wait until I hear from you.

G: All right, Danny.

Bell: Thank you.

G: All right.

John
Pehle: I wonder if you could read to me....

Jack
Romagna: Uh huh.

Pehle:the statement the President made today
on refugees.

R: Yeah. He said, "I have got some fairly definite
action on the problem of the refugees that we
talked about Tuesday. They are coming in still
in very large numbers into Italy and they are
interfering with military operations. Over
eighteen hundred last week came into Italy
from Yugoslavia alone. We are increasing the
capacities of the camps and probably adding
some new camps from the -- in the Mediterranean
area. For example, we are moving them actually
out of Italy to camps in the Middle East,
increasing the quota of the camps from twenty-
five to forty thousand. You see, it's on a
big scale. And we have set up a camp near
Casablanca to hold the refugees out of Spain
and we are still engaged in a survey of finding
additional havens in Tripolitania, Cyrenaica,
Sicily and Cypress. In the meanwhile, we found
that we had a camp which was not being used for
training purposes on a big scale at Fort Ontario,
New York. This is just across the river from
Oswego." Is that a town?

Pehle: Yeah. That's right.

R: "And we are going to bring over one thousand --
that's all -- to this country to go into that
camp -- Fort Ontario." Now, the question was,
"Mr. President, you said from Spain? Who were
the refugees from Spain?" The President: "All
kinds -- all kinds. A great many of them got
out through France." Question: "Were they all
Spanish Loyalists?" The President: "No, no.
They are nearly all French -- people who got
down through France and then finally got across
into Spain." Question: "Mr. President, do you
mean one thousand is all that is going to be
brought over into that new camp or brought over
to this country?" The President said, "That's
all to this country." Then another question:
"There's a flurry of legislation in Congress on
this very subject to open some of the ports to

R:

Cont'd:

bring in refugees and these unfortunate people for the war, not to interfere with the immigration quota and to be returned after the war. Are you familiar with what the Congressmen" And the President cut him off and said, "No." Then he continued, "....are doing on that? Do you have anything to say about that?" And the President said, "No, I never heard of it." Now, another question was, "Mr. President, where are these people coming from that are coming into this new camp?" The President said, "I don't know. The Mediterranean area, I suppose, is the easiest way of putting it." Then he goes on about De Gaulle coming over here and I think that's the only reference I haven't read through this. There's quite a lot of it but that seemed to be the main part.

Pehle: All right. If there are any other references, would you mind calling me?

R: I don't think there's going to be. Just let me look now.

Pehle: Right.

R: No, it goes on to Italy and the Monetary Conference. No, I'm quite sure that's all.

Pehle: Right.

R: If there is, I'll call you.

Pehle: All right, and thank you very much.

R: You're welcome.

Pehle: Right.

IMMEDIATE RELEASE

JUNE 9, 1944

Following is the text of a cablegram sent by the President to Ambassador Robert Murphy in Algiers:

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

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

"At the same time I feel that it is important that the United States indicate that it is ready to share the burden of caring for refugees during the war. Accordingly, I have decided that approximately 1,000 refugees should be immediately brought from Italy to this country, to be placed in an Emergency Refugee Shelter to be established at Fort Ontario near Oswego, New York, where under appropriate security restrictions they will remain for the duration of the war. These refugees will be brought into this country outside of the regular immigration procedure just as civilian internees from Latin American countries and prisoners of war have been brought here. The Emergency Refugee Shelter will be well equipped to take good care of these people. It is contemplated that at the end of the war they will be returned to their homelands.

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

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

"You should bear in mind that since these refugees are to be placed in a camp in the United States under appropriate security restrictions, the procedure for the selection of the

refugees and arrangements for bringing them here should be as simple and expeditious as possible, uncomplicated by any of the usual formalities involved in admitting people to the United States under the immigration laws.

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

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

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Following is a copy of the memorandum sent by the President on June eighth to the Secretaries of War, Navy, Interior, the Director of the Budget, and Executive Director of the War Refugee Board:

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

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

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

"(1) The War Department and the Navy Department shall send whatever instructions are necessary to the military authorities in Italy and North Africa to expedite the transportation of these refugees to the United States.

"(2) The War Department shall arrange to furnish and properly equip Fort Ontario to receive these refugees; shall arrange for their transportation from the port of arrival to the camp; and shall arrange for the necessary security precautions.

"(3) The War Relocation Authority shall make arrangements to handle the actual administration of the camp, which will be designated as an Emergency Refugee Shelter.

"(4) Until UNRRA is in a position to assume the financial responsibilities involved, the Bureau of the Budget shall make arrangements for financing the project; using to the extent possible any available funds of the War Department, the War Relocation Authority, and the War Refugee Board, and from the Foreign War Relief appropriation, and if necessary drawing upon the President's Emergency Fund."

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June 9, 1944

On Friday night, Saturday night, and Sunday,
the Secretary will be at Hotel Arlington,
Hot Springs, Arkansas.

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June 9, 1944.

My dear Judge O'Connor:

Your letter of June 7, suggesting that the Secretary speak at the Breakfast Club in Los Angeles, reached this office after he had started his trip to the West Coast.

Mr. Morgenthau had previously received a letter from Mr. Harold B. Link, Manager of the Club, asking that he appear on their program on the morning of June 14. However, because of an exceptionally heavy schedule, it was necessary for the Secretary to write declining Mr. Link's very cordial invitation.

I shall be glad to show your letter to Mr. Morgenthau as soon as he returns, and I know he will appreciate your desire that he try to attend the Breakfast Club program.

Sincerely yours,

(Signed) H. S. Klotz

H. S. Klotz,
Private Secretary.

Honorable J. F. T. O'Connor,
United States District Judge,
Southern District of California,
Los Angeles, California.

GRF/dbs

United States District Court
Southern District of California
Los Angeles

Chambers of
J. F. O'Connor
United States District Judge

JUNE 7th, 1944

Dear Henry:-

Your letter received this morning - we are all exceedingly happy that you are coming to Los Angeles and I am confident you will not be disappointed with arrangements being made by the Committee.

I do hope that you can arrange to speak at the Breakfast Club - the most famous organization of its kind in the country. I have been a member for eighteen years. The most distinguished men of the country have been its guests: members of the Cabinet, Senators, and two Ex- Presidents of the United States. The reason I am urging this is that the Club has built up, over the radio, one of the greatest audiences in the West. In fact it is the only outstanding program on Wednesday morning, and you would reach millions of people and, in my opinion, greatly assist in the bond drive. It would not interfere with any of your activities during the day since the Breakfast Club concludes its program at 9:30 in the morning. Its location is about 20 minutes from downtown.

I am sending a copy of this letter to Mr. Robert H. Moulton, Chairman of the War Finance Committee in order to avoid any conflict and to co-ordinate the entire program while you are in the city.

Looking forward with much pleasure to seeing you, I am

Cordially yours,

Honorable Henry Morgenthau
The Treasury Department,
Washington, D. C.



MEMORANDUM FOR THE SECRETARY.

June 9, 1944.

Mail Report

Mail received during the past week was so predominately bond mail that taxes and other subjects were almost lost in the volume coming in from all over the country. The Secretary's form letter of May 27, asking cooperation, brought in something over 2,000 replies, up to and including the first mail of Friday morning. Complaints were negligible. There were 5 on the subject of overdue interest, 5 or 6 on delays in receiving bonds, and a few scattered complaints of a general nature. A number of civilians and children wanted to purchase the small G.I. Bonds, and other correspondence about the Fifth Drive accounted for another hundred or so communications.

The only unpleasant note was the great increase in the number of bonds sent the Secretary for redemption. These totalled 106 - more than double the receipts of past weeks. It is interesting that a great proportion of these are of the large "old style" bond, and the minority are the small bonds issued more recently. There were only one or two comments written on the form being sent with checks when bonds are redeemed.

The monetary conference and the question of economic stabilization seemed to merge in our correspondents' minds with the shipping of gold out of the country and rumors of financial instability in Administration plans. All of the letters were either openly critical or put questions in such a way as to indicate that the answer would not satisfy the recipients.

There were a dozen or more requests for delayed tax refunds, and about the same number came in in the

- 2 -

Memorandum for the Secretary.

June 9, 1944.

White House mail from those who had written the President urgent letters. There were 3 complaints about the phraseology of letters "demanding" payment on income taxes, and 18 suggestions of various possible additional sources of revenue. No new subject appeared in the mail this week.

g. v. Forbush

General Comments

Charles W. Lemanski, SF2, c/o Fleet Post Office, San Francisco, California. We, a few of us "Seabees", have had a hot argument on the subject, but, however, we unanimously agree that the half-dollar should no longer bear the rising sun. We do not wish to create a stir, such as the incident involving the U. S. Flag on the back of the new five-cent coin, but we just despise the rising sun.

Senator Alexander Wiley (Wisconsin) sends the following letter he has received from M. W. Horton, Waukesha County Veterans Service Officer, Waukesha, Wisconsin: "Will you please find out from the proper Department as to what can be done with a check that a mother who had a son killed in action overseas received from the War Bond Department in the amount of \$15.00 -- check made payable to the Veteran, Alan C. Ade, or the Treasurer of the United States. All the bonds that this lad bought in the Army are made in favor of his mother, and we feel that the check should be made out the same way. The letter with the check suggested that an administrator be appointed. This is a lot of foolishness to go to court for that amount of money. Mrs. Ade sent the check back to Chicago and they returned it back to her. * * * "

N. B. Hafleigh, Buchanan, Virginia. If there is a shortage of jobs after the war, it can easily be taken care of. Give the jobs to those who struck on the battle fronts and not to those who struck on the home front.

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Favorable Comments on Bonds

Albert Burns, President, The Baltimore Life Insurance Company, Baltimore, Maryland. * * * I am sure that our folks will buy War Bonds during this Drive to the fullest extent of their ability, but I hesitate to commit the Company's employees to an average of \$100 cash investment. We have exceeded a similar quota in previous Drives, but I believe a greater sacrifice and greater effort will be necessary this time if the same average is to be maintained. However, we will leave no stone unturned to do our part in the campaign. The employees of a life insurance company have not shared in the high salaries that prevail in some other lines of industry and probably cannot buy War Bonds to the same extent. However, I think I can truthfully say that the percentage of turnover among the Bonds bought by our employees is lower than the average. * * *

Joseph A. Broderick, President, East River Savings Bank, New York, New York. * * * We are happy indeed to tell you that our staff went over the top on its quota in the last Drive, and we are hopeful that they will again do their part during the Fifth Drive. You will be interested to know, as a result of a recent gathering of our employees, for the purpose of organizing them as canvassers, that practically 100% of our 225 clerical workers have cheerfully volunteered their services. We are looking forward to a successful campaign, which you can be assured will be supported by all of us.

Mrs. Alfred Marotte, Auburndale, Massachusetts.
I belong to Civilian Defense and will soon be on the Fifth Bond Drive, and I'm writing to see if you will send me a duplicate of the letter sent to my husband,

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Alfred Marotte, thanking him for the bonds he has bought. I lost the original letter sent to my husband, and I found that your letter helped me in the last Bond Drive. Some people I visited asked if Mr. Marotte and I were buying bonds, so I showed them your letter and it added to my bond sales where folks were convinced that my husband and I were doing our share buying bonds. Thank you very much. I hope I'm not asking too much in these busy times.

Dan P. Shaw, Manager, The Ohio Piston Company, Cleveland, Ohio. * * * I will handle the bond sales in three factories, and inasmuch as I like your general letter of the 27th very much, I wonder if you could send me two additional copies so that I may post one in each of my other factories.

Carol Franc Buck, Vacaville, California. Dear Mr. Morganthaw: I wish you would let school children buy the \$10:00 bonds too. I get 15 cents a week for my allowance and 10 cents a week for sweeping the stairs on Saturday. My Aunt Elsie sends me shiny dimes when she gets them. But it takes so long to save \$25:00 for a bond I get discouraged. Please may I buy \$10:00 bonds? Love, Carol Buck.

E. H. Clarke, N.Y.C. I take the liberty of making a suggestion in connection with the forthcoming Fifth War Loan Drive. A cross-section group of citizens to sponsor a Drive throughout the country for the purchase and presentation of War Bonds to provide college education for the orphans of members of the armed forces who lose their lives in the present conflict. The bonds to be placed intact in a fund which would be given an appropriate title, and a committee, composed of leading educators and private citizens,

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formed to handle the details of the scholarships that would ultimately be awarded. * * * These children will be deprived of the advantages they should have. Under this scheme, the public would become aware of its responsibilities toward those who give their lives; the morale of the armed forces would be improved, and sentiment in future years would be kept alive by progressive action rather than by empty rhetoric. Also, several million dollars in bonds would be held until and beyond maturity.

H. Woodhead, President, Consolidated Vultee Aircraft Corporation, San Diego, California. (Telegram)
5,000th Liberator B-24 built at San Diego Consolidated Vultee Plant is moving along final assembly line toward completion on June 12th. Employees have named it "V Grand" and signed it from nose to tail. Understand that such a plane would help V War Loan Drive.

J. I. Brunschwiler, Good Humor Ice Cream Company, Inc., Los Angeles, California. It is an unusual privilege and pleasure to receive your May 27th letter of solicitations, and you can be assured of our continued whole-hearted cooperation in the Fifth War Loan Drive. You will be interested to know that this company at the inception of the Third War Loan Drive initiated and conducted sales of War Bonds to the public through our motorized units which operate throughout the southern California section. * * * We desire to express, at this time, our deep appreciation for the continued invaluable assistance and cooperation received from the local representatives of your Department, under the able and excellent direction of Mr. W. H. Hodge, Co-ordinator Payroll Savings Plan, War Finance Committee. * * *

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Unfavorable Comments on Bonds

D. J. Keeler, Treasurer & General Manager, The H. E. Bradford Company, Inc., Bennington, Vermont. * * * We note with interest you are trying to establish an average of \$100.00 cash investment per employee. We do not wish to be deceptive in any way. However, very frankly, we do not think that this amount can be reached. It may be reached by people working in Defense Plants where the concerns are taking contracts on a cost plus basis, and the money paid for labor and materials does not enter into it. Or, you may be able to obtain the \$100 per employee from your Government employees. We were talking with a gentleman in Bennington, Decoration Day, who was in the employ of the Government, and we figure that the Government employees, considering the amount of work executed and the ability put forth, are in a position to invest \$100 per employee in a very nice way. We will do the best we can, Mr. Morgenthau, and that is all we can do. We have been told some Government employees take their 10% and then when they get their bonds they cash them in.

Frank J. Klepfer, President, Klepfer Brothers, Inc., Buffalo, New York. * * * It would be gratifying to again have our organization "go over the top" as they have in every former War Loan Drive, and we shall do everything in our power to bring this about again, but things are getting "tough" because your request is stepped up $1/3$, while we have lost 68% of our mechanics in the last twenty months, and up to this writing have been unable to get any relief from our local U. S. Employment Service, not even one man, in spite of our many requests. If this condition exists nationally, then there can be no doubt but that automotive transportation will collapse, and if it is just a local condition, in our community,

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then it should be given immediate relief, notwithstanding the fact that we are operating in a so-called referral district. Someone with authority should give this matter his immediate attention.

Mr. and Mrs. Squire Kershand, Pittsburgh, Pennsylvania.
* * * My wife and I have been buying bonds for over two years, a \$25 bond each and every payday. I have been in bed sick for the last 4 weeks with no pay, so we were obliged to turn in some bonds. My wife took the checks to the bank that issued the bonds (The Provident Trust Company of Pittsburgh), and they refused to cash them. She had our ration books, rent receipts, gas and light receipts, furniture account receipts paid in full, Union card, also receipt for payment of income taxes, and they would not cash them -- neither would the Post Office. You say you sincerely hope that we will continue buying bonds. How do you expect us to do that any more after this humiliating experience? I need the money - awaiting your advice and reply.

Thomas Moore, Coca Cola Bottling Company of Minnesota, Minneapolis, Minnesota. It had been our intention to subscribe for the Fifth War Loan Drive as we had for the previous Drives. However, for the moment, we are unable to commit ourselves for the following reason: For many months, since restrictions were imposed on raw material, we have been operating only five days per week, making no deliveries on Saturday. Monday, May 29th, came between Sunday and a legal holiday, and we arranged with our salesmen that they make deliveries on Saturday, the 27th, so that they might take off from Saturday night, the 27th, until Wednesday morning, May 31st. On Wednesday night, May 31st, the men were all called to the Union hall and each man fined \$50.00 because the Union, for no stated reason, did not want them to work on Saturday. The men were suspended and all deliveries ceased in

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Minneapolis until such time as each fine is paid. The Union has pickets posted today and are preventing people from even picking up Coca-Cola at our plant with their own means of transportation. Naturally our men feel that they should not have to pay such a fine, particularly when we have our own men dying abroad in the fight for freedom -- the very thing we are fighting for is not permitted in our own business. We agree with our men, and will support them in every way possible, but our receipts will now be very seriously curtailed and the cash we have on hand will be required to maintain restricted operations. * * *

Louis Hollman, President, Michigan Cleaners, Inc., Chicago, Illinois. * * * We are engaged in a highly competitive business and are located in a labor shortage area. I am dealing with a class of people whom I cannot make buy bonds, and while others that do make an attempt to do so, request refunds of accumulated balances before bonds are paid for, if we refuse to give them a refund of their bond balance, they quit -- all of which adds to the burden of our overtaxed office force. As I am unable to get office help, it is impossible to make any definite promise at this time; however, should conditions improve, I will be glad to perform my part of a patriotic duty. * * *

Richard Carvell, Secretary-Treasurer, The Kent Defense Corporation, Chestertown, Maryland. * * * I note that you have requested a cash investment of \$100 by each of our employees. While I appreciate the need to raise sufficient funds to put this Drive over the top, nevertheless, I do not feel that our employees are financially able to invest \$100 each in this Drive. The average weekly pay of our employees is \$32.00, approximately. With the high cost of living,

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it is practically an impossibility for these people to invest that much money, even though I am confident that they are just as loyal and interested in the success of this drive as employees in other plants. If we can obtain an investment of \$25 per employee, I feel that is all that can possibly be expected. You may rest assured that we will co-operate to the best of our ability.

James Gilet, President & Treasurer, Gilet Carbonizing Company, Inc., Lowell, Massachusetts. * * * We are perfectly willing to help in putting over the Fifth War Loan Drive amongst our employees by inducing them to purchase more bonds. However, we have a condition in our plant which is not in favor of the increased purchase of War Bonds by our employees, namely, that the Union officers have made demands on us for higher wages and other advantages which we cannot grant, and our case is before the Boston Labor Board for judgment since several weeks. We have also been informed that quite a few of our employees are cashing their bonds soon after completing their payments. We know that in talking to our employees concerning the purchase of E Bonds of the Fifth War Loan they will say, "Accept our demands and we shall buy more bonds". This is impossible as we are paying them our limit already, and their demands are way above the Little Steel Formula, which we are already overpaying. * * *

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Leland Scrogin, Vice President, Bank of Manitou, Manitou Springs, Colorado. * * * We think we understand your wishes with respect to making loans for speculation in U. S. securities. We have never made any such loans and do not intend to. We are not a War Loan Depositary, as such has no advantage to us; rather is a detriment. When we buy U. S. securities, we will pay for them, cash on the barrel head, and not kid ourselves with an artificial deposit, which we cannot use. We also note your comment concerning the approaching Fifth War Loan Drive which we enter into with almost an entire lack of enthusiasm. We give a large percent of our time selling Government securities without charge; in the last Loan, helped sell double our quota; have a very abnormal amount of our depositors' money, and our own money, loaned to the Government at practically no return; make out income tax returns gratis; handle ration banking at a distinct loss; help with the Red Cross; spend hours trying to understand the stupid regulations coming week after week from Washington, while in return, we receive no thanks or appreciation, but operate under an Administration determined to make country banking as unprofitable, unpleasant and unsound as possible, all the while watching the proceeds of these bond sales and income tax funds thrown in reckless abandon by the billions in utterly foolish expenditures by the most wasteful, extravagant, inefficient, incompetent and dishonest Administration of all time. So it is hard to work up into a lather of enthusiasm and assist a group that is doing everything in its power to put good business men, and especially solvent country banks, out of business. I have three sons and a daughter in the service, God knows where they are tonight and whether dead or alive, and I assure you that I feel very keenly on the subject. We have been pushed into the fire by the mis-Deal and have no choice except to try to put out the conflagration. This we expect to keep on doing in our small way and in the manner herein set forth.

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M. D. Pritchard, Fellows & Son, Incorporated, Manchester, New Hampshire. * * * Our employees have been quite faithful in purchasing bonds but they are rather low paid considering wages today, and much as we would like to meet the average set, we fear that we will fall quite far below. However, we shall personally contact each employee in our factory, as well as make use of the bulletin board and other means to put across the necessity of buying bonds. Many of our men purchase bonds through various organizations, as well as enabling their children to buy them through their schools and naturally this detracts from the number purchased in the factory. We know, however, that all realize the necessity, as well as the beneficial value of bond purchasing and are confident that they will cooperate to the best of their ability.

Mona M. Ritchie, Los Angeles, California. (Written on slip sent with check for redeemed bond.) I feel just as bad as can be to have to cash these bonds. But it is a case of a bull-headed Scotchman. Thus, he gives me these as a part of my allowance of \$50. I've tried to get him to keep the bonds as his saving and give me the money, but no. So my suggestion to the Treasury is to put a penalty on redemption. It should be for our boys' sake. I am keeping on trying to change my end of it. God bless our Commander-in-Chief.

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Favorable Comments on Taxation

Lewis E. Crease, Indianapolis, Indiana. I would like to report my great pleasure upon receiving, with such unexpected promptness, your Departmental check for overpaid taxes collected for 1943. If this high degree of efficiency prevails throughout all branch offices of the Income Tax Division, it seems that fact should be publicized as an example to other Government Bureaus. At any rate, I would say the Indianapolis office deserves a pat on the back. But, the point I really wish to bring out is that I was prompted, by this prompt action on your part, to go right down to the Post Office and buy an extra War Bond with a part of that check. * * *

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Unfavorable Comments on Taxation

Mrs. L. Henri DuVall, Seattle, Washington. I am much shocked by something that the Treasury has been doing. It was revealed that the Government took almost half of the money given poor blind Al Schmidt, who lost his eyes killing 200 Japs, while you and I sat safely at home. He was offered \$20,000 for the story of his life, and about the same from another source. This young hero will probably never be able to work to support his little family, and the Treasury has shown no appreciation of his sacrifice at all. Why not donate to him the money (taxpayers') used to pay for that trashy "jive" program we get each afternoon? Is this necessary? If you must have music, why not Bach, Beethoven or Mozart?

Carbon copy of letter addressed to Stanley Granger, Collector of Internal Revenue, Pittsburgh, Pennsylvania, from Walter H. Scott, (Law Offices), Corry, Pennsylvania. * * * Just prior to the beginning of 1937, Mr. Besson, who is engaged in a small trucking business, was informed by a business friend of his, in whom he had great confidence, that having less than eight employees he did not have to file under the Social Security Act, but merely under the Unemployment Compensation Act. Now, it is discovered that he has paid no Social Security taxes in all these years, and, of course, has not deducted anything from his employees' pay, and now he is billed for a principal of \$995.94, and a penalty of \$234.75. In paying the \$995.94, Mr. Besson is being penalized enough because if he had known that he had to file under the Social Security Act, one-half of this would have been paid by his employees. On top of that is the request for \$234.75 penalty. Mr. Besson attempted to arrange a compromise and was told that a petition for compromise could only be accepted if he paid the principal and a sum of \$146.74 interest. Now this man does a very small trucking business and barely makes a

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living. He has borrowed \$1,000 at the bank to try to straighten this up. He is an honest man, who knows little about law, and is just about going to be ruined as he stretched his credit to the limit in borrowing the \$1,000 to pay. And he is being penalized \$500.00, practically, as it is. He is in his late fifties, and this is going to be a very heavy burden. I would like to see you excuse any penalty or interest and merely accept the \$995.94 principal, because in all fairness, the man should not be asked to pay more. * * *

Rawdon Laswell, A Coal Miner, Central City, Kentucky. You can take big share of what I make and I'll still have faith in our Government, but to pay you, and then you not pay me, might shake my confidence. * * * You owe me \$108.60. I need it and want it - whether I get it or not. Withholding tax out of my pay envelope is plenty.

Margaret M. Grant, The Morning Examiner--The Evening Enterprise, Bartlesville, Oklahoma. * * * I am one of the forgotten people who were eligible for income taxes for the first time in 1943. At that time my exemption outgrew me and I was no longer allowed family exemption. With no forgiveness for 1942, and after having for nine months had withholding taxes of about \$20 a month taken from my check, I was still faced with a bill of \$137.00 tax on March 15. This, when every other worker in my building paid no 1943 tax -- some even receiving a refund. I paid all I could borrow at that time. * * * You know that no bank will lend me \$105.00 on a salary of \$126.00 net, especially when I shall draw no more salary until October 1st -- I am a school teacher. Nor will they make a loan to an eighteen-year old boy. * * * It costs just as much to keep house now as it did before I lost my exemption as head of a family, and the boy

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can't help too much on a net salary of less than \$100. Now please understand, I am not "beefing" about paying taxes. I am merely asking you how on earth to get the money. * * * Perhaps the answer might be for both of us to go to a war center and get higher paid jobs, but I am old-fashioned enough to think some of us should stay on the essential jobs at home. Also, at my age, it would be hard to get back into teaching after the war, if I leave now. If you or some of your assistants will make some suggestion as to how we can work out our problem, we shall be everlastingly grateful. * * * Together, we are having withheld nearly \$40 a month now, and we are glad to pay it, but this last bill has me awake nights. Can you help me?

Original handed to Mr. D. Bell who conferred with Dr. White and Dr. White took the incoming over to War Dept for a conference on it.

(Dr. White's office will furnish a copy of transmittal letter from W.H.)

TOP-SECRET

From: The Prime Minister
To : The President
No : 696, 9 June 1944

Inasmuch as General Eisenhower has urgent need to make a proclamation announcing the notes to be issued for the troops in France, I want to know your wishes about it. There is reason to expect that General De Gaulle will press for his proclamation to contain the wording "Provisional Government of France" or "of the French Republic" and publish it in the "Official Journal of the French Republic," his publication at Algiers, but he is quite ready to make a supporting proclamation. He fights at every point, but we shall naturally strive to convince him to stick to the French Committee of National Liberation. If General De Gaulle does not endorse the issue, the Treasury fears the notes will not have any backing behind them and on the other hand I feel that the proclamation of General Eisenhower will make the governments of Great Britain and the United States separately or jointly responsible to redeem them. In your mind, how does this stand?

There are others that even say that General De Gaulle might denounce the issue as false money. Personally I don't think that he will dare. If I were a French shopkeeper, I should myself think, that a note printed in the United States tendered to me by a British or American soldier was well worth having whether De Gaulle endorsed it or not, if General Eisenhower declared the notes legal.

Will you let me know please what is your view in this matter? If we can get De Gaulle to take responsibility for these notes in his capacity

as President of the Provisional Government of France, the French nation in that case will ultimately face the problem of redeeming them. Shall we do this? Or shall we wait to fix the ultimate responsibility at the peace settlement and say now that the United States and Great Britain will assume responsibility for these notes? I should be grateful for an early reply.

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TOP SECRET

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From: The Prime Minister
To: The President
No: 697, 9 June 1944

With further reference to my number 696. I saw the specimens of the notes in question and they do not appear to us as very reassuring. Forging them looks very easy. Not a thing is mentioned regarding who is responsible for issuing and redeeming them. They must have some authority behind them.

My views, uttered after seeing the notes, affect paragraph 2 of my 696 and make it more necessary that someone should assume the responsibility of meeting them when they are presented. My dear friend, please look at them and say what should be done. Ought we to allow De Gaulle to obtain new status as his fee for backing them, or should we assume the burden for the time being, improve the issue later on, and make the settlement at the peace table where many accounts will be presented.

6/10/44

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Dr. White has photostats. Expects to
give it publicity.

(From 100-44-1000)

THE WHITE HOUSE
WASHINGTON

June 9, 1944

My dear Mr. Secretary:

I am pleased that you will head the American Delegation which will participate in the United Nations Monetary and Financial Conference to be held at Bretton Woods, beginning July 1, 1944.

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 either morally or legally 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 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.

The Honorable
Henry Morgenthau, Jr.,
Secretary of the Treasury.

-2-

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 of the American Delegation 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.

Very sincerely yours,

A handwritten signature in dark ink, appearing to read "Franklin D. Roosevelt". The signature is fluid and cursive, with a long horizontal stroke extending to the left.

25

June 9, 1944.

My dear General Wesson:

On behalf of the Secretary, I am acknowledging your memorandum of June 3, which forwarded a copy of the Soviet Aid Report as of April 30, 1944, summarizing the amount of aid furnished to the U.S.S.R. during the First and Second Protocols, and the first ten months of the Third Protocol. Thank you for your courtesy in bringing this current data to Mr. Morgenthau's attention.

Sincerely yours,

(Signed) H. S. Klotz

H. S. Klotz,
Private Secretary.

Major General G. M. Wesson,
Director, Division for Soviet Supply,
Foreign Economic Administration,
515 2nd Street, N.W.,
Washington, D. C.

GEF/dbs

FOREIGN ECONOMIC ADMINISTRATION
~~OFFICE OF LEND-LEASE ADMINISTRATION~~
FIVE FIFTEEN 22d STREET NW.
WASHINGTON, D. C.

June 3, 1944

MEMORANDUM

To: The Honorable Henry Morgenthau
From: Maj. Gen. C. M. Wesson *Cmw*
Director, Division for Soviet Supply
Subject: Soviet Aid Report

Attached herewith is your copy of the Soviet Aid Report as of April 30, 1944, which summarizes the amount of aid furnished to the U.S.S.R. during the First and Second Protocols and the first ten months of the Third Protocol.

SECRETCopy TRA

STATUS OF THE SOVIET AID PROGRAM
AS OF APRIL 30, 1944

Prepared for the President's Soviet Protocol Committee
by the Foreign Economic Administration
May 30, 1944

SECRET

STATUS OF THE SOVIET AID PROGRAM PERFORMANCE DURING APRIL 1944

Shipments to the Soviet Union from United States and Canadian ports during April totaled 426,900 long tons, 112% of the average monthly requirement for the Third Protocol. Shipments from July, 1943 through April, 1944 have totaled 4,782,100 long tons, 126% of the requirement for the period. This represents 105% fulfillment of the requirement for the entire Protocol year.

It is expected that rates in excess of the monthly Protocol requirement will continue in May and June resulting in overall performance 26% above Protocol promises.

Cargo shipped during April and the Third Protocol period to date is summarized as follows:

	April		July-April	
	Long Tons	Per Cent	Long Tons	Per Cent
U.S. SUPPLIES				
Trucks and Other Vehicles	60,700	14	537,800	11
Metals	68,500	16	768,800	16
Chemicals and Explosives	33,500	8	381,200	8
Petroleum Products	34,500	8	451,000	10
Industrial Equipment	22,600	5	382,100	8
Food	98,600	23	1,490,900	31
Other	54,300	13	519,900	11
U.S. Total	372,700	87	4,531,700	95
BRITISH & CANADIAN SUPPLIES	54,200	13	250,400	5
TOTAL	426,900	100	4,782,100	100

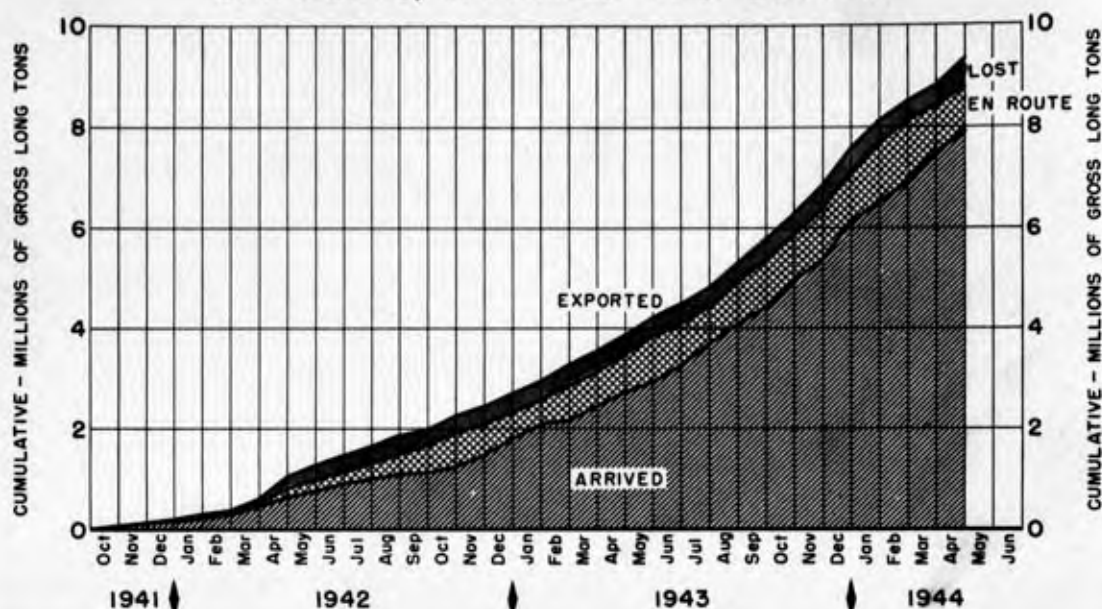
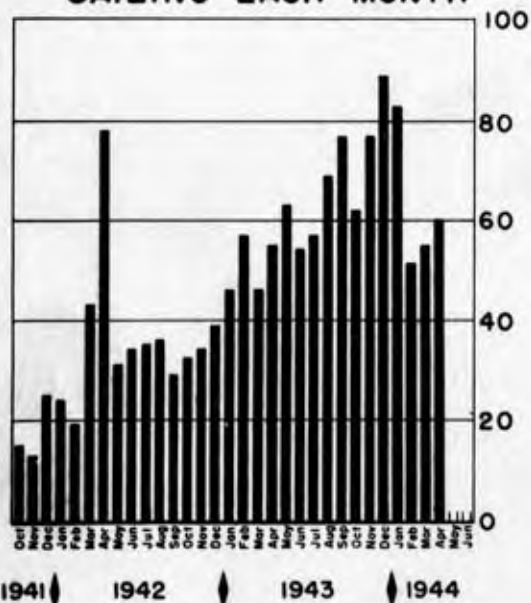
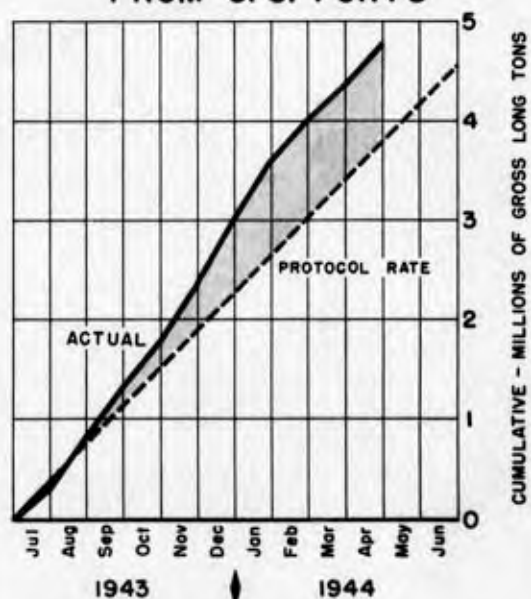
Two vessels carrying 11,069 long tons were lost in April.

A total of 610 U.S. manufactured aircraft departed from North America for the U.S.S.R. during April — 396 for U. S. Protocol Account, and 214 for U. K. Account. Of the total, 363 were flown from Fairbanks, Alaska; 56 were flown from Miami, Florida; and 191 were shipped to the Persian Gulf.

Foreign Economic Administration
May 30, 1944

SHIPMENTS TO U. S. S. R.

SHIPMENTS, ARRIVALS AND LOSSES

NUMBER OF SHIPS
SAILING EACH MONTHTHIRD PROTOCOL CLEARANCES
FROM U. S. PORTS

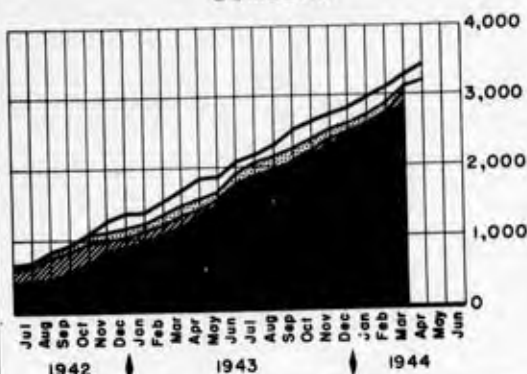
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EXPORTS AND AVAILABILITY OF SELECTED ITEMS CUMULATIVE SINCE OCTOBER 1, 1941

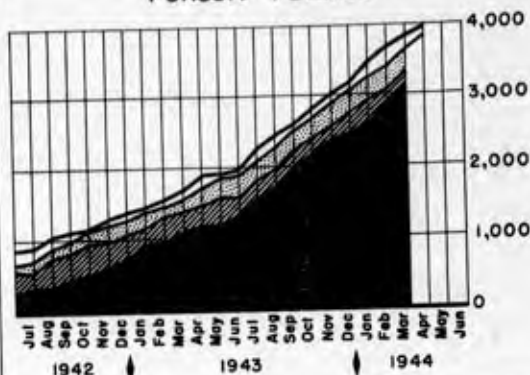


Quantity made available at
U.S. centers of production

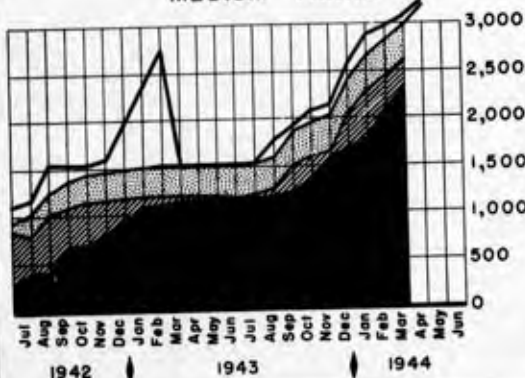
BOMBERS



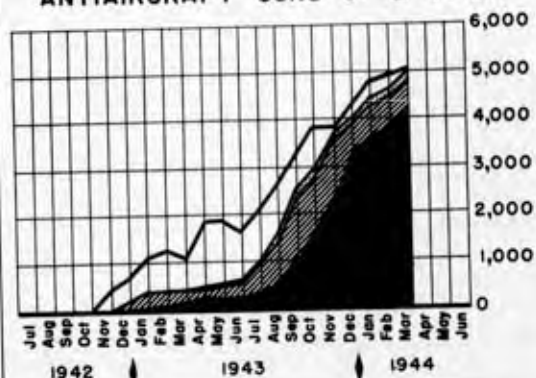
PURSUIT PLANES



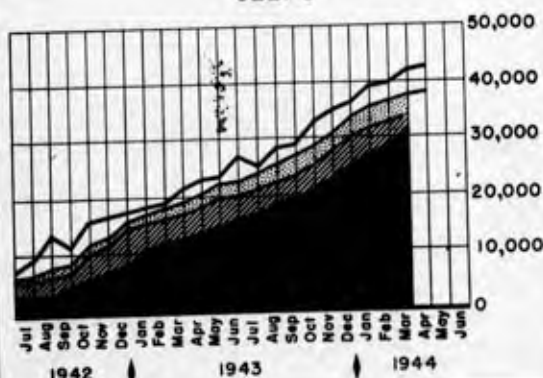
MEDIUM TANKS



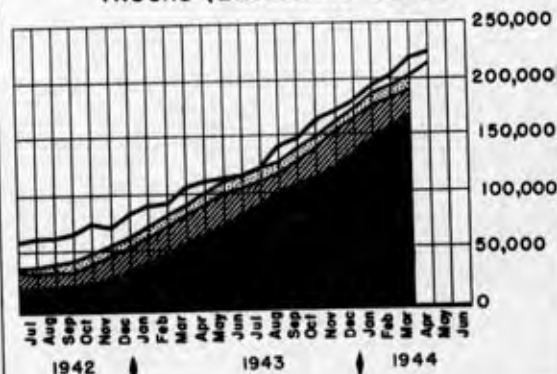
ANTIAIRCRAFT GUNS 37 & 40 mm



JEEPS



TRUCKS (EXCLUDING JEEPS)



SECRET

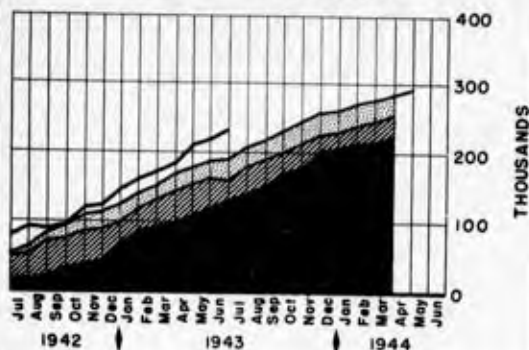
EXPORTS AND AVAILABILITY OF SELECTED ITEMS

CUMULATIVE SINCE OCTOBER 1, 1941

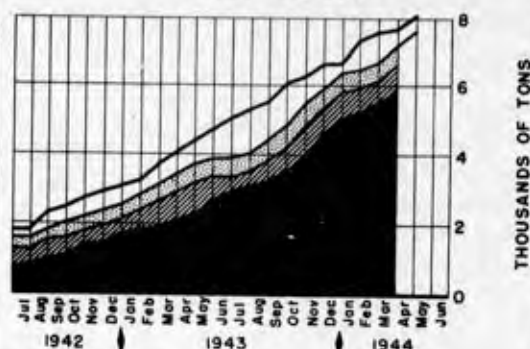
Exported
Lost
En Route
Arrived

Quantity made available at
U.S. centers of production

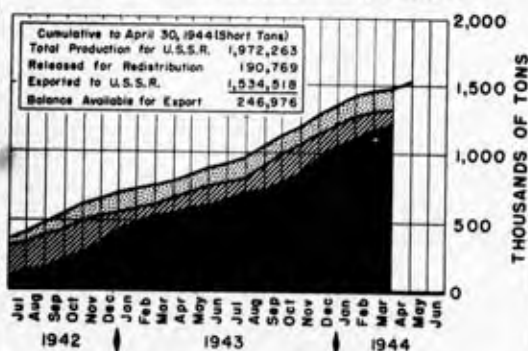
FIELD TELEPHONES



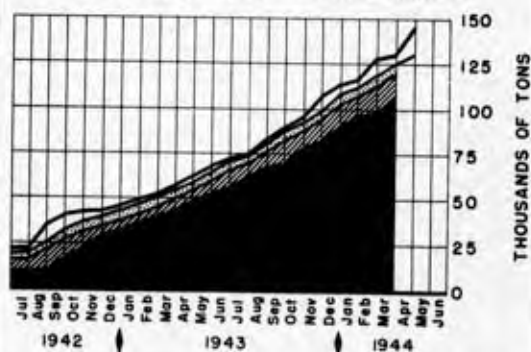
ARMY BOOTS



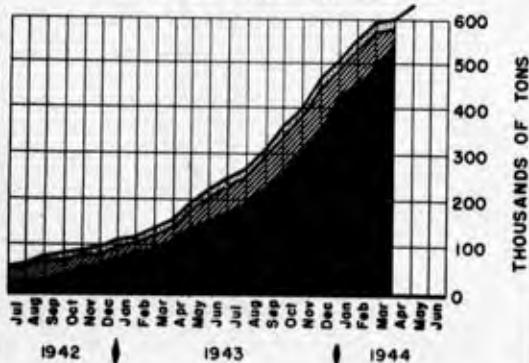
STEEL AND STEEL PRODUCTS



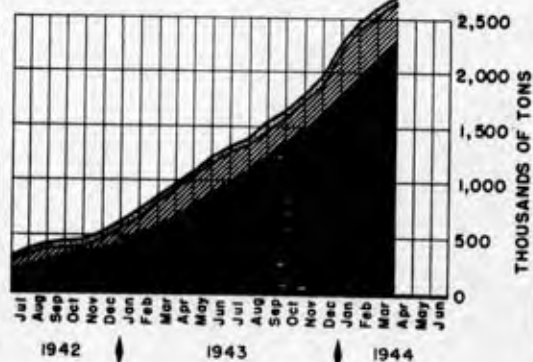
ALUMINUM AND DURALUMINUM



CHEMICALS AND EXPLOSIVES



FOODS



Foreign Economic Administration

PROGRESS OF INDUSTRIAL PROJECTS FOR THE U.S.S.R.

As of April 30, 1944

TIRE PLANT This \$9,000,000 project, approved for procurement in November 1942, was designed to permit the production of a minimum of 1,000,000 military tires a year from U.S.S.R. supplies of synthetic rubber and natural rubber obtained from shrubs. To utilize idle American equipment, the tire plant of the Ford Motor Company was purchased. The basic elements of the Ford plant have been supplemented with new equipment necessary to complete the production cycle for large size military tires. A power plant to supply the necessary steam and electrical power is being supplied at a cost of \$1,166,000.

Tire production equipment valued at approximately \$8,500,000 has been made available by suppliers, of which approximately \$7,000,000 has been exported. Power plant equipment valued at \$1,134,000 has left supplier and \$258,000 has been exported.

PETROLEUM REFINERY PROJECTS This project approved in September 1942, was developed to replace Soviet refining facilities destroyed by the German Army. It was designed to produce aviation gas, motor gas, and lubricating oils. The entire project is valued at \$39,564,000. Equipment valued at \$39,499,000 has left manufacturers, nearly all of which has been exported. Nineteen U.S. engineers are now in the U.S.S.R. aiding in construction.

Orders have gone forward for additions to supplement the facilities already supplied. This additional equipment, approved in April, 1944, is valued at \$27,140,000. Contracts for the additions have been placed and fabrication has begun.

R.R. BLOCK SIGNAL SYSTEM This project approved in January 1943, is to permit automatic signal operation of a portion of the U.S.S.R. railroad system. When installed it will increase the carrying capacity of existing rail facilities without increase of rolling stock. The system valued at \$10,959,000 will provide signal and signal operating equipment for 3,000 Km of track. Equipment valued at \$4,863,000 has been made ready for shipment of which \$81,000 has been exported.

In addition, 42 power plants of 40 KW each, all valued at \$549,000, are being furnished to provide the necessary electricity to operate the system. Plants valued at \$336,000 have been made ready for shipment but none have been exported.

POWER PROGRAM Under the Second Protocol program 320,000 KW of stationary steam generating equipment has been made available. This includes nine units with a total capacity of 40,500 KW furnished with the petroleum refinery project, and two units totaling 11,000 KW furnished with the tire plant. The remaining units of the Second Protocol program totaling 268,500 KW are rated from 250 KW to 35,000 KW and are for installation as power utility plants. Approximately 80% of this equipment has been exported.

Diesel generating equipment totaling 162,000 KW and 59 industrial steam boilers have been made available for export.

Power equipment approved under the Third Protocol is now being made available. The program consists of generating equipment as follows:

Stationary Steam Generating Equipment	166,500 KW	Mobile Diesel Generating Equipment	32,000 KW
Mobile Steam Generating Equipment	217,000 KW	Hydro-Electric Equipment	68,150 KW
Stationary Diesel Generating Equipment	106,925 KW	Total	590,575 KW

Thirty-two industrial steam boilers and transmission equipment valued at \$5,000,000 are also being supplied.

ROLLING MILLS An aluminum rolling mill to supply aluminum sheet for the U.S.S.R. aircraft industry was approved for procurement in December 1941. Of the total valued at \$6,377,000, equipment valued at \$6,305,000 has left manufacturers and \$5,034,000 has been exported.

An 18" merchant mill valued at \$3,620,000 was placed in procurement in November 1942. Equipment valued at \$669,000 has been made ready for shipment but none has been exported.

A pipe fabricating mill was approved in February 1943, at a cost of \$1,252,000. Equipment valued at \$600,000 has been manufactured but none has been exported.

A blooming mill, rail and structural mill, and a R.R. tie plate and splice bar mill, all estimated to cost \$5,516,000, were placed in production in November 1943. None of this equipment has been made available to date.

STEEL EXPANSION PROGRAM Since December 1942, auxiliary equipment for expansion of existing U.S.S.R. steel facilities has been approved for procurement. The equipment, when installed in the U.S.S.R., is expected to increase Soviet production of carbon steel ingots by 2,500,000 tons a year.

To date, equipment valued at \$13,518,000 has been placed in production, \$1,918,000 has been made available at suppliers and \$495,000 has been exported.

OTHER PLANTS

	Date Approved	Cost	Made Avail. In U. S.	Exported
Wall Board Plant	11/17/42	537,000	466,000	0
Glass Bulb and Tubing Plant	3/17/43	1,697,000	43,000	0
Voltol Pilot Plant	4/22/43	73,000	73,000	73,000
Nitric Acid Plant	11/27/42	1,125,000	441,000	0
Hydrogen Gas Plant	5/29/42	532,000	532,000	52,000
Hydrogen & Catalyst Plants	11/9/42	2,617,000	493,000	0

SECRET

STATEMENT OF VESSELS SAILED TO U.S.S.R.
As of April 30, 1944

Date of Sailing	Number of Vessels Sailing					Arrived	En Route as of Apr. 30	Cargo Disch. in U.K.	Lost	Losses by Month
	For North Russia	For Persian Gulf	For Soviet Arctic	For Soviet Far East	Total					
1941 Oct	10	-	-	5	15	14	-	-	1	-
Nov.	9	1	-	3	13	12	-	-	1	-
Dec	14	7	-	4	25	22	-	-	3	1
1942 Jan	20	-	-	4	24	19	-	1	4	3
Feb	13	2	-	4	19	16	-	-	3	1
Mar	31	6	-	6	43	32	-	4	7	9
Apr	62	6	-	10	78	46	-	13	19	-
May	14	10	-	7	31	21	-	4	6	6
Jun	8	11	6	9	34	27	-	-	7	6
Jul	2	5	16	12	35	34	-	-	1	16
Aug	11	5	1	19	36	33	-	-	3	1
Sep	4	8	-	17	29	29	-	-	-	10
Oct	-	13	-	19	32	32	-	-	-	-
Nov	-	8	-	26	34	32	-	-	2	3
Dec	4	11	-	24	39	38	-	1	-	-
1943 Jan	12	12	-	22	46	38	-	8	-	-
Feb	23*	7	-	28	58	36	-	20	2	1
Mar	1	19	-	26	46	44	-	1	1	2
Apr	-	18	-	37	55	54	-	-	1	1
May	-	15	4	44	63	62	-	-	1	-
Jun	-	4	5	45	54	54	-	-	-	2
Jul	-	17	16	24	57	57	-	-	-	-
Aug	-	24	7	38	69	67	-	-	2	2
Sep	-	27	-	50	77	77	-	-	-	-
Oct	10	25	-	27	62	61	-	-	1	-
Nov	20*	25	-	32	77	76	-	-	1	1
Dec	29*	21	-	39	89	87	-	-	2	-
1944 Jan	30	26	-	27	83	80	3	-	-	3
Feb	17**	16	-	19	52	47	4	-	1	-
Mar	16	21	-	18	55	36	18	-	1	1
Apr	-	35	-	25	60	-	59	-	1	2
Total Oct. 1941 to Apr. 30, 1944	360	405	55	670	1,490	1,283	84	52	71	71

* Includes one tanker from U.K. for U.S. Protocol Account.

** Includes two tankers from U.K. for U.S. Protocol Account.

Of the 1,490 sailings from October 1, 1941 to April 30, 1944, 721 were made by American vessels, 484 by Soviet vessels, 259 by American vessels transferred to Soviet registry, 25 by British vessels and 1 by a Swedish vessel. In addition to the 1,490 sailings, there were 105 ships that loaded partial cargoes in the U.S. for the U.S.S.R. In addition to the 71 ships shown above as lost, several ships have been sunk on their return voyages.

ACTUAL SHIPMENTS COMPARED WITH PROTOCOL SHIPPING OBJECTIVES
July 1943 - April 1944
FIGURES IN LONG TONS

	Atlantic Route	Pacific Route	Total
Protocol Objective Shipments	1,785,700	2,008,900	3,794,600
Shipments in % of Objective	2,792,300* 156%	1,989,700 99%	4,782,000 126%

* Includes 112,000 tons of petroleum products from Abadan for U. S. Protocol account, the material being replaced to U. K. from U. S.

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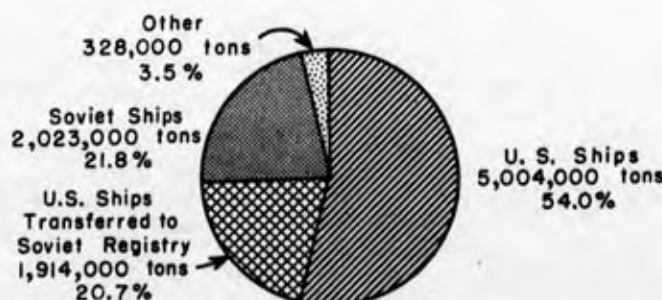
STATEMENT OF CARGO SHIPPED TO U.S.S.R.

As of April 30, 1944

(Thousands of Gross Long Tons)

Month	For North Russia	For Persian Gulf			For Soviet Arctic	For Soviet Far East		Total	Arrived	En Route as of Apr. 30	Cargo on Hand or Diverted in U. K.	Lost	Losses by Month
		Full Cargoes	Partial Cargoes	From Abadan		Full Cargoes	Partial Cargoes						
1941 Oct	48	-	-	-	-	17	-	65	62	-	-	3	-
Nov	41	3	-	-	-	14	-	58	55	-	-	3	-
Dec	50	10	-	-	-	11	-	71	63	-	-	8	3
1942 Jan	63	-	-	-	-	26	-	89	72	-	1	16	9
Feb	66	4	1	-	-	20	-	91	76	-	-	15	5
Mar	171	17	1	-	-	25	-	214	163	-	5	46	42
Apr	376	21	-	-	-	38	-	435	267	-	40	128	-
May	92	79	8	-	-	33	-	212	141	-	19	52	38
Jun	55	84	7	-	18	31	-	195	139	-	-	56	55
Jul	13	39	25	-	46	59	1	183	174	-	-	9	114
Aug	69	40	25	-	2	83	-	219	197	-	-	22	7
Sep	28	63	9	-	-	79	-	179	179	-	-	-	65
Oct	-	109	12	-	-	108	-	229	229	-	-	-	2
Nov	-	66	5	-	-	106	1	178	165	-	-	13	17
Dec	29	83	9	-	-	123	-	244	237	-	7	-	2
1943 Jan	73	83	4	-	-	98	-	258	210	-	48	-	2
Feb	173	40	-	-	-	129	-	342	178	-	150	14	8
Mar	9	131	-	-	-	123	-	263	246	-	9	8	16
Apr	-	138	5	-	-	194	-	337	330	-	-	7	7
May	-	112	9	-	13	216	-	350	343	-	-	7	-
Jun	-	25	4	-	16	229	1	275	275	-	-	-	15
Jul	-	116	10	9	58	152	-	345	345	-	-	-	-
Aug	-	173	4	7	32	261	-	477	463	-	-	14	14
Sep	-	194	4	8	-	313	-	519	519	-	-	-	-
Oct	66	187	6	11	-	181	-	451	442	-	-	9	-
Nov	145	194	1	10	-	229	-	579	571	-	-	8	9
Dec	214	167	-	10	-	262	-	653	639	-	-	14	-
1944 Jan	222	202	-	11	-	176	-	611	591	20	-	-	22
Feb	127	114	-	13	-	100	-	354	322	24	-	8	-
Mar	110	152	-	15	-	91	-	368	240	121	-	7	8
Apr	-	273	-	18	-	134	-	425	18	403	-	4	11
Total Oct. 1941 to Apr. 30, 1944	2,240	2,919	149	112*	185	3,661	3	9,269	7,951	568	279	471	471

* Petroleum products by rail ex Abadan for U. S. account, replacement to U. K. from U. S.

DISTRIBUTION OF TONNAGE SHIPPED TO APRIL 30, 1944
BY REGISTRY OF SHIPS

DATA ARE GROSS LONG TONS

Regraded Unclassified

5-1688

AIRCRAFT DELIVERIES TO U.S.S.R.

October 1, 1941 to April 30, 1944

Protocol requirements are considered filled upon delivery of aircraft from factories.

Departure points from North America are: U.S. ports for water shipments, Fairbanks for flight-deliveries via the Alaskan-Siberian Ferry Route, and Miami, Florida or adjacent fields for flight-deliveries via the South Atlantic. Planes shipped by water to North Russia are considered delivered upon arrival at Murmansk or Archangel. Planes shipped by water to the Persian Gulf are assembled at Abadan and with planes arriving there over the South Atlantic Ferry Route are delivered at Abadan to U.S.S.R. pilots. Alaskan-Siberian Ferry route planes are delivered to Soviet pilots at Fairbanks.

With the exception of 99 P-40 fighters shipped from U.S. ports in September, 1941 and arrived in North Russia in November and December, 1941, this schedule includes all aircraft departed from the U.S. for direct delivery to the U.S.S.R. Aircraft shipped from the U.S. intended for use in the United Kingdom but retransferred from the United Kingdom to the U.S.S.R. are not included.

	Delivered at Factories	In North America Apr. 30, 1944		Lost in North America		Departed North America	Lost After Depart- ure	Diverted to Others	En Route N.A. to Destina- tion 4/30/44	Arrived at Destina- tion	Delivered to USSR at Destina- tion
		In U.S.	In Canada and Alaska	In U.S.	In Canada and Alaska						
BY ROUTES											
Alaskan-Siberian Ferry Route	4,096	139	57(33)*	52	43	3,805	0	0	0	3,805	3,805
South Atlantic Ferry Route to Abadan	1,032	69	0	16	0	947	42	1	15	889	845
Water to North Russia	1,483	0	0	0	0	1,483	310	1	3	1,169	1,169
Water to Persian Gulf Assembly at Abadan	3,913	76	0	0	0	3,837	214	0	328	3,295	(14)** 3,079
Total	10,524(e)	284	57(33)*	68	43	10,072	566	2	346	9,158	(14)** 8,898
Pursuit Planes											
P-40 Alsib	50	0	0	0	2	48	0	0	0	48	48
P-40 North Russia, water	1,149	0	0	0	0	1,149	248	1	0	900	900
P-40 Persian Gulf, water	792	30	0	0	0	762	54	0	62	646	(3)** 865
P-40 Persian Gulf, water - U.K. Account	300	0	0	0	0	300	0	0	0	300	300
P-39 Alsib	749	39	11(4)*	6	14	679	0	0	0	679	679
P-39 Alsib - U.K. Account	1,380	17	8(5)*	24	14	1,317	0	0	0	1,317	1,317
P-39 Alsib - Reimbursement Account	30	0	0	0	3	27	0	0	0	27	27
P-39 North Russia, water	57	0	0	0	0	57	7	0	0	50	50
P-39 North Russia, water, U.K. Account	35	0	0	0	0	35	5	0	0	30	30
P-39 North Russia, water, Reimbursement Account	28	0	0	0	0	28	0	0	0	28	28
P-39 Persian Gulf, water	1,051	24	0	0	0	1,027	38	0	81	908	(1)** 908
P-39 Persian Gulf, water - U.K. Account	893	18	0	0	0	875	43	0	130	702	(1)** 1,641
P-39 Persian Gulf, water - Reim. Acct.	121	0	0	0	0	121	0	0	0	121	(1)** 121
P-47 Alsib	3	0	0	0	0	3	0	0	0	3	3
P-47 North Russia, water	3	0	0	0	0	3	0	0	0	3	3
P-47 Persian Gulf, water	97	4	0	0	0	93	0	0	55	38	3
P-63 North Russia, water	3	0	0	0	0	3	0	0	0	3	3
Total Pursuit Planes	6,741	132	19(9)*	30	33	6,527	395	1	328	5,803	(6)** 5,597
Light Bombers											
A-20 Alsib	1,221	53(a)	10(9)*	20(d)	9	1,129	0	0	0	1,129	1,129
A-20 South Atlantic	904	69	0	16	0	819	38	1	15	765	721
A-20 North Russia, water	165	0	0	0	0	165	39	0	0	126	126
A-20 Persian Gulf, water	637	0	0	0	0	637	79	0	0	558	(7)** 550
Total Light Bombers	2,927	122(a)	10(9)*	36	9	2,750	156	1	15	2,578	(7)** 2,526
Medium Bombers											
B-25 Alsib	362	29(b)	16(13)*	0	1	316	0	0	0	316	316
B-25 South Atlantic	128	0	0	0	0	128	4	0	0	124	124
B-25 North Russia, water	5	0	0	0	0	5	0	0	0	5	5
Total Medium Bombers	495	29	16(13)*	0	1	449	4	0	0	445	445
Heavy Bombers											
B-24 Alsib	1(e)	0	0	0	0	1	0	0	0	1	1
Cargo Planes											
C-47 Alsib	300	1	12(2)*	2	0	285	0	0	0	285	285
Observation Planes											
O-52 North Russia, water	30	0	0	0	0	30	11	0	0	19	19
Advanced Trainers											
AT-6-C North Russia, water	8	0	0	0	0	8	0	0	3	5	5
AT-6-C Persian Gulf, water	22	0	0	0	0	22	0	0	0	22	(1)** 20
Total Advanced Trainers	30	0	0	0	0	30	0	0	3	27	(1)** 25

* At Fairbanks

** Water shipments received at Abadan washed out before delivery to U.S.S.R. pilots.

(a) Includes 1 A-20 refused by U.S.S.R. at Fairbanks returned to Great Falls for adjustments.

(b) Includes 2 B-25's refused by U.S.S.R. at Fairbanks returned to Great Falls for adjustments.

(c) One heavy bomber carrying a U.S. Mission became stranded in Siberia and was transferred to the Soviet Government.

(d) Includes 1 A-20 refused by U.S.S.R. at Fairbanks - washed out after return to U.S. for adjustments. Includes loss of 1 A-20 in U.S. after departure from Great Falls.

(e) In addition the Navy made available 48 PBX Patrol Bombers which will be flown from the U.S. by Soviet Crews. Route unknown.

EXPORTS AND AVAILABILITY As of April 30, 1944

SECRET
Sheet 1

Item	Third Protocol Performance July 1, 1943 - April 30, 1944			Exported		Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944			
	Third Protocol Offering a/	Offered to Date b/	Made Available To Date b/	During April 1944	7/1/43 - 4/30/44	Made Available g/	Exported		
I AIRCRAFT d/									
<u>Airplanes</u>									
For U.S. Protocol Account									
Pursuit Planes	2,400	2,000	2,007	210	1,943	3,954	3,824		
Light Bombers	1,200	1,000	1,106	138	1,028	2,927	2,750		
Medium Bombers	300	250	250	19	243	495	449		
Heavy Bombers	0	0	0	0	0	1	1		
Cargo Planes	240	200	220	29	202	300	285		
Advance Trainers	0	0	0	0	0	30	30		
Observation Planes	0	0	0	0	0	30	30		
PBY-5 Patrol Bombers	0	0	48	0	0	48	0		
For U.K. Protocol Account (Under Reciprocal Agreement)									
Pursuit Planes	1,800	1,500	1,458	214	1,532	2,608	2,527		
For Reimbursement Account									
Pursuit Planes	0	0	0	0	0	179	176		
<u>Ground Equipment</u>									
Link Trainers	0	0	10	0	5	10	5		
Aircraft Landing Mats (short tons)	0	0	8,533	0	8,533	8,533	8,533		
II GROUND FORCE SUPPLIES									
<u>Combat Vehicles d/</u>									
Light Tanks	0	0		0	0		1,680		
Medium Tanks	2,000	1,666	1,697	191	1,659	3,233	3,195		
AA Guns, 37 mm. S.P.	0	0	100	0	100	100	100		
AA Guns, .50 Cal. S.P.	0	0	1,030	225	1,030	1,010	1,030		
AT Guns, 76 mm. S.P. (Tank Destroyers)	0	0	5	0	5	5	5		
AT Guns, 57 mm. S.P. (Tank Destroyers)	0	0	657	0	657	657	657		
AT 3" S.P. (Tank Destroyers)	0	0	50	0	52	52	52		
Personnel Carriers (1/2 Track)	600	500	574	16	346	903	675		
Armored Scout Cars	4,500	-	2,232	101	1,750	3,146	2,664		
<u>Ordnance Service Vehicles d/</u>									
Field Repair Trucks	0	0	278	34	744	1,437	1,048		
Tank Recovery Units	0	0	145	0	130	145	130		
Tank Transporters (20 & 40 tons)	0	0	228	0	200	304	276		
<u>Trucks d/</u>									
Cargo and Weapon Carriers (3/4 ton)	132,000	108,000	8,652	1,236	7,002	13,456	11,650		
Trucks (1 1/2 ton)			45,799	3,244	47,826	105,242	102,057		
Trucks (2 1/2 ton)			45,652	6,122	43,756	105,028	99,220		
Trucks (5 ton & over)			124	0	28	178	82		
Jeeeps (1 1/2 ton 4x4)	24,000	20,000	17,655	748	15,709	42,787	38,157		
Amphibian Jeeeps (1 1/2 ton)			2,147	254	2,001	2,149	2,003		
<u>Other Vehicles d/</u>									
Cargo Carriers (1/2 track)	0	0	2	0	2	2	2		
Motorcycles	12,000	10,000	11,125	1,264	11,000	23,225	22,400		
Tractors (Artillery Prime Movers)	2,400	2,000	1,826	354	2,312	4,874	4,205		
Gas & Diesel Engines for Trucks	0	0	2,977	304	2,427	3,500	2,794		
<u>Artillery & Ammunition, etc. d/</u>									
AA Guns, 90 mm.	0	0	106	0	136	224	224		
AA Guns, 40 mm.	0	0	4,113	392	4,918	5,305	4,993		
AA Guns, 37 mm.	0	0	0	0	0	424	424		
AA .50 Cal. mg.	0	0	500	100	1,125	1,925	1,925		
AT Guns 37 mm.	0	0	0	0	0	63	63		
Submachine Guns .45 Cal.	0	0	**	1,000	1,850	**	134,633		
Rocket Launchers	0	0	0	0	0	3,000	3,000		
Mortars, 81 mm.	0	0	0	0	0	30	30		
Pistols & Revolvers	0	0	7,000	1,000	12,500	12,500	12,500		
Ammunition is being supplied for all weapons furnished by the U.S. in accordance with standards prescribed for U.S. Forces. Additional ammunition is furnished for weapons of Soviet manufacture.									
Smoke pots	0	0	1,065,000	97,601	744,121	1,070,000	749,121		
<u>Explosives (tons)</u>									
Smokeless Powder	72,700	60,500	75,558	5,296	71,160	122,981	109,808		
Nitroglycerine Powder			1,322	377	1,078	1,322	1,078		
T.N.T.			26,880	22,400	**	11,025	54,064	**	87,932
Dynamite (Ammonite)			0	0	12,291	0	12,306	22,118	18,617

Notes: All tons are 2,000 lbs. net weight

** Data not available.

a/ Offerings selected by the U.S.S.R. are in excess of the aggregate of shipping commitments and reasonable stocks. Production control provisions of the Protocol have been exercised and will reduce production below offerings in some instances. Offerings for which no monthly schedules are quoted in the Protocol have been computed on the basis of proportional time elapsed.

b/ From production or assignments in addition to quantities made available but not exported at the end of Second Protocol period and after deductions of quantities repossessed or diverted before export.

c/ From production or assignments after deductions of quantities repossessed or diverted before export.

d/ Armament, spare parts and other equipment supplied in accordance with U.S. standards.

Regraded Unclassified

Item	Third Protocol Performance July 1, 1943 - April 30, 1944			Exported		Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944	
	Third Protocol Offering a/	Offered to Date a/	Made Available To Date b/	During April 1944	7/1/43 - 4/30/44	Made Available a/	Exported
II GROUND FORCE SUPPLIES (cont.)							
<u>Wireless Communication Equipment</u>							
Radio Stations (over 1 KW)	61	44	12	0	10	**	10
Radio Stations (1 KW & under)	12,000	10,700	13,311	1,251	10,749	**	21,620
Radio Receivers	2,230	1,730	1,470	632	1,988	**	2,445
Ground Radio Locators	0	0	18	0	20	38	25
Radio Beacons	0	0	266	30	187	**	187
Radio Direction Finders	150	117	48	0	28	**	28
Radio Parts & Accessories (\$1000)	3,000	2,500	740	8	829	**	2,120
Radio Meas. & Testing Equip. (\$1000)			717	134	423	**	622
Radio Tubes (1000 units)	2,400	1,992	2,028	**	**	**	**
Field Telephones	100,000	83,334	107,200	9,100	105,552	**	293,843
Field Telephone Wire (miles)	186,000	174,000	171,716	17,666	230,267	**	908,621
Gas Driven Generators	4,000	3,667	3,992	2,187	6,333	**	17,332
Dry Cells for Radios	0	0	**	3,016	127,626	**	191,762
Flashlights w/Dry Cells	0	0	45,000	0	60,000	100,000	85,000
<u>Railroad Transportation Equipment</u>							
Railroad Locomotives - Steam	500	334	488	0	249	488	249
Railroad Flat Cars	10,000	7,467	4,668	72	1,338	4,668	1,338
Railroad Dump Cars	0	0	400	0	0	400	0
Railroad Tank Cars	0	0	30	8	88	100	88
<u>Construction Equipment</u>							
Road & Airport Construction and Maintenance Machinery (\$1000)	0	0	559	87	**	1,029	1,029
Tractor Mounted Construction Equip. (\$1000)	0	0	406	93	**	432	407
Mixers and Pavers (\$1000)	0	0	357	0	**	665	320
R.R. Construction and Maintenance Equipment (\$1000)	0	0	26	0	**	635	545
<u>Other Military Items</u>							
Bridges, Cableway	0	0	15	0	15	15	15
Portable Pipelines (100 mile units complete with pumps, etc.)	0	0	2	0	2	2	2
<u>Medical Supplies</u>							
Drugs, Instruments, Equipment, etc. (\$1000) (Protocol quantities only)	12,000	10,000	9,077	**	**	**	**
III NAVAL AND MARINE EQUIPMENT							
Marine Diesel Engines	773	690	876	42	674	1,354	1,031
Marine Gasoline Engines	156	156	1,540	29	1,824	3,393	3,062
Outboard Motors	0	0	1,100	300	750	1,300	900
Dry Cargo Vessels Transferred	-	-	48	(-)/18	48	578	578
Tankers Transferred	-	-	75	14	75	146	146
Minesweepers	10	10	10	0	10	10	10
Submarine Chasers, 110 ft.	0	0	12	0	12	12	12
Landing Boats	0	0	30	0	30	30	30
Icebreakers Transferred	0	0	1	0	1	1	1
Motor Torpedo Boats	0	0	66	0	43	78	55
Submarine Chasers, 65 ft.	0	0	73	0	47	73	47
3"/.50 Cal. D.D. Deck Guns	200	134	296	60	387	500	463
5"/.38 Cal. D.D. Guns	0	0	50	0	144	150	144
.50 Cal. A.A. Machine Guns	0	0	0	0	0	24	8
.50 Cal. Twin Machine Guns	900	750	424	0	400	650	400
Oerlikon Guns (20 mm)	500	334	818	50	1,018	1,818	1,798
Furnished with Armament							
Ammunition for Naval Armament	15	15	6	0	7	22	22
Storage Batteries for Subs.	850	842	553	87	242	799	403
Diesel Generators & Gen. Compressors	300	250	100	0	0	100	0
Gas Engine Generators	10	10	0	0	10	14	14
Marine Turbo Generators	2,250	2,080	702	94	516	702	516
Elec. Motors, Motor Gen's & Generators	425	284	69	0	41	75	41
Portable Water Pumps	257	257	511	216	451	512	451
Marine Pumps Non-portable	0	0	46	0	63	77	63
Marine Turbo Pumps	100	0	0	0	0	0	0
Underwater Electric Pumps	60	40	0	0	0	0	0
Portable Air Compressors	40	27	80	40	76	80	76
Diving Salvage Stations	60	40	0	0	0	0	0
Elec. Welding & Cutting Apparatus (sets)	60	40	17	0	67	320	308
Elec. & Pneumatic Underwater Tools	60	40	68	0	76	80	76
Portable Electric Stations	20	20	8	0	0	8	0
Jettying Equipment for Salvage (sets)							

Notes: ** Data not available.

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- b/ From production or assignments in addition to quantities made available but not exported at the end of Second Protocol period and after deductions of quantities repossessed or diverted before export.
- c/ From production or assignments after deductions of quantities repossessed or diverted before export.
- d/ Totals do not include four Dry Cargo vessels and one tanker which, after use by the U.S.S.R., were returned to the U.S. Government in accordance with exchange agreements.

Item	Third Protocol Performance July 1, 1943 - April 30, 1944			Exported		Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944	
	Third Protocol Offering a/	Offered to Date b/	Made Available To Date b/	During April 1944	7/1/43 - 4/30/44	Made Available a/	Exported
III NAVAL AND MARINE EQUIPMENT (Cont.)							
Vertical Steam Boilers	10	10	2	0	0	5	3
Submarine Rescue Chambers	1	1	1	0	1	1	1
Windlasses with Motors	5	5	4	0	4	4	4
Elec. Ventilating Sets	649	649	649	22	126	649	247
Marine Turbo Ventilators	8	8	6	0	32	32	32
Air Tanks	15	15	30	0	30	30	30
Towing Winches	10	10	0	0	0	20	0
Rotary & Changeover Switches	3,000	3,000	0	0	850	4,365	850
Watertight Junction Boxes	240	240	240	0	162	240	162
Auxiliary Equipment for Ships (sets)	10	10	-	0	0	-	-
Elec. Instruments & Fixtures (\$1000)	100	84	144	0	144	146	146
Winter Diving Suits	0	0	106	6	106	106	106
Optical and Navig. Instruments, etc. (\$1000)	0	0	**	32	98	**	115
Naval Aircraft Equipment (\$1000)	0	0	**	41	56	**	56
Torpedo Equipment (\$1000)	0	0	**	69	164	**	307
Other Marine Mach. & Equip. (\$1000)	0	0	**	13	331	**	555
Other Radio Equipment (\$1000)	0	0	**	4	417	**	909
Misc. Stores & Equipment (\$1000)	0	0	**	286	2,239	**	3,370
Other Elec. Mach. & Equip. (\$1000)	0	0	**	3	365	**	405
IV FOODSTUFFS (tons) a/							
Wheat	/	/	26,464	320	26,464	55,712	55,712
Other Grains	/	/	2,208	0	2,208	5,362	5,362
Wheat Flour	/	/	278,907	29,855	278,907	516,699	516,699
Other Flour	/	/	9,222	400	9,222	20,563	20,563
Other Basic Grain Mill Products	/	/	6,531	0	6,531	21,150	21,150
Other Finished Cereals & Products	/	/	28,116	0	28,116	81,921	81,921
Dried Peas & Beans	/	/	98,675	609	98,675	210,802	210,802
Total Wheat, Cereals, etc.	500,000b	416,667b	450,123	31,184	450,123	912,209	912,209
Sugar from U.S. Mainland	112,000	93,333	198,681	11,235	198,681	369,630	369,630
Sugar from Other Sources	224,800b	187,333b	25,222	10,806	24,422	66,323	66,323
Canned Meat	/	/	100,324	2,279	100,324	330,952	330,952
Canned Tushonka	/	/	119,448	16,049	119,448	124,543	124,543
Canned Dehydrated Meats	/	/	5,370	374	5,370	6,047	6,047
Total Canned Meats	212,347b	175,014b	225,142	18,702	225,142	461,542	461,542
Smoked Meats	/	/	4,215	0	4,215	16,276	16,276
Sausage & Meat Preparations - not canned	/	/	94	0	94	258	258
Carters' Spread	/	/	5,190	2,709	5,190	5,190	5,190
Lard	/	/	92,511	11,277	92,511	162,291	162,291
Fat Cuts	/	/	101,609	3,874	101,609	192,325	192,325
Other Animal Fats and Oils	/	/	7,952	100	7,952	23,293	23,293
Total Animal Fats, Fat Cuts and Smoked Meats	308,000	256,667	211,571	17,960	211,571	399,633	399,633
Butter	39,200	32,667	39,514	0	39,514	51,312	51,312
Vegetable Oil	/	/	122,509	1,563	122,509	242,194	242,194
Shortening	/	/	12,795	218	12,795	25,015	25,015
Oleomargarine	/	/	33,628	1,405	33,628	38,391	38,391
Total Vegetable Oils, etc.	222,760b	186,156b	168,932	3,186	168,932	305,600	305,600
Soya Flour	/	/	35,666	825	35,666	38,060	38,060
Soya Grits	/	/	17,748	1,294	17,748	17,908	17,908
Dried Milk	/	/	29,796	45	29,796	46,775	46,775
Canned Milk (Condensed & Evap.)	/	/	5,861	0	5,861	11,160	11,160
Dried Eggs	/	/	33,274	2,582	33,274	64,277	64,277
Dried Fruits	/	/	300	0	300	983	983
Dried Vegetables (except peas and beans)	/	/	3,350	62	3,350	3,907	3,907
Concentrated Cereals	/	/	5,189	0	5,189	6,329	6,329
Dried Soups	/	/	6,476	0	6,476	6,747	6,747
Cheese	/	/	14,864	0	14,864	18,585	18,585
Fruit & Veg. Pastes & Purees	/	/	3,071	120	3,071	3,481	3,481
Concentrated Juices	/	/	1,190	0	1,190	1,565	1,565
Total Concentrates	177,000	147,500	156,785	4,928	156,785	219,777	219,777

Notes: All tons are 2000 lbs. net weight.

** Data not available.

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c/ From production or assignments after deductions of quantities repossessed or diverted before export.

d/ By agreement commitment for "Wheat, Flour, Cereals, etc." increased by 100,000 tons with a corresponding reduction in "Sugar from Other Sources."

e/ By agreement "Canned Meat" commitment reduced by 2.17 tons for each ton of dehydrated meat shipped.

f/ 2000 l.t. of coconut oil being furnished by U.K. as a transfer of commitment under Article V. U.S. commitment reduced 448 s.t. monthly February - June.

g/ Foodstuffs made available as exported.

Item	Third Protocol Performance July 1, 1943 - April 30, 1944			Exported		Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944	
	Third Protocol Offering a/	Offered to Date s/	Made Available To Date b/	During April 1944	7/1/43 - 4/30/44	Made Available s/	Exported
IV FOODSTUFFS (tons)(Cont.)d/							
Soap	/	/	1,270	0	1,270	6,074	6,074
Soap Stock	/	/	0	0	0	322	322
Total Soap and Soap Stock	11,200	9,334	1,270	0	1,270	6,396	6,396
Canned Fruits	/	/	170	0	170	501	501
Canned Vegetables	/	/	582	0	582	1,324	1,324
Fresh Fruits	/	/	50	1	50	54	54
Fresh Vegetables	/	/	1,030	0	1,030	1,100	1,100
Table Salt	/	/	320	0	320	1,856	1,856
Tea	/	/	249	0	249	871	871
Coffee	/	/	4,053	0	4,053	6,817	6,817
Spice	/	/	1,153	0	1,153	1,224	1,224
Flavoring Extracts	/	/	15	0	15	187	187
Hazel Nuts from Turkey	/	/	3,638	0	3,638	3,638	3,638
Other Nuts	/	/	1	0	1	58	58
Yeasts	/	/	461	47	461	770	770
Vitamins	/	/	208	105	208	476	476
Seeds, Lend-Lease	/	/	8,033	409	8,033	16,529	16,529
Other Foodstuffs	/	/	1,602	56	1,602	2,402	2,402
Feed	/	/	3,282	0	3,282	5,258	5,258
Total Non-Protocol Foods	0	0	24,847	618	24,847	43,065	43,065
Seeds, Russian War Relief	0	0	305	22	305	2,015	2,015
Total Foodstuffs (tons)	1,807,307	1,504,671	1,531,692	98,641	1,531,692	2,837,502	2,837,502

Ref.	Item	Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944		Exported During April
		Made Available	Exported	
	<u>MACHINERY AND EQUIPMENTe/</u> (Data are \$1000)			
V-1	Engines and Turbines, General Purpose	7,618	6,203	950
V-2	Compressors (Air and Gases)	7,519	6,893	649
V-3	Pumps (Liquids)	6,866	4,833	1,062
V-4	Crushing, Pulverizing, Screening & Mixing Machinery	6,103	4,007	176
V-5	Conveyors and Conveying Systems	768	419	0
V-6	Cranes, Derricks, Hoists and Winches	12,351	7,919	481
V-7	Indus. Trucks, Tractors, Trailers, Stackers & Access.	3,324	3,100	104
V-8	Fan and Blower Equipment, Industrial	497	110	-
V-9	Mechanical Power Transmission Equipment	22	-	0
V-10	Bearings	13,338	10,880	948
V-11	Valves and Steam Specialties	4,749	3,364	70
V-12	Misc. General Purpose Industrial Machinery	2,234	2,094	229
V-13A,B	Electrical Rotating Equipment & Generator Sets	64,781	42,975	814
V-14	Primary Electric Power Trans. & Distributing Equip.	2,390	2,145	19
V-15	Power Conversion Equip. (Non-Rotating Rectifiers)	1,869	926	406
V-16	Secondary Distribution Equipment & Wiring Devices	981	831	53
V-17	Motor Starters and Controllers	662	644	-
V-18	Electric Lamps	102	86	-
V-19	Misc. Electrical Equipment	1,203	1,027	62
V-20	Food Products Machinery	624	312	0
V-21	Textile Industries Machinery	981	599	17
V-22	Pulp and Paper Industry Machinery	365	292	0
V-23	Printing Trades Machinery and Equipment	44	44	0
V-24A	Tire Plant	9,176	6,822	142
V-24B	Rubber Working Machinery	0	0	0
V-25	Woodworking Machinery	601	246	4
V-26	Metal Melting & Heating Furnaces	14,269	11,050	453
V-27	Roasting, Sintering, Blast & Reverberatory Furnaces	1,222	629	42
V-28	Foundry Equipment	845	507	0
V-29	Special Industry Furnaces, Kilns & Ovens	42	5	2

- Notes: All tons are 2,000 lbs. net weight.
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- b/ From production or assignments in addition to quantities made available but not exported at the end of Second Protocol period and after deductions of quantities repossessed or diverted before export.
- c/ From production or assignments after deductions of quantities repossessed or diverted before export.
- d/ Foodstuffs made available as exported.
- e/ Categories shown for Machinery and Equipment have been revised to conform with those expected to be used in the 4th Protocol. 3rd Protocol performance will appear in future reports as available.

Ref.	Item	Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944		Exported During April
		Made Available	Exported	
	<u>MACHINERY AND EQUIPMENT/ (cont.)</u> (Data are \$1000)			
V-30A	Petroleum Refinery Plants	47,253	40,436	0
V-30B	Petroleum Refinery Machinery and Equipment	197	122	33
V-31	Special Machinery for Glass Industry	217	174	0
V-32	Special Machinery for Chemical Mfg. Industry	747	74	0
V-33	Gas Generating Conditioning & Other Gas Prod. Apparatus	5,257	2,383	346
V-34A	Miscellaneous Special Industry Machines	4,205	1,860	121
V-34B	Cartridge Manufacturing Lines	29,304	22,959	328
V-35	Machine Tools	264,500*	209,705	15,258
V-36	Rolling Mills and Auxiliary Equipment	9,006	5,160	5
V-37	Drawing Machines	826	19	0
V-38	Other Primary Metal Forming Machinery & Equipment	304	273	-
V-39	Secondary Metal Forming & Cutting Machinery & Equip.	60,000*	29,666	779
V-40	Welding Machinery	4,520	3,697	169
V-41	Testing and Measuring Machines	1,142	767	48
V-42	Miscellaneous Metal Working Equipment	107	107	0
V-43	Portable Metal Working Machines	2,308	1,621	97
V-44A	Cemented Carbide Cutting Tools	2,768	2,473	50
V-44B	Metal Cutting Tools	24,840	22,476	997
V-45	Cutting and Forming Tools for Metal Forming Machinery	0	0	0
V-46	Attachments and Accessories for Machine Tools	1,858	1,236	190
V-47	Tool Room Specialties	0	0	0
V-48	Agricultural Machinery and Implements	423	133	0
V-49	Mining and Quarrying Machinery	731	344	1
V-50	Earth and Rock Boring and Drilling Machinery	4,958	3,545	303
V-51	Well and Blast Hole Drilling Machinery	5,982	4,830	46
V-52	Excavating and Dredging Machinery	18,326	15,458	376
V-53	Miscellaneous Construction Equipment	1,001	811	51
V-54	Office Machines	50	48	0
V-55	Miscellaneous Machinery	1,076	508	0
V-58B	Teletype Apparatus	990	754	21
V-58C	Telephone and Telegraph Equipment	8,398	4,136	196
V-58D	Sound Equipment	314	277	36
V-58E	Automatic Block Signal System	4,863	81	0
V-59A	Industrial Type Locomotives, Cars and Parts	1,135	1,074	0
V-59B	Mine Type Locomotives, Cars and Parts	96	73	28
V-60	Passenger Vehicles and Parts	187	172	-
V-61	Airconditioning and Refrigeration Equipment	39	39	0
V-62	Lighting Fixtures	256	248	0
V-63	Photographic Equipment	1,788	1,508	95
V-64	Optical, Indicating Recording and Controlling Instruments	3,127	2,614	154
V-65	Professional and Scientific Instruments	852	541	9
V-66	Miscellaneous Equipment	427	362	6
V-67	Hand Tools- Non-Powered	709	612	145
V-68	Mechanic's Measuring Tools	1,740	1,308	211
V-69	Power Boilers	8,121	2,024	114
	Total Machinery and Equipment	690,494	505,670	26,896

Notes: * Estimated

a/ Categories shown for Machinery and Equipment have been revised to conform with those expected to be used in the 4th Protocol. 3rd Protocol performance will appear in future reports as available.

Item	Third Protocol Performance July 1, 1943 - April 30, 1944			Exported		Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944	
	Third Protocol Offering a/	Offered to Date b/	Made Available To Date b/	During April 1944	7/1/43 - 4/30/44	Made Available c/	Exported
VI MATERIALS AND PRODUCTS							
Steel (tons)							
Ripetal			7,351	2,031	16,506	26,642	22,048
Armor Plate			0	0	0	8,951	8,951
Polished Drill Rods			210	42	232	467	422
High Speed Tool Steel			4,733	603	4,265	9,703	8,904
Tool Steel			12,943	1,012	13,276	27,832	26,348
Cold Finished Bars			24,241d/	2,719	43,887	130,036d/	114,786
H.R. Aircraft Steel			52,454d/	11,157	77,033	165,990d/	138,249
Cr. Si. Mn. Billets			(-)4,093d/	74	77	83,518d/	79,362
C. R. Sheets			(-)275d/	114	523	85,467d/	81,267
C. R. Strip			(-)26,918d/	148	8,274	75,796d/	72,736
Stainless Steel			3,322	160	3,428	8,836	7,213
Timplate			37,623	3,023	17,640	116,585	93,355
Steel Wire			(-)23,686d/	930	25,252	89,248d/	81,005
Wire Rope			4,143d/	49	9,878	29,714d/	24,273
Steel Alloy Tubes			25,095	4,206	21,141	46,749	29,032
Stainless Steel Wire			466	26	336	2,884	2,639
Barbed Wire and Staples			(-)6,583d/	0	2,444	52,498d/	48,209
Pipe and Tubing			35,136d/	2,794	45,494	159,482d/	106,195
H.R. Sheets and Plates			45,290d/	1,412	63,493	223,063d/	175,132
H.R. Rails and Accessories			178,845	14,642	214,301	343,065	325,378
Mounted Sets, Wheels and Axles			0	0	20,873	24,076	22,995
Car Axles			0	1,428	15,932	35,910	35,618
Locomotive and Car Wheel Tires			6,226	1,554	12,508	19,204	18,091
Coiled Steel Car Wheels			6,651	3,078	10,069	15,223	11,904
Locomotive Axles			0	0	141	255	184
Electric Locomotive Axles			0	0	0	300	222
Total Steel	500,000	416,666	383,174	51,202	627,003	1,781,494	1,534,518

Note: d/ The following quantities released from U.S.S.R. export stocks for redistribution have been deducted from amounts made available.

	July 1943 to April 30, 1944	Oct. 1941 to Apr. 30, 1944		July 1943 to April 30, 1944	Oct. 1941 to Apr. 30, 1944
Cold Finished Bars	945	956	Wire Rope	350	430
H.R. Aircraft Steel	0	73	Barbed Wire & Staples	6,586	17,127
Cr. Si. Mn. Billets	4,141	30,866	Pipe and Tubing	(-)15,669	60,197
Cold Rolled Sheets	345	3,305	Hot Rolled Sheets & Plates	1,152	17,396
Cold Rolled Strip	28,464	28,464			
Steel Wire	31,955	31,955	Total Released (tons)	58,269	190,769

Ferro-Alloys (tons)							
Ferro-silicon	9,408	7,840	94	0	3,953	8,341	7,910
Ferro-chromium	5,376		0	0	2,155	4,140	4,140
Ferro-phosphorus			0	0	0	4	4
Ferro-vanadium			223	0	223	225	225
Ferro-tungsten			445	133	445	447	447
Ferro-molybdenum			1,142	0	1,071	1,142	1,071
Manganese metal	0	0	0	0	0	11	11
Total Ferro-Alloys	14,784	7,840	1,904	133	7,847	14,310	13,808
Non-Ferrous Metals							
Copper, Electrolytic	-a/	-a/	2,803	2,803	2,944	3,949	3,947
Copper Tubes	15,000	12,500	11,155	1,308	10,285	29,285	24,657
Brass, Bronze, etc.	107,520	89,600	102,903	12,830	90,527	255,826	223,716
Bare Copper Cable and Wire	20,000	16,666	**	286	1,640	**	4,364
Aluminum Ingot	35,760	29,800	49,986	3,153	42,364	88,067	80,445
Aluminum, Fabricated			23,943	760	16,913	57,068	49,358
Aluminum Foil			64	0	64	158	158
Molybdenum Concentrates	4,000	3,333	3,276	46	2,724	11,648	11,095
Magnesium	4,032	3,360	3,027	280	3,087	5,044	4,653
Pig Nickel	3,600	3,000	3,600	300	3,010	8,322	7,504
Monel Scrap	952	793	0	0	75	415	75
Nichrome Wire and Strip	538	448	501	91	452	1,229	1,160
Other Nichrome Shapes	-f/	-f/	72	0	75	567	502

Notes: All tons are 2000 lbs. net weight.

** Data not available.

a/ Offerings selected by the U.S.S.R. are in excess of the aggregate of shipping commitments and reasonable stocks. Production control provisions of the Protocol have been exercised and will reduce production below offerings in some instances. Offerings for which no monthly schedules are quoted in the Protocol have been computed on the basis of proportional time elapsed.

b/ From production or assignments in addition to quantities made available but not exported at the end of Second Protocol period and after deductions of quantities repossessed or diverted before export.

c/ From production or assignments after deductions of quantities repossessed or diverted before export.

d/ Note d/ inserted at end of Steel items above.

e/ U.S. commitment during Third Protocol is for 134,400 s.t. of copper contained in this and other items.

f/ U.S. commitment during the Third Protocol period is for the supply of 2,400 s.t. of nickel in various forms except pig nickel and monel scrap.

Item	Third Protocol Performance July 1, 1943 - April 30, 1944			Exported		Cumulative Performance - 1st, 2nd and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944	
	Third Protocol Offering a/	Offered to Date a/	Made Available To Date b/	During April 1944	7/1/43 - 4/30/44	Made Available c/	Exported
VI MATERIALS & PRODUCTS (cont.)							
Non-Ferrous Metals (cont.) (tons)							
Nickel Foil	0	0	3	0	3	5	5
Tin	0	0	0	0	8	10	10
Tin Foil	0	0	0	0	0	55	55
Babbitt	0	0	120	0	4	226	106
Zinc	13,440	11,200	12,595	952	12,541	51,926	51,801
Lead	0	0	0	0	34	43	43
Cadmium	112	93	28	28	28	229	229
Cerium	0	0	0	0	4	18	18
Cobalt	81	81	0	0	30	895	895
Mercury	0	0	0	0	341	1,444	1,444
Sodium	0	0	341	85	191	520	504
Special Wires	269	224	130	39	108	249	213
Other Pure Nickel Shapes (II 4C)	-	-	141	28	100	110	110
Misc. Non-Ferrous Metals & Prods.	0	0	10	9			
Other Metals and Products							
Pig Iron (tons)	-	-	3,934	422	2,631	6,332	4,535
Marine Cable (miles)	746	620	225	19	268	1,506	1,171
Other Insulated Wire and Cable (\$1000) (12,000Km)	(12,000Km)	(12,000Km)	18,811	4,441	21,243	42,476	30,993
Bolts, Nuts, Rivets and Nails (tons)	-	-	3,272	55	3,902	13,397	7,833
Chains and Anchors (tons)	-	-	2,353	176	1,384	3,316	1,961
Metallic Cloth and Screen (\$1000)	1,000	833	507	26	404	1,503	1,241
Miscellaneous Metals and Products	-	-	1,742	1	748	2,349	1,374
Submarine Cable (miles)	373	310	74	0	255	839	833
Other Materials and Products							
Abrasive Grain (tons)	4,000	3,334	7,050	400	4,786	9,691	6,163
Abrasive Products (\$1000)	4,000	3,334	3,528	27	3,648	10,301	9,756
Graphite Electrodes (tons)	5,757	4,798	4,790	128	5,091	14,230	13,243
Graphite Powder (tons)	1,120	934	1,900	95	1,397	2,934	2,128
Other Graphite Goods (\$1000)	(1,691.4t)	(1,410.4t)	474	30	351	1,340	1,239
Tires (1000 units)	-	-	1,130	97	1,233	2,499	2,389
Tubes (1000 units)	-	-	1,132	99	1,231	2,586	2,336
Rubber Hose (\$1000)	-	-	3,744	358	3,510	5,638	4,248
Other Rubber Products (\$1000)	-	-	10,513	884	9,748	15,719	12,356
Sheet Fibre (tons)	1,000	834	1,400	79	2,299	4,351	3,838
Shock Absorber Cord (yds)	0	0	**	0	5,000	204,480	172,111
Condenser Paper (tons)	146	122	78	37	57	234	195
Cigarette Paper (tons)	336	280	0	241	384	1,042	776
Parchment and Other Paper (tons)	1,680	1,400	2,628	556	3,248	5,275	4,035
Rubber Footwear (\$1000)	-	-	53	0	647	982	907
Other Footwear except Q.M. (\$1000)	-	-	502	52	650	995	929
Other Apparel except Q.M. (\$1000)	-	-	246	0	130	612	296
Textiles except Q.M. (\$1000)	-	-	11	0	19	210	156
Fish Nets (tons)	-	-	421	0	322	553	378
Rope (tons)	-	-	1,375	13	1,404	2,406	2,406
Harvest Twine (tons)	4,480	2,987	4,431	3,691	3,691	4,431	4,431
Non-Metallic Minerals & Products (\$1000)	-	-	85	29	160	425	403
End Products of Leather (\$1000)	-	-	21	0	16	34	27
Misc. Materials & Prods. (\$1000)	-	-	470	62	1,005	1,505	1,243
Quartermaster Items							
Leather (tons)	18,000d/	15,000d/	11,150	2,011	14,092	40,407	37,367
Army Boots (1000 pr.)	} 3,600	3,000	3,075	397	3,636	8,143	7,615
Ski Boots (1000 pr.)			100	37	145	225	204
Leather Belts (1000 units)	0	0	1,133	537	1,038	2,513	2,369
Leather Jackets (1000 units)	0	0	36	**	**	176	**
Woolen Cloth (1000 yds)	18,000	15,000	14,310	1,230	23,192	33,776	31,811
Cotton Cloth (1000 yds)	26,045	20,833	16,064e/	1,436	42,416	105,777e/	62,774
Webbing (1000 yds)	12,000	11,000	15,799	299	12,955	59,449	34,642
Tarpaulin and Duck (1000 yds)	3,000	2,500	2,503e/	**	**	10,483e/	**
Other Q.M. Textiles (\$1000)	0	0	3,382	178	4,385	6,786	5,436
Q.M. Apparel (\$1000)	0	0	3,184	322	4,963	7,929	7,680

Notes: All tons are 2000 lbs. net weight.

** Data not available.

a/ Offerings selected by the U.S.S.R. are in excess of the aggregate of shipping commitments and reasonable stocks. Production control provisions of the Protocol have been exercised and will reduce production below offerings in some instances. Offerings for which no monthly schedules are quoted in the Protocol have been computed on the basis of proportional time elapsed.

b/ From production or assignments in addition to quantities made available but not exported at the end of Second Protocol period and after deductions of quantities repossessed or diverted before export.

c/ From production or assignments after deductions of quantities repossessed or diverted before export.

d/ Offering for leather should be decreased by the quantity of leather contained in 1,200,000 pairs of Army boots.

e/ The following, all of which have been released during the Third Protocol period from U.S.S.R. export stocks for redistribution to others, have been deducted from amounts made available:

Cotton Cloth 14,641 (1,000 yds) Tarpaulin 215 (1,000 yds)

Item	Third Protocol Performance July 1, 1943 - April 30, 1944			Exported		Cumulative Performance - 1st, 2nd, and 3rd Protocols Oct. 1, 1941 - Apr. 30, 1944	
	Third Protocol Offering a/	Offered to Date b/	Made Available To Date b/	During April 1944	7/1/43 - 4/30/44	Made Available g/	Exported
VI MATERIALS & PRODUCTS (cont.)							
Petroleum Products (tons)							
From U.S.	360,000	300,000	344,300	17,203	344,300	743,976	743,976
From U.K. for U.S. Account (Replacements to U.K. from U.S.)				0	18,293		28,489
From Abadan for U.S. Account (Replacements to British from U.S.)	120,000	100,000		20,160*	125,420*		125,420*
Shipments from U.K. to U.S.S.R. as Replacements for Diversion to U.K.	-	-	-	-	-	(29,971)	(31,867)
Additional U.S. Allocation to U.S.S.R. at U.K. expense as Replacement for Diversion to U.K.	-	-	-	-	-		
Chemicals (tons)							
Acetone	6,720	5,600	3,586	1,325	3,651	4,587	4,558
Alcohol, Butyl			1,277	475	1,277	1,277	1,277
Alcohol, Ethyl from U.S. Acet.			119,328	10,836	118,751	139,721	138,896
Alcohol, Ethyl, from U.K. for U.S./ (Replacement to U.K. from U.S.)	107,520	89,600	20,187		20,187		
Ammonium Chloride			(-1,078)	0	76	3,727g/	726
Ammonium Nitrate			(-2,406)	0	0	3,394g/	3,394
Ammonium Sulphate			0	0	0	3	3
Ammonium Sulphate Cyanate			(-2,196g/)	0	0	3,521g/	3,521
Aniline Oil			0	0	0	9	9
Anthracene			(-125g/)	0	0	206g/	106
Barium Peroxide			0	2	569	752	728
Black Dyes			560	0	0	1,019	459
Boric Acid			168	0	186	424	354
Calcium Carbide			0	0	13	2,251	2,251
Carbon and Lamp Black			0	710	27,823	53,935	51,669
Caustic Soda	40,320	33,600	26,413	62	1,110	1,822g/	1,618
Centralite			1,110g/	0	531	1,044	1,044
Citric Acid			531	0	531	8,135	5,102
Colloxylin			0	0	0	441	292
Cresol			190g/	0	1,414	5,430g/	4,740
Dibutyl Phthalate			184	0	282	552	457
Diethylene Glycol			0	0	52	2,510	2,302
Dimethyl Aniline			0	0	3	2,080	1,489
Diphenylamine			200	0	181	232	192
Ethylene Chlorohydrin			(-775g/)	0	593	3,640g/	2,042
Ethylene Dibromide			1,792	0	4,131	8,744	8,662
Ethylene Glycol	3,360	2,800	0	0	560		494
Formaldehyde			0	0	0		
Glycerine, From U.S.	6,720	5,600	2,151	1	3,147	11,816	10,314
Glycerine, Lend-Lease Retransferred/			5,478	0	5,478	5,478	5,478
Methanol	6,720	5,600	1,975g/	361	5,344	19,175g/	18,363
Naphtenic Acid			0	0	127	600	127
Neosone			0	0	34	504	504
Phenol	11,160	9,300	9,591	653	9,149	27,190	23,645
Phenol Formaldehyde			0	0	448		447
Phosphorus			(-739g/)	0	590	2,823g/	2,555
Picric Acid			697	66	1,028	1,486	1,385
Potassium Chlorate			221	0	370	1,344	814
Potassium Nitrate			(-982g/)	0	1,013	2,629g/	2,178
Potassium Sulphate			(-1,249g/)	0	175	580g/	580
Potassium Tetraoxide	11	21	184	34	261	429	429
Resorcin			0	0	1	120	61
Rhodamine			0	0	1	6	6
Saccharine			165	0	138	362	323
Soda Ash			141	0	792	1,530	1,426
Sodium Bromide			(-324g/)	0	143	2,139g/	1,812
Sodium Dichromate			226	125	400	826	726
Strontium Oxalate			0	8	60	96	88
Thorium Nitrate			0	0	0	12	12
Toluol	40,320	33,600	30,405g/	0	27,350	72,709g/	63,127
Twitchell or Petrov Reagent			224	0	403	731	620
Urotropine	6,720	5,600	5,912	275	6,160	13,988	11,669
Vistanex			330	22	273	662	480
Misc. Chemicals			9,877	2,224	9,166	17,622	14,155
Offering Misc. Chemicals	9,200	7,666	-	-	-	-	-
Total Chemicals	238,781	198,987	233,229	17,179	252,769	455,709	417,896

Notes: All tons are 2000 lbs. net weight.

* Estimated.

a/ Offerings selected by the U.S.S.R. are in excess of the aggregate of shipping commitments and reasonable stocks. Production control provisions of the Protocol have been exercised and will reduce production below offerings in some instances. Offerings for which no monthly schedules are quoted in the Protocol have been computed on the basis of proportional time elapsed.

b/ From production or assignments in addition to quantities made available but not exported at the end of Second Protocol period and after deductions of quantities repossessed or diverted before export.

c/ From production or assignments after deductions of quantities repossessed or diverted before export.

d/ The following all of which have been released during the Third Protocol period from U.S.S.R. export stocks for redistribution to others have been deducted from amounts made available.

Ammonia Chloride	1,098	Phosphorus	1,027
Ammonia Nitrate	2,406	Potassium Nitrate	983
Aniline Oil	2,207	Potassium Sulphate	1,246
Barium Peroxide	126	Sodium Bromide	765
Centralite	21	Toluol	922
Dibutylphthalate	149	Total Chemicals	
Ethylene Dibromide	821	Released (n.t.)	12,393
Methanol	622		

JUN 9
8 1944

My dear Mr. President:

There is attached a report of Lend-Lease purchases made by the Treasury Procurement Division for the Soviet government indicating the availability of cargo for June.

The inventory of material in storage as of June 1, 1944, was 321,007 tons or 62,633 tons less than the May 1st inventory. Production scheduled for June shows a decrease of 234,874 tons as compared with May

~~Yours sincerely,~~

Faithfully yours,

/s/ DWBell

Acting Secretary of the Treasury

The President

The White House

WFBrennan/jj
(6-8-44)

TREASURY DEPARTMENT - U. S. S. R.
MATERIALS AVAILABLE FROM STORAGE AND PRODUCTION DURING JUNE, 1944

<u>COMMODITY</u>	<u>STORAGE JUNE 1, 1944</u>	<u>PRODUCTION DURING JUNE</u>	<u>TOTAL AVAILABLE</u>	<u>PRIORITY CARGOES FOR PORT AREAS SPECIFIED TO DATE FOR JUNE</u>
ALUMINUM	21,182		21,182	8,792
AUTOMOTIVE EQUIPMENT AND PARTS		7	7	
BEARINGS	892	798	1,690	1,120
BRASS AND BRONZE	20,597		20,597	12,656
CHEMICALS	12,491	1,168	13,659	9,033
CLOTHING AND TEXTILES		136	136	
CONSTRUCTION MACHINERY		1,694	1,694	
COPPER IN VARIOUS FORMS	23,030	6,437	29,467	20,608
FERRO-ALLOY	280		280	224
GRAPHITE PRODUCTS	1,630	107	1,737	
HAND AND CUTTING TOOLS		412	412	
INDUSTRIAL MACHINERY	73,286	35,839	109,125	46,816*
LEATHER AND LEATHER PRODUCTS		80	80	
NICKEL AND NICKEL PRODUCTS	245	1,403	1,648	515
NON-FERROUS METALS, OTHER	310	1,897	2,207	672
PAPER AND PAPER PRODUCTS	1,782	539	2,321	2,321
PLASTICS	3,377		3,377	
RUBBER	2,865	6,242	9,107	6,832
STEEL, ALLOY AND SPECIAL	21,192		21,192	11,424
STEEL, CARBON	62,663	8,570	71,233	22,400
STEEL, PIPE AND TUBING	57,937	11,681	69,618	8,677
STEEL, RAILS	10,709	24,814	35,523	25,760
TIN PLATE	6,485		6,485	6,485
ZINC	54		54	54
TOTAL	321,007	101,824	422,831	184,439

*In addition, all available tonnage applicable to the Oil Refinery Program is classed as priority cargo for prompt shipment to ports.

EXECUTIVE OFFICE OF THE PRESIDENT
WAR REFUGEE BOARD

INTER-OFFICE COMMUNICATION


DATE

TO Secretary Morgenthau
FROM Mr. Pehle

JUN 9 1944

I am attaching herewith a copy of
the report of the War Refugee Board for May 29
to June 3, 1944.



Attachment.

Report of War Refugee Board
for Week of May 29 - June 3, 1944

TEMPORARY HAVENS FOR REFUGEES IN THE UNITED STATES

For some time now we have been exploring the possibility of establishing in this country temporary havens for European war refugees. On several occasions Secretary Morgenthau and the Executive Director have met with the President to discuss the matter. The President has indicated that he is deeply interested in the development of such a measure, and we are now working out the details of such a program.

Since early April, when the matter of "free ports" for refugees was first publicly proposed by newspaper columnist Samuel Grafton, there have been numerous indications that the establishment of such havens would meet with a favorable public response. Resolutions or statements in support of temporary havens have been adopted by the American Friends' Service Committee, the National Committee Against Persecution of the Jews, the American Federation of Labor, the Congress of Industrial Organizations, the National Farmers' Union, the International Labor Office and the Convention of the Diocese of Washington of the Protestant Episcopal Church, among others. An urgent appeal signed by former Governor Alfred E. Smith of New York and a committee of 72 other leading Americans has been addressed to President Roosevelt and to the governments of all the United Nations. This appeal, which was signed by the Governors of 18 States as well as by members of Congress, educators, clergymen, businessmen, labor leaders, and authors, declared temporary havens for refugees in this country to be a "moral obligation." In addition, we have received letters from some 250 individuals warmly supporting the proposed havens.

The prompt transfer of refugees from such "gateway" countries as Italy, Turkey, and Spain, with their limited facilities, to temporary havens elsewhere will not only pave the way for the escape from enemy territory of additional thousands of intended victims of the Nazi executioners; it will also demonstrate to the Germans, and to the world at large, that the policies and recommendations of this Government are being implemented by equally bold and concrete action.

EVACUATIONS TO AND THROUGH ITALY

Current military developments have increased the importance of the potential escape route not only of refugees from

- 2 -

Yugoslavia itself, but of refugees from the other Balkan countries and from Hungary through Yugoslav territory. The desperate plight of the Jews in Hungary and indiscriminate slaughtering by the Germans in the Balkans have made the expansion of this route all the more urgent.

Because of the limited facilities in southern Italy, however, Allied Military Forces have not been able, generally speaking, to encourage the escape of such refugees across the Adriatic to Italy. According to information reaching us, refugees have been arriving in Italy from Yugoslavia through their own efforts at the rate of some 1800 per week, and the problem of caring for such refugees has considerably burdened military authorities. In fact, we were advised that the facilities for the care of refugees in southern Italy became so overtaxed that the military authorities had decided to take steps to actually discourage the escape of further refugees to that area. We immediately discussed the matter with the Army, UNRRA, FEA and the President. The President indicated that under no circumstances should the entry of refugees into Italy be discouraged. Accordingly, appropriate instructions were sent to the military authorities in North Africa. In addition, the Board arranged for \$50,000 to be sent to the Yugoslav Partisan Relief Committee in Bari for the specific purpose of facilitating the flow of refugees through Yugoslavia to Italy.

Temporary Havens for Refugees escaping through Italy

Since the crux of this matter is finding suitable places to which these people can be removed so that the flow of refugees need not in any way be discouraged or impeded, we are vigorously exploring a number of possibilities in addition to the temporary refuge to be afforded a limited number of refugees in the United States.

As many as possible of these refugees will be moved to camps in the Middle East. Toward this end, the United Nations Relief and Rehabilitation Administration is making every effort to supply sufficient medical and other personnel.

The President has suggested the possibility that some of these refugees might be taken to Sicily. Cyprus was suggested by the President as another possible haven. Accordingly, we have asked Robert Murphy and Board Representative Ackermann in Algiers to explore these possibilities carefully. Murphy and Ackermann have also been asked to investigate the possibility of a substantial expansion of refugee facilities on the Italian mainland.

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While we do not consider it desirable to bring refugees from Italy to Camp Lyautey at Fedhala since all of the accommodations of that camp are to be made available for refugees being evacuated through Spain, the possibility of establishing other centers in French North Africa for refugees from Italy is under consideration. Murphy's recommendations on this score have likewise been solicited.

Insofar as Jewish refugees are concerned, we hope to move as many as possible to Palestine without delay. In this connection, in the case of Turkey the British have adopted the policy that all Jews escaping into Turkey from the Balkan countries will be permitted, after a preliminary security check, to go to Palestine. Once in Palestine, these people are placed in camps, where another security check is made by the British. If found satisfactory, they are gradually released as legal immigrants to Palestine against the current half-yearly immigration quota.

Since the application of a similar policy in the case of Jews now in southern Italy would make possible the prompt removal of such refugees to Palestine, we have asked Ambassador Winant in London to ascertain at the earliest possible moment whether the British Government will cooperate by granting Palestine certificates to Jewish refugees reaching Italy and by facilitating their prompt removal to Palestine.

For some time we have been pressing the British to cooperate with us in the joint establishment of temporary havens in Cyrenaica and Tripolitania. This proposal first arose in the course of the Bermuda Conference in April of 1943. Upon our recommendation, the British have repeatedly been approached over the past few months on this score, but without any results to date.

Board Representative for Italy Named

Permission has been granted by the Supreme Allied Commander of the Mediterranean Theatre for the appointment, for territories adjacent to Italy, of a Special Representative to be attached to ACC Headquarters. In view of the importance of having an accredited Board Representative authorized to act in Italy, we are advising the War Department that we propose to authorize Leonard Ackermann, our Special Representative for the Mediterranean Area, to serve in this capacity.

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RELATIONS WITH GREAT BRITAIN

While assurances of "warmest support and sympathy" have not been lacking, we have received little active cooperation to date from the British in connection with refugee rescue and relief. The failure of the Foreign Office to respond to our proposal that havens of refuge be set up on a cooperative basis in Cyrenaica and Tripolitania is a case in point.

The Ministry of Economic Warfare has continued to voice concern over our licensing of rescue and relief operations, particularly International Red Cross purchases, in enemy territories. In response to our proposal that Palestine immigration certificates be authorized for certain child refugees reaching Switzerland from France so as to permit them to enter Palestine within the total allowed under the White Paper, the Foreign Office in effect declined on the grounds that, in the absence of any direct representations on the part of the Swiss Government to either the British or the Intergovernmental Committee and in the absence of any permission from Vichy to the Swiss with respect to exit permits, our proposal was "entirely hypothetical."

There is, of course, in the British Government no really comparable agency whose function it would be to cooperate with us in concrete measures. While the absence of a comparable agency does not necessarily preclude active cooperation any more than the establishment of such an agency would automatically guarantee it, our experience with the British to date suggests that this absence of even the framework for cooperative action has been a real stumbling block.

SITUATION IN HUNGARY

Minister Johnson has advised us from Stockholm that German authorities are reliably reported to have evacuated all Jews from the southern and northern frontiers of Hungary and to have concentrated them in ghettos in various communities.

An urgent memorandum outlining suggested methods of rescuing Hungarian Jews from annihilation has been addressed to us by the American Chapter of the Religious Emergency Council of the Chief Rabbi of Great Britain. This memorandum points to a recent report appearing in the New York Times from the Times correspondent in Istanbul, confirming previous advices as to the intentions of the Hungarian regime and its Nazi cohorts. "Baths" or gas chambers are reportedly being prepared to slaughter not only the Jews of Hungary but also large numbers of refugees of the Jewish faith from Poland and other Nazi-held lands who have found asylum within Hungary's borders.

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Because of the limitations of underground channels, it was urged that Turkey be approached with a view to her permitting the entry of all genuine refugees, to be housed there in temporary camps, if necessary, under supervision of the United Nations Relief and Rehabilitation Administration.

The memorandum also urged that the Apostolic Delegate in Washington be approached with a view to enlisting the aid and cooperation of the Vatican in certain specific rescue operations. It was suggested that, as a result of Vatican pressure, the authorities in Budapest might be influenced to permit a gradual exodus of Jews.

According to a report from Minister Harrison in Bern, Hungarian authorities are reportedly considering a memorandum said to have been prepared and submitted by Jewish leaders, proposing that Jews in Hungary be exchanged against Hungarian prisoners of war in Russian hands and against Hungarians residing in overseas countries. This proposal allegedly involves the creation of a mixed commission, including representatives of the Hungarian Government, the Jewish Agency in Hungary, and the International Red Cross, which would be requested to aid in the exchange.

In a cable to Ankara we have asked Ambassador Steinhardt to consider the advisability of directly or indirectly approaching the Hungarian mission there, or other personalities in Turkey, along the lines of Ira Hirschmann's talks with the Rumanian Foreign Minister, as a result of which the Rumanian Government agreed to facilitate the emigration of Rumanian Jews.

Assistance from the Vatican Requested

In a cable from this Government to the Cardinal Secretary of State, we have called to the attention of the Holy See the recurrent reports that present authorities in Hungary are planning to slaughter the 800,000 Jews in that country. We have indicated that while this Government has warned the authorities and the people of Hungary of the material consequences that will follow the perpetration of such inhumane acts, we believe it to be both timely and fitting that they also be reminded of the moral values involved and of the spiritual consequences that must flow from indulgence in the persecution and mass murder of helpless men, women and children. In view of the great numbers of persons in Hungary professing adherence to the Roman Catholic Church, we have suggested that the Holy See may find it appropriate to express itself on this subject, by

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radio and through the Nuncio and clergy in Hungary, as well as through a representative of the Holy See to be despatched to Hungary for that particular purpose.

Warnings Shortwaved to Hungary

In a stirring statement by members of the Senate Foreign Relations Committee, shortwaved to Hungary by the Office of War Information, the people of Hungary have been asked to use every means possible to protect the lives of their fellow citizens of the Jewish faith. Hungarians were asked to make note of authorities aiding the Nazi executioners as well as of those authorities who extend mercy, until such time as the guilty and the innocent can be adjudged.

According to a report from the U. S. Embassy in London, the British Broadcasting Company has now, in response to our request, broadcast warnings to the Hungarian Government against the continued deportation and persecution of Jews.

EVACUATIONS TO AND THROUGH TURKEY

Word has reached us from Jerusalem of the safe arrival in Haifa of the group of 317 refugees who reached Turkey recently on the "S.S. Maritza." Included in this group were a few Jews who escaped from Hungary early in May and who were able to forward to us the names of certain Hungarian officials actively associated with the Germans in the Jewish persecutions.

"Maritza" Reported to have Sunk

Ambassador Steinhardt subsequently advised us of the receipt of an unconfirmed report that the "Maritza" foundered at sea while en route to Constanza on her return to Istanbul after disembarking her load of refugees. "In view of the recognized unseaworthiness of the 'Maritza,'" Steinhardt cabled, "we must regard it as an act of Providence that the ship did not sink while carrying refugees en route to Istanbul."

Negotiations re the "Bardaland."

We have been advised by Minister Johnson and Board Representative Olsen that the Swedish Foreign Office has continued to be extremely cooperative in response to our request that the "S.S. Bardaland" be chartered for evacuation operations in the Black Sea. The Swedish Minister in Berlin has now been instructed to ask the Germans for permission to divert the vessel and to grant it safe-conduct,

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and the Swedish Red Cross has agreed to act as charter party on our behalf. Reassurances have been obtained from the master of the "Bardaland" to the effect that the vessel is sufficiently seaworthy to make the voyages proposed. After the proposed refitting in Istanbul to provide sanitary accommodations and lifesaving and kitchen equipment, it is estimated that the vessel will be able to accommodate between 400 and 500 persons.

In a cable to Ankara we have asked Ambassador Steinhardt to make all arrangements for the selection of refugees for embarkation, for their exit permits, and for assembling them at the port of embarkation, as soon as the likelihood of the "Bardaland's" sailing for Constanza becomes more concrete.

"Tari" Negotiations Continue

Minister Harrison has reported from Bern that in the course of his discussions with the Swiss Foreign Office he was advised that the Swedish Government had supported the International Red Cross request for German safe-conduct of the "S.S. Tari," but that its request had "not been productive nor had the German Government received it well."

Ambassador Steinhardt has advised us from Ankara that, despite the fact that the Director General of the State Steamship Lines has been pressing him on the matter for some time, to date he has been able to avoid signing the charter party for the "Tari" and thereby incurring a daily penalty for its idleness pending advice as to whether or not German safe-conduct is to be granted. Inasmuch as the matter has now been referred to the Turkish Foreign Minister, Steinhardt reported that he had explained to the latter the various reasons for his failure to sign the charter party thus far and had also asked about the prospects for a German safe-conduct. The Foreign Minister replied that although he had made four requests of German Minister von Papen for a safe-conduct for the "Tari," he was now convinced that it would not be forthcoming, particularly in view of the current severe strain on political relations between Turkey and Germany.

Steinhardt then proposed that the "Tari" be allowed to sail for a Bulgarian port without a German safe-conduct for the purpose of bringing refugees to Istanbul, where they might remain on board the vessel pending their gradual transportation to Palestine. The Foreign Minister replied that Steinhardt's proposal would be taken under consideration if he could secure a Bulgarian safe-conduct and permission for the "Tari" to enter a Bulgarian port. Steinhardt reported

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that he has therefore asked the International Red Cross representative in Ankara to press the Bulgarian Minister for such a safe-conduct and for port-entry permission.

Although Steinhardt anticipates that the reply on these two points may be delayed as a result of the recent resignation of the Bulgarian Cabinet, the reply is expected to be favorable unless Bulgaria's two Black Sea ports are under complete German control.

Steinhardt also advised us that the Turkish Foreign Minister clearly implied in the course of their discussion that even though a contract has not yet formally been signed, he considers the "Tari" to be under charter to the Board. Eventual difficulties in determining the amount to be paid are therefore anticipated. In this connection, Steinhardt asked that we indicate to him the maximum obligation we are prepared to incur for the "Tari," whether or not the vessel is ultimately available.

In response to Steinhardt's request, we are indicating that we are anxious to retain the right to use the "Tari" as long as there is any reasonable hope that it may ultimately be permitted to sail. Steinhardt is being authorized to use certain funds previously transmitted to hold the "Tari," if necessary.

The reportedly sympathetic attitude of the Bulgarian Minister in Stockholm is also being relayed to Steinhardt for his confidential information, in case Steinhardt should find it desirable to enlist the support of the Bulgarian Minister there in connection with this or any other project requiring the cooperation of the Bulgarian Government.

Re-Chartering the Adana Ships

We have been advised by the State Department that the British are requesting this Government's views concerning appropriate conditions to be proposed to the Turkish Government in consideration for the renewal of the charters of five British cargo vessels now in Turkish service and known as the Adana ships. These vessels are said to have been chartered to Turkey originally for the on-shipment of military supplies from Egyptian ports to Turkey, but the stoppage of military shipments to Turkey has nullified the purpose for which the ships were originally chartered.

We have recommended to the State Department that, as one condition to the re-charter of the Adana ships, the Turkish

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Government be required to make available either the "Tari" or a similar vessel for repeated refugee evacuation voyages across the Black Sea to a Turkish Black Sea port -- with German safe-conduct, if possible -- whenever in the opinion of the British and American Ambassadors to Turkey such voyages become feasible. The re-charter of the Adana ships would constitute fulfillment of any Turkish demand that a substitute passenger vessel be made available to the Turks while the "Tari" is engaged in refugee evacuation operations.

As another condition to the re-chartering of the ships, we have proposed that the Turkish Government agree to cooperate with Ambassador Steinhardt and with the British Ambassador to Turkey in making arrangements for additional evacuation operations across the Black Sea, without German safe-conduct to be carried on by small boats such as the "Maritza," the "Milka" and the "Bellacitta," carrying relatively small numbers of passengers. We would, of course, agree to arrange for the payment of a reasonable charter-hire for the use of any such Turkish vessels made available, and to assume responsibility for the maintenance and support of refugees in transit or awaiting transportation in Turkey.

Because of the necessity of using for military purposes all passenger ships available to us, we are also recommending that if the Turkish Government insists upon a guarantee of replacement in kind in the case of loss of any Turkish vessel made available in the future for evacuation operations, consideration should be given to using the re-chartering of the Adana ships as a basis for requesting the Turkish Government to waive such a guarantee in the future, unless the Turks are willing to make a similar guarantee to replace any of the Adana ships that may be lost.

In a cable to Ambassador Steinhardt in Ankara we have outlined this situation in detail. We have indicated for Steinhardt's guidance, however, that if the giving of a guarantee in kind appears absolutely necessary in order to obtain the use of Turkish vessels, we will seriously consider giving such a guarantee in connection with future voyages of the "Tari" or any other Turkish vessel, because of the urgent humanitarian considerations involved. Steinhardt has also been advised that our original guarantee to replace the "Tari" in the event of loss on its first voyage still stands; the conditions we now propose refer to subsequent voyages of the "Tari" and any other Turkish vessels made available for evacuation purposes.

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SITUATION OF THE JEWS IN GREECE

According to a memorandum from a Legal Advisor of the Greek Foreign Office transmitted by our Embassy at Cairo, approximately 60,000 Jews were involved in the German deportations to Poland last year from Greece. "There are serious reasons," the memorandum continued, "to fear that most of those who were shifted to Poland in sealed railway trucks (horse carriages) were exterminated when they ultimately reached their destination." Following the collapse of Italian administration in Greece in the fall of 1943, when the Germans began to enforce further anti-Jewish measures, most of Athens' 8,000 Jews are said to have found refuge in Christian homes, where many of them are still hidden. It was estimated that 20,000 to 25,000 Jews still remain in Greece.

Because of recent German orders threatening death to any Christians caught aiding Jews and offering informers fifty percent of the property belonging to any Jew exposed to the Gestapo, it has become increasingly difficult for the impoverished Jews of Greece to remain in hiding, according to this memorandum. The sending of funds as soon as possible, and the wide distribution of such funds, were urged as measures of more immediate importance than any expansion of the routes of escape by sea.

Minister Norweb has indicated to us that the matter of Sephardic Jews in Greece claiming Portuguese nationality, to whom we have urged that Portugal extend recognition and protection, has been referred by the Portuguese Government to its representative in Athens "for attention."

A report from Ambassador Steinhardt in this connection stated that the Turks have not, to his knowledge, refused admission to any Jewish refugees arriving in Turkey from Greek Islands or from Greece itself, without visas. It was stated that, on the contrary, thus far Turkish authorities have promptly provided transportation from Izmir to Palestine for those refugees who have reached Turkish soil.

EVACUATIONS TO AND THROUGH SPAIN

In the absence of any reports from Ambassador Hayes outlining more cooperative action in connection with our program, we propose to send a representative to Spain in order to review with Hayes the situation there. The services of James G. McDonald have been obtained for this mission. McDonald is to have diplomatic status while in Spain and will be attached to the Embassy as a Special Attache.

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According to a report from the Lisbon representative of the American Jewish Joint Distribution Committee, 25 additional adults recently reached safety in Spain and are now being cared for by the JDC. It was also reported that seven additional children have reached Barcelona from France bringing to 13 the total number of child refugees under JDC care in Spain, and making a total of more than 200 newcomers there of all ages. While the number of children reaching Spain clandestinely was expected to increase, it was pointed out that under present circumstances large numbers of child refugees cannot be anticipated there because of physical and other difficulties involved.

Ship's Sailing to North Africa Scheduled

Board Representative Ackermann has advised us from Algiers that because of failure to give advance notice of the sailing date, a ship scheduled to have sailed from Spain on May 20 bearing refugees for Lyautey was unable to depart. June 7 has been set as the new tentative date for the ship's departure. Ackermann also indicated that he is now at work on a major problem that has recently arisen in connection with Camp Lyautey -- that of securing Army aid for guarding the camp and protecting its property.

EVACUATIONS TO AND THROUGH PORTUGAL

According to a report from the Lisbon representative of the War Relief Services of the National Catholic Welfare Conference transmitted to us by our Embassy in Lisbon, there remained in Portugal at the beginning of May only between 1,000 and 1,500 refugees, exclusive of Spanish Republicans. In April, it was stated, the American Jewish Joint Distribution Committee had on its relief rolls some 600 persons, the Unitarian Service Committee about 250, the Quakers about 70, and the Catholic War Relief Services 80, these totals being exclusive of Belgian, British, Dutch and Polish refugees being supported there by their own governments.

The JDC is said to have sent 250 refugees to Palestine from Portugal in February. Another 150 refugees left Portugal aboard the Portuguese "Serpa Pinto" in March, bound for the United States and Canada.

"Serpa Pinto" Reaches U. S. Safely

According to the New York Times for June 1, the "Serpa Pinto," carrying still another load of refugees bound for the United States and Canada and sailing under a safe-conduct from the belligerent powers, was stopped in mid-Atlantic by gunfire from a German submarine. After the passengers were forced to spend nine hours in lifeboats on threat of torpedoing the vessel, the submarine departed, leaving the

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ship and passengers unharmed, except for the accidental deaths of three of the 385 persons aboard and the taking of two American citizens as prisoners. The "Serpa Pinto" subsequently reached Philadelphia safely. The refugees bound for Canada were taken under guard from the ship and put aboard a sealed train for the last lap of their trip, without technical entrance into the United States.

EVACUATION OF ABANDONED CHILDREN FROM FRANCE TO SWITZERLAND

According to a report from the JDC representative in Lisbon, during the past three months 500 child refugees from France succeeded in reaching safety in Switzerland.

Ambassador Long has reported from Guatemala that the Guatemalan Government, in response to our proposal, has agreed to accept from Switzerland up to 100 child refugees under conditions previously outlined. It was indicated that Guatemala would prefer that, insofar as possible, these children be selected from among French and Belgian refugees.

RECOGNITION OF LATIN AMERICAN PASSPORTS

Reports reaching us indicate that a number of nationals and persons claiming the nationality of the United States and of other American republics may be held in camps situated in German and German-controlled territory to which the protecting powers and the International Red Cross have no access, or else access of the most restricted kind. Included in this category are the camps of Belsen-Bergen near Hannover, Bergau near Dresden, Dost or Tost in Silesia, and Drancy near Paris.

In a pending cable to Minister Harrison and Board Representative McClelland in Bern we are asking that the attention of the Swiss Government, as the protecting power of the United States, be drawn to this situation. The Swiss are to be requested to take steps to insure supervision by them of any and all camps and other establishments in German and German-controlled territory in which persons holding or claiming United States citizenship are held. We are asking Harrison and McClelland to stress the fact that this Government has taken the view that, insofar as persons in danger of persecution are concerned, claims of American citizenship are to be honored by Germany until notification has been received that the claim has been rejected by the country in whose name the document was issued or whose nationality was claimed.

A similar request with respect to such camps and establishments is to be addressed to the International Red Cross.

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In a circular communication to our Missions in the various Latin American countries we are outlining the steps being taken in this connection. Our Missions are being asked to call this matter to the attention of appropriate authorities in the various Latin American countries, so that they may take parallel action.

According to a communication from our Embassy in Haiti, the Haitian Minister for Foreign Affairs proposes to ask this Government to transmit to the Spanish Government, in support of our own representations, a request that the Germans in turn be asked to accord all persons holding Haitian passports the rights of Haitian nationals until the receipt from the Haitian Government of a report on the validity of the passports in question.

In response to this report, we are indicating that since Switzerland is the protecting power of Haitian interests in enemy territory, the Haitian approach should be made through Switzerland rather than through Spain.

Ambassador Frost has reported that the Paraguayan Foreign Minister has now orally but officially confirmed the fact that his Government approves negotiations by this Government for an exchange of persons from American countries or holding passports of such countries, including Paraguay, and now detained in German concentration camps.

In a later communication Frost advised us that the Paraguayan Foreign Minister is extremely anxious to obtain a reply concerning the possibility of including in the proposed exchange two girls, native Paraguayan citizens, residing in the province of Hannover, Germany, as well as certain Dutch nationals related to a prominent Paraguayan.

We have been advised from Colombia that the Polish Minister there has, in accordance with the State Department's suggestion, indicated that he would refrain from sending his proposed notes to the Governments of Colombia, Venezuela and Ecuador. It was indicated that he planned to refer the matter back to his Government, which might in turn consider State's suggestion that the Polish Government consult the Inter-American Emergency Advisory Committee for Political Defense on the matter.

COOPERATION WITH THE OFFICE OF CENSORSHIP

It was recently proposed by Director Price of the Office of Censorship that we should assume the responsibility, from

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a security standpoint, for the transmission to and from various foreign points of all messages having to do in any way with refugees. Under the procedure proposed, Censorship would pass incoming and outgoing messages only with our specific approval.

In a conference held with Mr. Price on June 2, Executive Director Pehle pointed out that by its nature the Board is not primarily a regulatory body, nor are we the only Federal agency concerned with refugee matters. Executive Director Pehle stated that while we deal only with those private agencies which we believe are sincerely interested in rescuing and helping victims of enemy oppression and which we believe to be thoroughly reliable, we do not have intelligence reports on the addressees and senders of such messages, nor do we have facilities for such reports. In order to insure cooperation to the greatest extent possible, however, it was agreed that we would designate someone to serve as liaison officer with Censorship, to examine selected communications and to indicate whether we have any special concern with them. This person would also be in a position to furnish Censorship with any information in our possession pertaining to individuals or situations referred to in the communications involved. Ultimate responsibility, from the security point of view, will remain with Censorship.


J. W. Pehle
Executive Director

PARAPHRASE OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: AMREP, Algiers
DATED: June 9, 1944
NUMBER: 1826

CONFIDENTIAL

War Refugee Board sends the following for Murphy.

Following repeated to Naples as no. 169 for Kirk.

A statement containing a paraphrase of Department's message to you of June 8, no. 1823, was issued to the press this morning by the President.

STETTINIUS
Acting

LFG-327
Distribution of true
reading only by special
arrangements. (SECRET W)

Algiers

Dated June 9, 1944

Rec'd 4:37 a.m.

Secretary of State,
Washington.
1914, June 9, 7 p.m.
FROM MURPHY AND ACKERMANN FOR DEPARTMENT
AND WAR REFUGEE BOARD.

We are fully cognizant of problems mentioned in Madrid's no 308 of May 31 to the Department. The same matters have been communicated on many occasions by Ackermann War Refugee Board representative to British Foreign Office representatives who were originally charged with procurement of shipping. However, since cancellation of sailing on June 7, Ackermann has requested intervention of War Shipping Administration representative who has taken strong position to prevent further delay. In addition I have taken up matter with Commander Naval Forces Mediterranean Area pointing out unfortunate results of any further delay. I feel confident that ship will now proceed as scheduled on June 20 unless extremely urgent operational requirements intervene.

Sent to the Department as 1914, repeated to (*)
106

CHAPIN

(*) apparent omission
HTM

CABLE TO AMBASSADOR WINANT, LONDON, FROM DEPARTMENT, FEA, AND WAR
REFUGEE BOARD.

Because of alarming scarcity food and clothing in neutral markets, InterCross has asked War Refugee Board to create stockpiles food and clothing parcels Geneva and other neutral locations for distribution exclusively to unassimilated groups in camps. In transmitting this request, Minister Harrison strongly recommended creation of stockpiles.

Department, FEA, and Board wish to cooperate to the fullest extent compatible with our blockade program and can arrange promptly for the shipment from the United States, Canada, and South America of a maximum 100,000 standard food parcels monthly containing canned goods, sugar, milk, ovaltine, etc., and 50,000 clothing parcels monthly containing warm apparel and shoes to be stored warehouses Geneva and elsewhere neutral countries. Supplies so shipped would be under control War Refugee Board representatives. War Refugee Board proposes that they be released to InterCross for distribution only when following guarantees are assured: (1) enemy governments will derive no benefits from projects, (2) the supplies will reach intended beneficiaries, and (3) adequate accounting will be rendered.

Please take this problem up urgently with the proper British authorities, and, if they agree, obtain necessary blockade clearance so that shipment can be expedited.

June 12, 1944

9:15 A.M.

June 9, 1944
4:30 P.M.

EXECUTIVE OFFICE OF THE PRESIDENT
WAR REFUGEE BOARD

INTER-OFFICE COMMUNICATION

DATE June 14, 1944

TO

FROM

David White

dw

Please change the date on proposed cable copy to London
of June 12, 1944, 9:15 a.m. to June 9, 1944, 4:30 p.m.

ORIGINAL TEXT OF TELEGRAM SENT

FROM: Secretary of State, Washington
TO: American Embassy, London
DATED: June 9, 1944
NUMBER: 4594

CONFIDENTIAL

For Ambassador Winant.

Please refer to your No. 4559 of June 7. War Refugee Board urgently requests that British do not accept notice of sailing of SS BARDALAND from Piraeus.

In view of the apparent belief of the Foreign Office that the refusal of a safe-conduct for the BARDALAND is based upon a German policy of refusing to facilitate the evacuation of Jews to Palestine, you should request the Swedish Government at once to again approach the Germans for a safe-conduct for the BARDALAND for voyages across the Black Sea from Rumania to Turkey, assuring the Germans that refugees evacuated on the BARDALAND will be taken to havens of refuge other than Palestine.

You should also discuss with the British Foreign Office the possibility of establishing refugee havens other than Palestine to which refugees from the Balkans can easily be taken. It is suggested that you specifically mention the possibility of taking such refugees to Cyprus, Tripolitania and Cyrenaica. The President has recently suggested that we explore the possibility of using Cyprus as well as Tripolitania and Cyrenaica. The President has recently suggested that we explore the possibility of using Cyprus as well as Tripolitania and Cyrenaica as a haven for refugees. We feel strongly that if the German refusal of safe-conduct for refugee evacuation voyages across the Black Sea is based upon their opposition to taking such refugees to Palestine, the British and American Governments should leave no stone unturned in attempting to find other refugee havens.

The negotiations with the Swedish Government for the use of the BARDALAND have been handled by Minister Johnson in Stockholm. However, we have received no word from him indicating that the Germans have denied a safe-conduct. In view of the time element involved, will you kindly advise Johnson of the action being taken by you.

Please repeat to Legation in Stockholm.

STETTINIUS
(Acting)

SECRET BY COURIER

A-189
10:35 AM
SENT BY SECRET AIRGRAM

9
June 3, 1944

AMEMBASSY,

PORT-au-PRINCE (HAITI).

FOR THE CONFIDENTIAL INFORMATION OF THE OFFICER IN CHARGE.

Your A-244 of May 3, A-248 of May 4, and A-286 of May 24 have been received.

This Government is gratified over the readiness of Haiti, reported in your A-286, to send the requested note concerning the treatment of persons holding Haitian passports. You may assure the Haitian authorities that any negotiations will be conducted so as to safeguard the status of unquestioned Haitian Nationals under German control.

Judging by your A-286, a misunderstanding has arisen regarding the proper channels for the formal approach to Germany. Such approach should be made through Switzerland as the power protecting Haitian interests vis-a-vis Germany. The supporting demarche to Spain would of course strengthen our own representations there but it is not considered necessary unless the Haitian Government particularly desires it.

It is hoped therefore that the note referred to in your A-286 will be speedily sent to Switzerland.

In this connection, the hope is also expressed that Haiti (a) postpone any adverse determination of the validity of passports issued in Haiti's name until the time when such determinations will no longer expose their holders to death at the hands of the enemy; and (b) approve of exchange negotiations between the United States and Germany on Haiti's behalf, for which such holders will be eligible, it being understood that Haiti will not be expected to admit any of them to Haitian territory. Stettinius acting
gnw

ACTING

WRB:MMV:KG
6/6/44

CCA

SWP

AIRGRAM TO AMERICAN EMBASSY, PORT-AU-PRINCE, HAITI.

Following the promulgation by Haiti of the decree-law of May 29, 1939, a number of persons in Europe were naturalized as citizens of Haiti pursuant to its provisions. Thereafter Haiti promulgated the decree-law of February 4, 1942, which provided that persons so naturalized would lose their Haitian citizenship unless they actually came to Haiti on or before August 5, 1942. By February 4, 1942, however, the major portion of the world was at war and passenger transportation facilities between European ports and Haiti were, for all practical purposes, non-existent. Furthermore, transit had become virtually impossible between German-occupied areas and the neutral ports from which passenger vessels were still plying the Atlantic. Moreover, Haiti herself had declared war on Germany and Italy on December 12, 1941, and consequently on February 4, 1942, Haitian citizens, including those naturalized pursuant to the decree-law of May 29, 1939, located in territory under the control of Germany or Italy were deemed by such countries to be enemy nationals subject to the travel and other restrictions incident to such status. Indeed, a number of Haitian citizens, including persons naturalized as such under the decree-law of May 29, 1939, were interned by the German authorities as enemy aliens. As a consequence of the abnormal travel conditions brought about by the war, and particularly by their status vis-a-vis Germany as enemy nationals, Haitian citizens located in German-controlled areas including those naturalized under the decree-law of May 29, 1939, found it impossible to make arrangements to arrive in Haiti prior to August 5, 1942. It will be perceived, therefore, that the failure of Haitian citizens located in German-controlled areas who were naturalized under the decree-law of May 29, 1939, to comply with the condition to their citizenship subsequently imposed by the decree-law of February 4, 1942, was due to no fault of their own but solely to force majeure and the intervening acts of foreign princes and other sovereignties. Indeed, a number of such persons were disabled from utilizing means of escape from German-controlled areas heretofore available to persons of their original nationality because as Haitian citizens deemed to be enemy nationals by the Germans, they were interned as such by the German authorities, or if not interned, subjected to such supervision as to make escape, which in times past was possible for others, impossible. Cancelling of the Haitian citizenship of many of these people for conduct beyond their control is thus not only an additional misfortune to be suffered among many others brought on by the war, but in the case of persons of Jewish ancestry, constitutes a sentence of death. This is so because the Germans have undertaken to exterminate all Jewish citizens of the territories under their control. To this end, their properties and businesses have been confiscated and they have been herded in unsanitary camps where they receive little food and less care, and whence the survivors are transported, normally in cattle cars, to Poland to be shot, asphyxiated, or put at arduous labor without food until they die. Those Jews among the persons in Europe who were naturalized as Haitian citizens under the decree-law of May 29, 1939 were spared this fate as the German decrees did not apply to citizens

-2-

of neutral countries or of countries not on the continent of Europe. Like other Haitian citizens, however, they found it impossible to comply with the condition imposed on their citizenship by the decree-law of February 4, 1942. As a consequence many of them have been removed from the internment camps or restricted liberties in which they were held as enemy nationals by the Germans and sent to concentration camps and otherwise dealt with as continental non-neutral Jews as above described. A few, however, have as yet escaped this fate, but information has been received that the Germans are now inquiring about their status as Haitian citizens. An example is Mrs. Zelman Solowiejczyk, 42 years old, and her daughter Sephora, 7 years old, of Antwerp, Belgium, whose naturalization was recorded in "Moniteur" of Port-au-Prince of December 23, 1939. According to last reports, they are still held in Antwerp pending receipt of word from Haitian authorities. There are undoubtedly many others in the same predicament.

In view of Haiti's humanitarian stand as shown by your A 286 of May 24 and otherwise, and since the persons concerned failed to comply with the condition to their Haitian citizenship subsequently imposed through no fault of their own, it is hoped that the Haitian government will take such action as may be necessary to preserve and confirm the Haitian citizenship of persons in enemy-controlled areas at least until the war is over and the danger past. To this end, please address yourself to appropriate authorities of the Haitian government, suggesting the urgency of the matter and that a prompt declaration to Germany through the protecting power that the decree-law of February 4, 1942, does not apply to persons who continuously since prior to that date have been within territory under the control of Germany or Italy, and who consequently have been unable to comply therewith, will save a number of innocent lives.

June 9, 1944
11:45 a.m.

AIRGRAM

SECRET

FROM
Tegucigalpa, Honduras
A-211
June 9, 1944
REC'D: June 13 8am

Secretary of State,
Washington.

A-211, June 9, 11:30 a.m.

Reference Department's secret circular airgram of May 11, 1944.
7:30 p.m. and previous communications on behalf of War Refugee Board.

The Government of Honduras has ignored and had nothing to do with the Spanish Minister, whose residence is at San Salvador. The representations suggested in the airgram under reference therefore do not appear to be practicable at this time. In these circumstances, I shall take no further action on this subject unless the Department directs.

ERWIN

711 SC
JDE:mb

Transmitted via courier pouch closing June 9, 1944, 1:30 p.m.

SECRET BY COURIER

A-445

10:10 am

SENT BY SECRET AIRGRAM

AMEMBASSY,

LIMA (PERU)

PERSONAL AND CONFIDENTIAL FOR THE AMBASSADOR

Reference is made to Department's circular airgrams of March 31, 1:05 p.m., of April 11, 11:00 a.m., of April 22, 7:30 p.m., and of May 11, 7:30 p.m., of Department's airgram A-327 of May 1 to Lima, and your A-357 of April 10 and 610 of May 8.

The attitude of the Peruvian Foreign Office is appreciated, but in view of the absence of a full list of holders of documents issued in Peru's name and the jeopardy in which reference to any particular names would place other holders of Peruvian passports in German-controlled territory, it is thought that the only appropriate procedure is for Peru to approach Germany with reference to all such holders generally and without naming any particular persons.

Regret is expressed at the fact that neither this step nor any of the other measures suggested in the Department's communications referred to above have as yet been made by Peru, and it is hoped that Peruvian authorities will lend their cooperation in this government's efforts to rescue at least some of the helpless victims of Nazi oppression before it is too late.

For your guidance, the substance of the measures suggested in our previous communications is hereby repeated: (a) Peru to the lives of all persons holding passports issued in Peru's name or claiming Peruvian citizenship on the basis of consular documents be safeguarded and that they be given all rights, privileges and immunities accorded to civilians of Peruvian nationality; (b) Peru to postpone adverse determination of the validity of such documents until the time when such determinations will no (repeat no) longer expose claimants to death; and (c) Peru to approve of exchange negotiations between United States and Germany on Peru's behalf, for which such holders will be eligible.

WRB:MEV:OMH

6/9/44

HULL
GHW

WCA

CABLE TO AMBASSADOR HAYES, MADRID, SPAIN FROM THE WAR REFUGEE BOARD

Please refer to your No. 1861 of May 26.

The nature and extent of the operations in question can of course best be ascertained in the field from Schwartz and Sequerra. The Board's views will be discussed with you by Mr. McDonald who is now awaiting completion of technical arrangements for his departure. However, if you desire immediate information concerning matters raised in your cable, you may wish to contact James H. Mann, Assistant Executive Director of the War Refugee Board, who has just arrived in Lisbon to confer with Minister Norweb concerning certain problems confronting the Board in Portugal. Mann is thoroughly familiar with the War Refugee Board programs in Spain and Portugal as well as with the activities of private relief agencies licensed by the Treasury Department to operate in these countries. If you so desire, Mann could proceed to Madrid to confer with you immediately upon the completion of his mission in Lisbon.

June 9, 1944
2:50 p.m.

JBF:bbk 6/9/44

DME-76
Distribution of true
reading only be special
arrangement. (SECRET W)

Madrid

Dated June 9, 1944

Rec'd 2:30 p.m., 10th

Secretary of State,

Washington.

2053, June 9, 8 p.m.

The following telegram has been sent to Algiers:

US URGENT

326, June 9, 8 p.m.

FOR ACKERMAN

Blickenstaff states that necessary arrangements can (repeat can) be made in time to embark refugees at Cadix on June 20 and is proceeding with preliminary steps. Your 105, June 8. I should like to emphasize again extreme importance of avoiding any further delays in departure of this group and should appreciate immediate confirmation that we can safely plan on arrival of vessel on date stated.

Repeated to Department.

HAYES

WTD

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Stockholm
TO: Secretary of State, Washington
DATED: June 9, 1944
NUMBER: 2069

SECRET

Today the subject matter of Department's cable of May 25, No. 1010 (WRB cable No. 17) was taken up by me with Mr. Boheman. It was stated by Mr. Boheman that his government is keenly aware of the dangerous position of the Jews in Hungary and already has made official representations to the Hungarian Government, expressing its anxiety. He reacted favorably to the suggestion of increasing Swedish representation at Budapest in the hope that it might have some effect in saving the threatened people and certainly in obtaining more detailed and accurate information with respect to conditions. He remarked that the government of Sweden already is considering the possibility of sending food to those in concentration camps to be distributed under supervision but he said that this would have to depend on the Allies attitude.

Also he remarked that he would like to make entirely clear and hoped that I would report it to my government, that the only reason that the government of Sweden had consented to receive a Charge d'Affaires of the present regime at Budapest was in order to be able to continue Sweden's own representation in Hungary. He remarked that the Government had flatly refused to give an agreement to a Quisling Hungarian Minister but after much consideration it had been felt here that to refuse a Charge d'Affaires would imperil the whole Swedish representation in Hungary and its possibility of helping people in distress. I was told by him that there had been received from Swedish Minister Danielson an exhaustive report of the conditions in Hungary with special reference to persecution of Jews and he promised to make available to me the substance of this report at my request, asking that in any use that the Department may make of it, no indication as to its source will be permitted to become public. As soon as received substance of this report will be telegraphed and full copy sent by air mail. I will go back again to Mr. Boheman when I have received it and try to get concrete suggestions from him as to what it may be practicable to do in Hungary as well as further expression of his ideas with respect to increased Swedish representation.

JOHNSON

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Legation, Bern
 TO: Secretary of State, Washington.
 DATED: June 9, 1944
 NUMBER: 3684

SECRET

1011 Following is from Bertholet from McClelland to War Refugee Board for International Rescue Relief Committee, New York City.

For Jewish Labor Committee cases we are working in close cooperation with Professor Hershch and Michel sometimes with Dr. Fehlemeff.

I gave Lasargurilo 42,800 Swiss francs for the OSE that is \$10,000, with agreement of Professor Hershch.

For Professor Hershch and Michel the monthly budget is 10,700 Swiss francs that is \$2500; I gave them 15,000 Swiss francs for extra expenses.

The monthly budget for disarmament is about 5500 Swiss francs for France, Switzerland and Belgium. I have given them 16,500 Swiss francs to date.

The IHMO budget in Switzerland is about 17,000 Swiss francs monthly. For France we are still in contact with Paul to whom we give about 100,000 French francs per month. We give similar amounts to Austrian socialists and to a friend of ours for German socialists while approximately 50,000 French francs go to Italian socialists. Also we aid some cases from here directly. Extremely difficult is the work in France, much tenacity is required.

There is terrible question of victims of flight against occupation in France. This question is only partly solved. We would like to know if you would agree that we give 1,000,000 French francs monthly to an organization with which I have contact and which is busy with such cases.

I want to express my thanks for your confidence and help.

HARRISON

A-92

4:20 pm

June 9, 1944
UNRESTRICTEDAMEMBASSY,
ANKARA.

War Refugee Board is sending Miss Mary H. Bixler to Ankara in the near future to serve as secretarial assistant to Mr. Herbert Katzki, WRB representative who is proceeding to Ankara to assist Mr. Hirschmann. This is in accord with the request made by the Ambassador in his telegram no. 888 of May 17, 1944, that a secretary accompany Mr. Katzki.

Acting

Stettinius Acting
EPT

FA:WB:FE 6/7/44

WRB

OFS

MJB - 938
Distribution of
true reading only by
special arrangement.
(SECRET W)

Ankara

Dated June 9, 1944

Rec'd 10:38 p.m.

Secretary of State,

Washington.

1039, June 9, 5 p.m.

FOR WEB FROM THE AMBASSADOR.

Ankara No. 72.

For the information of the board. In discussing today with Barlas of the Jewish Agency the reasons for the decreasing number of Jew refugees arriving in Istanbul by rail from Bulgaria he informed me that the President of the Jewish community in Raschuk had recently called on the chief of police of Sofia to inquire why exit visas for Jew refugees were being withheld. The Chief of police replied that he had directed the discontinuance of the issuance of exit visas to Jew refugees after receiving a report to the effect that every Jew refugee arriving in Istanbul was being closely questioned by representatives of the British and American Intelligence Services concerning military and other conditions in Bulgaria.

STEINHARDT

EB RR

PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, Moscow
TO: Secretary of State, Washington
DATED: June 9, 1944
NUMBER: 2050

CONFIDENTIAL

Referring to Department's message Number 1283 of May 24, 11 a.m., the Embassy has requested information as to the present status of the question of departure of Jewish Rabbis from the Soviet Union from the Foreign Office. This subject has also been taken up with the Australian Legation (which is handling Polish interests), which Legation had formerly advised the Embassy that it had been informed by the Foreign Office recently that Polish citizens could not be issued Soviet exit visas on the basis of requests made to the Foreign Office, by the Legation, but that the individuals concerned would have to file separate applications with the nearest office of the Bureau for Visas and Registration for their exit visas. It was noted, however, that exceptional "cases" could be brought to the attention of the Foreign Office at any time by the Legation. The Legation since that time has been unsuccessful in making arrangements for the departure from the Soviet Union of Polish citizens and the possibility of doing so appears unlikely. All persons covered by the evacuation lists sent to the Foreign Office have been informed that in order to obtain exit visas, they must file individual applications.

HARRIMAN

CABLE TO AMBASSADOR HARRIMAN AT MOSCOW.

Legation at Bern advises that reliable information confirms reports of concentration of Jews in factories, lumber yards, cattle markets and similar places pending deportation. Persons immediately involved already approximate 300,000, and indications are that Hungarian populace is unfriendly towards this action of their puppet government. Apparently repeated attempts of non-Jews to be of assistance by bringing food and clothing to Jews has resulted in open newspaper criticism of such actions and the reconcentration of Jews in places remote from towns. Message from Bern concludes substantially as follows: QUOTE 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. Logically it is to be expected furthermore that the Russians would issue such a statement since their government carried out the 'Kharkov trials' after having subscribed to the 'War Criminal' clause of Moscow agreement. By pamphlets especially should the Russian appeal (or rather threat) be publicized since most of the Hungarians do not possess radios in the regions concerned. In any propaganda campaign the emphasis ought to be placed on the complicity of the satellite Hungarian authorities' inveigling, lending willing hands and carrying out this persecution. Facts which should not be forgotten are that the former Government of Hungary not only had pursued a long-standing policy of anti-Semitism, but also that in the guilt of deportation to Galicia and Poland of some 17,000 Jews (for the reason that they were not able to establish adequately their Hungarian Jews deported in 1942 in forced labor battalion to the eastern front in most cases to death from military action, exposure, disease and hunger; and had been directly responsible for the massacres of several thousand Serbs and Jews at Zabljak and Ugvidik (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. Certain channels of particular value (especially Communist) would be opened up, through which relief and rescue operations from Switzerland could be carried on in the Balkans if, like the British Government, the Russians would associate themselves with this initiative. Several well-organized underground channels will either be only partly available to WRB activities from Switzerland or remain entirely closed unless the Soviet Government issues such a declaration. (As the work might be hampered and the reaction unfavorable, no mention of Switzerland in particular should be made in any such declaration). UNQUOTE

- 2 -

On June 3 members of the Senate Foreign Relations Committee issued the following statement signed by Senators Connally, George, Wagner, Gurney, Clark, Bayh, Ellender, Green, Fannin, Bartley, Capper, La Follette, Vandenberg, Davis and Murray: QUOTE The people of the United States and all freedom-loving people are horrified by the news that Hitler has designated the 600,000 Jews in Hungary for death. That the people of Hungary should countenance the cold-blooded murder of innocent men, women and children is unthinkable. Once Hungary was the haven of tens of thousands who fled the Nazi terror in other lands. Once Hungary protected the helpless who sought refuge within its borders. Once Hungarians shielded their Jewish fellow-citizens. But now the Hungarian puppet Government has joined the Nazis in their ruthless determination to do away with the Jews. While there is yet time the people of Hungary can demonstrate to the world that this unholy scheme is a betrayal of the true Hungarian spirit. They can hide the Jews until such time as they may help them to safety across the borders. They can refuse to purchase property stolen from the Jews. They can use every means to obstruct the Nazis and those Hungarians who are in league with the Nazis. They can keep watch and remember those who are accessories to murder and those who extend mercy, until the time when guilt and innocence will weigh heavily in the balance. That time is near. UNQUOTE

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

June 9, 1944
11:45 a.m.

18155 serials 6/7/44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

267
DIVISION OF
COMMUNICATIONS
AND RECORDS

FBM-721

PLAIN

London

Dated June 9, 1944

Rec'd 12:02 p.m.

Secretary of State,
Washington.

7, Ninth.

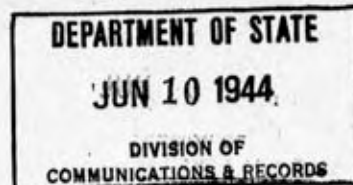
BELGE FROM SCHOENFELD

Department's Circular May 26

In note dated June 8 Belgian Government states it will participate gladly in monetary conference, that its delegation will be headed by Finance Minister Gutt and that names of other delegates will be made known later. Referring to British restrictions on travel and communications note adds acceptance is conditioned on possibility for delegates to leave Great Britain and return and to correspond with government by diplomatic courier and cipher.

WINANT

RR



PARAPHRASE OF TELEGRAM RECEIVED

FROM: American Embassy, Rio de Janeiro
TO: Secretary of State, Washington
DATE: June 9, 1944
NO.: 2104

CONFIDENTIAL

Following is in reference to Department's June 3 circular telegram.

My Economic Counselor was informed by Souza Costa, Finance Minister, that he hoped to attend International Monetary Conference and would discuss the matter with Foreign Minister and the President again.

The Embassy was requested by the Finance Minister to ascertain on a strictly confidential basis for purposes of assisting in these discussions, whether Finance Ministers or persons of comparable rank would head the other delegations. A prompt reply with respect to this would be appreciated.

CATFERY

ef:copy
6-13-44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

269
DIVISION OF
COMMUNICATIONS
AND RECORDS

FMH-903

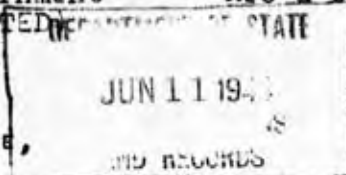
Rio de Janeiro

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

Dated June 9, 1944

Rec'd 9:25 p.m.

Secretary of State,
Washington.



2115, June 9, 9 p.m.

Please inform Treasury Department that Dr. Octavio Bulhoes is leaving by plane June 10 and should arrive Washington June 13. Department's 1644, May 27, 10 p.m. He asks that Treasury Department make hotel reservation covering period preliminary work in Washington.

No decision has been made regarding size or composition of Brazilian delegation but Department should contact Dr. Bulhoes concerning question of Bretton Woods accommodations mentioned in your circular telegram June 3, 6 p.m.

CAFFERY

REP WSB

DEPARTMENT
OF
STATEINCOMING
TELEGRAMDIVISION OF
COMMUNICATIONS
AND RECORDS

GAR-854

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

Santiago, Chile

Dated June 9, 1944

Rec'd 7:00 p.m.

Secretary of State

Washington

US URGENT

1001, June 9, 5 p.m.

DEPARTMENT OF STATE

JUN 10 1944

RECORDS

Dr. Hermann Max Coers born Germany March 19, 1893, residing Chile since 1925, has applied for visitor's visa to accompany Chilean delegation to International Monetary Conference as technical advisor. Dr. Max has been economist and technical advisor of Central Bank of Chile since 1929; is Professor of University of Chile and Rector of Institute of Studies on Banking. Applicant states he was naturalized as Chilean in 1932, his children born in Chile and his interests are here.

Doctor Max is well-known economist and financial authority, always has been friendly and cooperative with Embassy and American business interest in Chile, and has many Pro-Allied friends.

It is especially recommended that favourable advisory opinion be issued as early as possible since delegation departing within a few days.

LMS EJH

BOWERS

JUN 5 1944

To: Mr. Collado

From: Mr. White

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

FOR ADJUTANT FROM THE SECRETARY OF THE TREASURY

Please transmit the following message to Dr. Kung:

Dear Dr. Kung:

**I am happy to know that you are coming to the United States to
participate in the United Nations Monetary and Financial Conference.
It has been my hope that your preoccupation with other problems
would not prevent your coming here, where together we can help to
work toward a solution of international economic problems.**

**While you are in the United States we will have the opportunity
to discuss the financial matters still pending and I hope that we
will be able to reach conclusions on these matters which will be
mutually satisfactory to our governments.**

**Mr. T. L. Seong has brought me your letter of May 5, 1944, and
I thank you for your kind words. I am looking forward to seeing
you again.**

Sincerely yours,

Henry Morgenthau, Jr.

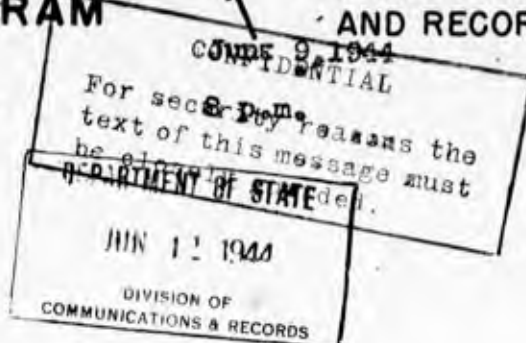
Secretary of the Treasury.

DEPARTMENT
OF
STATE

OUTGOING
TELEGRAM

DIVISION OF
COMMUNICATIONS
AND RECORDS

THIS
This telegram must be
paraphrased before being
communicated to anyone
other than a Government
agency. (SECRET 0)



AMEMBASSY,

CHUNGKING.

796

FOR ADLER FROM THE SECRETARY OF THE TREASURY

Please transmit the following message to Dr. Kung:

"Dear Dr. Kung:

I am happy to know that you are coming to the United States to participate in the United Nations Monetary and Financial Conference. It has been my hope that your pre-occupation with other problems would not prevent your coming here, where together we can help to work toward a solution of international economic problems.

"While you are in the United States we will have the opportunity to discuss the financial matters still pending and I hope that we will be able to reach conclusions on these matters which will be mutually satisfactory to our governments.

"Mr. T. L. Soong has brought me your letter of May 5, 1944, and I thank you for your kind words. I am looking forward to seeing you again.

Sincerely yours,

Henry Morgenthau, Jr. STETTINIUS
Secretary of the Treasury. ACTING
(GL)

FHA:GL:ab 6/9/44

June 9, 1944

To: Mr. Collado

From: Mr. White

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

TO ADLER FROM THE SECRETARY OF THE TREASURY

Reference Cable No. 744, May 29, 1944.

**Treasury has no objection to your following procedure
adopted by other U. S. government civilian officials.**

AI/cfs 5/31/44

June 9, 1944

To: Mr. Collado

From: Mr. White

Will you please send the following cablegram to the American Legation at Cairo for Friedman from Secretary of the Treasury:

You are instructed to depart immediately for Chungking, China, to substitute for Adler as Treasury representative during his absence. Adler is being requested to return to the United States to report and to participate in the United Nations Monetary and Financial Conference, but will stay in Chungking until after your arrival.

HN/AL/cfs 6/9/44

Regraded Unclassified

June 9, 1944

To: Mr. Collado

From: Mr. White

Please send the following cable from the Secretary of the Treasury to the American Legation, Cairo, Egypt, for Guter:

"Since Friedman has been ordered to go to China, you should remain in Cairo unless Minister Landis feels that it is urgent for you to spend further time in Ethiopia. Please cable us if plans call for your absence from Cairo".

HW/AL/cfs 6/9/44

June 9, 1944

To: Mr. Collado

From: Mr. White

Please transmit the following cable from the Secretary of the Treasury to Mr. L. W. Canaday, American Embassy, London, England.

You are instructed to depart as soon as possible for Washington to report and to participate in the United Nations Monetary and Financial Conference.

DEPARTMENT
OF
STATE

OUTGOING
TELEGRAM

DIVISION OF²⁷⁷
COMMUNICATIONS
AND RECORDS

June 9, 1944

11 p.m.

8C-CC

HIS

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

DEPARTMENT OF STATE
DIVISION OF
JUN 11 1944
COMMUNICATIONS
AND RECORDS

AMEMBASSY,

LONDON.

4591

FROM THE SECRETARY OF THE TREASURY FOR MR. L. W.

CASADAY.

You are instructed to depart as soon as possible
for Washington to report and to participate in the
United Nations Monetary and Financial Conference.

STETTINIUS
ACTING
(GL)

FMA:OL:HG

6/9/44

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

278
DIVISION OF
COMMUNICATIONS
AND RECORDS

GAR-827

PLAIN

London

Dated June 9, 1944

Rec'd 5:15 p.m.

Secretary of State

Washington

4614, ninth

DEPARTMENT OF STATE

JUN 10 1944

DIVISION OF
COMMUNICATIONS & RECORDS

FOR STATE AND TREASURY DEPARTMENTS FROM CASADAY

Reference our cables Nos. 4587 and 4602 and the
Ambassador's cable June 8, 5 p.m.

Mr. H. S. Brooks of the British Treasury advised us
in a letter received today of the following additional
information on the British delegation.

Assisting the delegation as named in the Ambassador's
cable No. 4602 will be: Mr. W. E. Beckett of the Foreign
Office as legal adviser; Messrs. H. E. Brooks of the British
Treasury and A. W. Snelling of the Dominion Office as
Secretaries.

The accompanying subordinate staff will be under the
charge of Mr. A. S. Gambling of the British Treasury and
will consist of: Misses Fadzen, Gregory, Holden, Peck,
Storey and Simpson.

According to Mr. Brooks' letter the British expect to
bring

-2- #4614, ninth from London

bring sufficient secretarial staff, stores, typewriters, duplicators, et cetera to handle the work of the British Delegation and to assist the General Secretary of the Conference.

Mr. Brooks indicated in the letter that the preliminary drafting committee will meet in Atlantic City. He informs us that inquiry has been made through the British Treasury representatives in Washington concerning the accommodations to be made for the British staff there.

Lady Keynes will accompany Lord Keynes and will be the only wife in the party.

WINANT

CAN EJH

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

DIVISION OF²⁸⁰
COMMUNICATIONS
AND RECORDS

LC - 764

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

Tehran via Army

Dated June 9, 1944

Rec'd 2:20 p.m.

DEPARTMENT OF STATE

JUN 11 1944
COMMUNICATIONS
AND RECORDS

Secretary of State,
Washington.

414, June 9, 2 p.m.

Foreign Office note confirms that in addition
to Chief Delegate Ebtehaj, Iranian delegation to
Monetary Conference will be composed of Daftary of
Iranian Legation, Washington, Navob of Consulate
General, New York and Nasr of Trade Commission, New
York. All are known to Department.

Substance of Department's circular telegram of
June 3 has been conveyed orally to Ebtehaj and is
being repeated to Foreign Office. Ebtehaj states
he may take one or two clerks to conference from
Legation at Washington but cannot decide until after
his arrival there. He does not (repeat not) believe
delegation will require office space.

Ebtehaj will be only member of delegation to
proceed to conference from outside United States.

Arrangements

-2- #414, June 9, 2 p.m., from Tehran

Arrangements for his air passage to Washington by Air Transport Command have already been made here and he hopes to leave on or before June 15, providing visa authorization received in time, and to arrive in Washington between June 20 and June 25. Presumably he will enter United States via Miami but no (repeat no) information available on this point.

FORD

JT-MEV

DEPARTMENT
OF
STATE

INCOMING
TELEGRAM

282
DIVISION OF
COMMUNICATIONS
AND RECORDS

FBM-731

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

Panama via War

Dated June 9, 1944

Rec'd 12:40 p.m.

Secretary of State,
Washington.

DEPARTMENT OF STATE

JUN 10 1944

DIVISION OF
COMMUNICATIONS & RECORDS

257, June 9, 10 a.m.

Reference Department's circular June 3, 1944
regarding International Monetary Conference.

The Foreign Office has informally stated that
entire Panamanian delegation will consist of (one)
Guillermo Arango, male, President of Investors
Service Corporation of Panama, see biographical
sketch of April 11, 1941 and WTD report September
2, 1943 on Investors Service Corporation; and (two)
Ignacio Mol, male 46 years of age, member of board
of Directors of The National Bank of Panama, motion
picture house owner, pro-American married to an
American; prominent local lawyer now actually in the
United States on a business and vacation trip.

MUCCIO

NPL
REP

SECRETOPTEL No. 188

FRANCE. Bridgehead situation 2.30 p.m., 8th. Forward edge of bridgehead W. of VIRE Estuary on general line STE. MERE EGLISE (8 miles N.W. of CARENTAN) to River DOUVE North of CARENTAN. East of VIRE Estuary Allies hold general line ISIGNY-TREVIERES-COMME (4 miles N.N.W. BAYEUX)-GUERON (2 miles S.W. BAYEUX) - NORREY (6 miles W. of CAEN)-BAVENT (8 miles N.E. of CAEN) thence north to coast.

OPTEL No. 189

Information received up to 10 a.m., 9th June, 1944.

1. NAVAL

FRANCE. Weather has improved and with better landing conditions development of bridgeheads continues rapidly. The small harbour of PORT EN BESSIN has been captured and can be used by coasters. Early 8th N.E. of BARFLEUR boats attacked tank landing craft, one of which was sunk and another seriously damaged. One of H.M. Headquarters ships was bombed and sunk. Estimated both U.S. beaches about 24 hours behind schedule but landing of troops and equipment now continuing with only minor interference. On 7th/8th an Infantry Landing Craft (Large) was sunk by E-boats, but all personnel saved. An empty tank landing craft was also sunk. Early 9th two tank landing ships were torpedoed by E-boats N.E. of BARFLEUR. 4 German destroyers proceeding eastward off ILE DE BAS were intercepted by 8 of our destroyers. 1 was driven ashore and another set on fire. One U.S. Destroyer was mined and sunk and two U.S. Destroyers were seriously damaged. Two U.S. minesweepers and a tank landing ship also damaged by mines. A Hospital Carrier has arrived at SOUTHAMPTON.

2. MILITARY

FRANCE. 8th. Heavy opposition encountered along whole front, particularly north and northeast of CAEN. Our forward line has remained substantially unchanged during the past 24 hours, but small advances have been made southwest of BAYEUX and north of CAEN. 6th Airborne Division on British left flank has been attacked from south and southeast, but is holding fast. 7th Armoured Division is now in British sector. About 950 German prisoners evacuated. Two Panzer divisions engaged: in CAEN area and between BAYEUX and CAEN where German armoured attack 7th in northeasterly direction between these towns resulted in some penetration by a few tanks.

ITALY. Germans started to pull back to river FORO in Adriatic coastal sector opposite V Corps: our patrols following up closely. New Zealanders are now six miles north of BALSORANO and Indian troops about 3 miles south of ARSOLI. U.K. and South African troops are advancing north on 3 separate routes. U.K. Armour has reached the point on ROME-RIETI road where it turns east out of the TIBER Valley and South African Armour is within 10 miles of VITERBO. U.S. troops averaged a ten mile advance along their entire front during the day and their left column on coastal road was last reported at TARQUINIA. Prisoners counted now total 25,000.

BURMA. BISHENPUR. Attack by our troops on the road north of IMPHAL has made a successful start.

KOHIMA. Our troops continue to follow up the Japanese withdrawal from area east of KOHIMA.

NORTH BURMA. Chinese encirclement of Japanese positions KAMAING area continues. Four Japanese strongpoints in MYITKYINA have been destroyed.

3. AIR OPERATIONS

WESTERN FRONT. 7th/8th. 792 tons dropped on the FORET DE CERISY and total 1,120 tons on railways near PARIS. In spite of considerable cloud generally accurate bombing achieved as result of careful marking and directions from master bombers.

Regraded Unclassified

8th. Heavy and medium bombers dropped 1,222 tons on railways in Northern FRANCE; 102 on two airfields south of the battle area; 379 on communications and towns in NORMANDY and 42 on coastal defences near CHERBOURG with good results in nearly all cases. Fighter bombers destroyed 303 rolling stock, 24 locomotives, 16 tanks and many armoured and wheeled vehicles. Enemy casualties reported 44, 3, 14 in the air and 21, 6, 11 on the ground. Ours 3 bombers, 35 fighters. Wellingtons and Beaufighters attacked shipping in the Channel. 5 E-boats were severely damaged or sunk and 1 minesweeper set on fire.

8th/9th. Aircraft despatched:-

Railway Centres ALENCON	112
FOUGERES	114
MAYENNE	93
RENNES	106
PONTAUBAULT, south of AVRANCHES	58
SAUMUR Railway Tunnel	32
BERLIN	32 Mosquitoes
Bomber Support	36
Sea mining	33

3 aircraft missing. About 50 German aircraft operated over the bridgeheads in FRANCE. 1 destroyed by Mosquito.

ITALY. 7th. 171 medium bombers (1 missing) and 458 fighters (6 missing) attacked targets Central ITALY.

8th. 52 Fortresses bombed POLA dropping 13 tons with fair results.